2020 WRITERS GUILD OF AMERICA -
ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS
THEATRICAL AND TELEVISION BASIC AGREEMENT

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PREAMBLE REGARDING SO-CALLED "POSSESSIVE CREDITS"

Purpose of Preamble

In the negotiations leading to the 1995 Minimum Basic Agreement, the Companies and the Guild confirmed their jointly held view that the making of film and television is a collaborative art and business venture in which the contributions of many persons are essential, and without which motion pictures cannot be made. The Companies and the Guild sought to reach an agreement to meet the Guild's long-standing objection to the use of possessive credits. It was concluded that a comprehensive resolution of the issues involved would not be reached prior to the end of the negotiation, but that a comprehensive resolution would be sought in the future. The bargaining parties further agreed to the inclusion of this PREAMBLE as a means of highlighting the Writers Guild's strong, continuing, long-standing opposition and objections to the use of so-called "Possessive Credit(s)."

Defining Possessive Credit(s)

The term "possessive credits" refers to such credits as are generally regarded as such in the film and television industry and which attribute, impute and/or which could be reasonably construed to credit a person with the authorship of a film. It is understood that the term “possessive credits” does not include any forms of writing or source material credits. Examples of such credits are:

" A Film By _____"

" Pat Brown's [title of film] "

" A Robin Smith Film "

The PREAMBLE is in two parts:

1. Statement of the Writers Guild of America.

2. Acknowledging statement by each Company signatory to this MBA.

STATEMENT OF THE WRITERS GUILD OF AMERICA

Writers Guild Objections to Possessive Credits

Since its founding, the Writers Guild has opposed the use of the so-called "possessive credit" on screen and in advertising and promotion when used to refer to a person who is not the sole author of the screenplay.

The Guild's historic, current and ongoing opposition is based upon beliefs and principles which include the following:

Credits should, as far as possible, accurately reflect each individual's contribution.

The granting of a possessive credit to a person who has not both written and directed a given motion picture inaccurately imputes sole or preeminent authorship.

The proliferation of the number of unnecessary credits on screen and in advertising devalues credits in general.

The widespread use of the credit denigrates the creative contributions of others.

ACKNOWLEDGING STATEMENT BY EACH COMPANY

Each Company acknowledges that the Guild holds the foregoing strong objections and beliefs regarding the use of the "possessive credit."

The Companies believe that the best way to address the foregoing objections is through tripartite discussions among the Companies, the WGA and the DGA and, therefore, commit to their full participation in that process.

2020 WRITERS GUILD OF AMERICA - ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS
THEATRICAL AND TELEVISION BASIC AGREEMENT

This Agreement, to be referred to as the **"2020 Writers Guild of America-Alliance of Motion Picture and Television Producers Theatrical and Television Basic Agreement,"** was executed as of the 2nd day of May, 2020, by and between Writers Guild of America, West, Inc. and Writers Guild of America, East, Inc. (hereinafter referred to as the "Guild"), and the following producing companies represented for purposes of collective bargaining by the Alliance of Motion Picture and Television Producers, Inc. ("AMPTP"):

12:05 AM Productions, LLC
1440 Productions LLC
2929 Development LLC
40 North Productions, LLC
30WEST Destroyer, LLC
30WEST Finestkind, LLC
30WEST VOA, LLC
66 Degrees North Post LLC
2 Producers Entertainment, Inc.

ABC Signature Development, Inc.
ABC Signature Studios, Inc.
Abominable Pictures, Inc.
Acacia Productions, Inc.
Academy of Motion Picture Arts and Sciences
AEG Ehrlich Ventures, LLC
Alameda Productions, LLC (d/b/a Legendary Alameda Productions, LLC)
Albemarle Productions, Inc.
ALD Productions Inc.
Alive and Kicking, Inc.
Amazon Studios LLC
Ambient Sounds Productions LLC
Anima Leyenda, Inc.
Apple Development LLC
Appleton Productions, Inc.
Aries Pictures, LLC
Ashland Productions, Inc.
Atlantic 2.1 Entertainment Group, Inc.
Atomic Monster Writing, Inc.
Auckland Productions, Inc.
Avery Pix, Inc.

B Plus Productions, LLC
Backlight Productions LLC
Baer Development WGA, LLC
BalHarbor LLC
Barry Films, Inc.
Base Light Productions LLC
Bee Holder Productions, LLC
Behave Productions, Inc.
Bell Dramatic Serial Company LP
Bell-Phillip Television Productions, Inc.
Big Eight Productions, Inc.
Bliss IP Development LLC
Bonanza Productions Inc.
Borderline Distribution, Inc.
Brad Lachman Productions, Inc.
Bread and Butter Films, Inc.
Breakout Kings Productions, LLC
Breakthrough Awards Productions, Inc.
Brightstar Fox Productions LLC
Bruce Nash Entertainment
Bryan Ulrich LLC
BSFG Holdings Corp

Camdrew Productions LLC
Cap Writers LLC
Carla Singer Productions, Inc.
Carnival Row Productions, LLC
Castlewood Productions, Inc.
CBS Studios Inc.
Celerity Pictures, LLC
Channel Earth Productions, LLC
Chasing the Rebel Productions LLC
Clicquot, LLC
Cloverleaf Productions Inc.
Columbia Pictures Hybrid Productions, Inc.
Columbia Pictures Industries, Inc.
Columbia Tristar Television, Inc.
Comic Scribe LLC
Cook Cabin Entertainment LLC

Corday Productions, Inc.
Cosmos Studios, Inc.
Country Music Association, Inc.
CP Writers, LLC
CPT Holdings, Inc.
Creative Differences, LLC
Creative Global Development Corp.
Creative Pen & Ink Corporation
Crew Neck Productions
Crossed Pens Development LLC
Crystal Lake Entertainment, Inc.

Dakota North Entertainment, Inc.
Dan Wigutow Productions, Inc.
Danjaq, LLC
Dark Horse Development, LLC
DCE WG Developments, Inc.
Dean River Productions, Inc.
Delta Blues Productions LLC
Diablo Details, LLC
dick clark productions, llc
Digital 360 Productions, Inc.
Digital 49 Productions, Inc.
Dilettante Productions, LLC
DLT Entertainment Ltd.
Done & Dusted Events, Inc.
Double Nickel Media, Inc.
Dream House Pictures LLC
DW Dramatic Television L.L.C.
DW Films L.L.C.
DW SKG TV L.L.C.
DW Television L.L.C.
Dyminium Productions, LLC

E&E Productions Inc.
EE Development and Productions LLC
Egregious Entertainment, LLC
ELP Communications
E.R. Productions, Inc. dba Hollywood Global Studios
Escape Artists Development, LLC
Escape Artists Productions, LLC
Evamere Entertainment LLC
Eventvision, Inc.
Evergreen Pictures LLC
Extension 765 Ltd.
Eye Productions Inc.

F90, Inc.
Faster Horse Development LLC
Filia Development, Inc.
Film 49 Productions, Inc.
Folsom Movie, LLC
For You From Me Creations LLC
Forge Pictures Inc.
Founding Fathers, LLC
Fox Square Productions, Inc.
Frank & Bob Films II, LLC
Freddie Sportello, LLC
FTP Productions, LLC
Full Frontal, LLC

Galloping Horse Films LLC.
Gatsby Productions, LLC
GE Development, LLC
General Content II LLC
Gimme Dat Money LLC
GLTB Film Development, LLC
Good Universe Development, LLC
GPA Entertainment, Inc.
GPEC Inc.
Grey Eagle Projects LLC
Gross/Weston Productions, Inc.
GWave Productions, LLC

Halberd Productions, Inc.
Happy Puppet Productions, Inc.
Harbor Moon Productions LLC
Hartbreak Films, Inc.
Harvey Kahn Productions, Inc.
Head First Productions, Inc.
Highway 61, LLC
Hilly, Inc.
Honors Productions, Inc.
Hop Skip & Jump Productions, Inc.
Horizon Productions, Inc.
Horizon Scripted Television Inc.
Hornrim Productions, Inc.
Hostage Productions, Inc.
Howler Monkey Productions
Hudson Entertainment, Inc.
Hydronaut Productions, LLC

In Development, LLC
Indiana Entertainment, Inc.
Intrepid Pictures Development Company LLC

IP Development LLC
Irony East LLC
It's A Laugh Productions, Inc.
Ixtlan Corporation

Jailbreak Development LLC
Jax Media, LLC
Jay Squared Productions LLC
Joe Roth Films, Inc. d/b/a/ Roth Kirschenbaum Development
Joncar Productions, Inc.
Juniper, LLC

Kapital Productions LLC
Katy Mac Session Productions
Kaushi Entertainment, LLC
KDX Entertainment L.L.C.
Keep Calm and Carry On Productions, Inc.
KEL Entertainment, LLC
Kelley Productions, Inc. dba David E. Kelley Productions
Ken Ehrlich Productions, Inc.
Kenwood TV Productions, Inc.
Kester Street Productions, Inc.
Kill Van Kull Productions LLC
KSC Development, LLC (f/k/a Kingdom Studios Development, LLC)
Kyaraben, LLC

Labayka, LLC
LaCanada Distribution, LLC
Lakeshore Entertainment Group LLC
Lakeshow Films LLC
Larry A. Thompson Organization, Incorporated
Laurel Chandler, LLC
Lava Films LLC
Lavender Development, LLC
Legendary Pictures Productions, LLC
Legendary Television Productions, LLC
Leodoro Productions LLC
Leon Animation LLC
Leon Entertainment LLC
LGGL TV Development Productions, LLC
Lifetime Television Development, Inc.
Lily Belle Media Development LLC
Lily Pond Productions LLC
Lima St. Productions LLC
Lions Gate Television Development LLC
Little Egypt Films, LLC
Little Room Pictures, LLC
Living Proof Productions, LLC
Lost City Development LLC
Luce Change Film Company, L.L.C.

MacGillivray Freeman Films, Inc.
Madison Productions, Inc.
Make It Take It Productions, LLC
Main Gate Productions LLC
Mandalay Development, LLC
Manor Drive Productions, Inc.
Marlig Entertainment LLC
Media &Policy Center Foundation of California
Mesquite Productions, Inc.
Metalwork Pictures Development, LLC
Metro-Goldwyn-Mayer Pictures Inc.
MGM Television Entertainment Inc.
Milk Street Productions, LLC
Minderbinder Enterprises, LLC
Minim Productions, Inc.
Minnock, LLC
Miramonte Communications
Montecito Pictures, LLC
Montrose Productions, Inc.
Moon Spin Films, LLC
MVL Development LLC
MVL Productions LLC
My AM Productions, LLC
My Leafs, LLC

Narcos Productions LLC
New Line Productions, Inc.
New Regency Productions, Inc.
New Video Channel Scribes LLC
Next Step Productions LLC
Nima Productions LLC
NM Talent Inc.
NS Pictures, Inc.
NTCP USA Development, LLC

Obfuscated Entity, LLC
Ocean Blue Holdings, LLC
October Holdings, Inc.
Olive Avenue Productions LLC
Olive Productions, LLC
On The Brink Productions, Inc.

Once Upon a Time Productions, LLC
Open 4 Business Productions LLC
Opposite Loft LLC
Optimum Productions
Orange Cone Productions LLC
Orchard Road Productions, LLC
Ovada, LLC
Over the Pond Productions, Inc.

Pacific 2.1 Entertainment Group, Inc.
Palladin Productions LLC
Pantelion Films, LLC
Papatime Development, LLC
Parallax Media, LLC
Paramount Pictures Corporation
Park Court Productions, Inc.
Parkes-MacDonald ImageNation II, LLC
Patch Bay Productions LLC
Peachtree Cinema Development, LLC
Peak 7 Films LLC
Pen to Paper, LLC
Perdido Productions, Inc.
Periscape Studio, Inc.
Perryman, LLC
Pet II Productions, Inc.
Picrow Streaming Inc.
Picrow, Inc.
Platinum Band LLC
Point Grey Film Studios, LLC
Point Grey TV Studios, LLC
Polletto Productions LLC
Pond Writer LLC
PP21 Productions LLC
PPL Development LLC
Preemptive Strike Productions, LLC
Prodco, Inc.
Produced Bayou, Inc.
Proximity Productions LLC
PW Development LLC

Q and Shu Global Industries, LLC
Quadra Productions, Inc.

Ralph Edwards/Stu Billett Productions
Ralph Edwards Productions
Readcrest Productions, Inc.
Real Fiction Productions, LLC
Rebel Artichoke, Inc.
Redweed Productions, LLC
Relentless Productions, LLC
Remote Broadcasting, Inc.
Reunion 2017 LLC
Revolution Studios Development Company, LLC
Rise and Shine Productions, Inc.
RKO Pictures, LLC
Rock Island Films, Inc.
Rough Writers, LLC
Rubin Productions LLC
Ruff Draft Productions, LLC

S8 Writers, LLC
Salamander Film Productions, Inc.
Salty Pictures, Inc.
San Vicente Productions, Inc.
Santa Monica Bay Pictures, LLC
SBI Media, LLC
SBS Entertainment Inc.
SCFV Development, Inc.
Scott Free Productions, Inc.
Scoric Productions Inc.
Script Movie, Inc.
Sea Fog Productions, Inc.
Sequoia Productions, Inc.
ShadowCatcher Entertainment, LLC
Shaftesbury Avenue LLC
Showtime Pictures Development Company
Silent Development Corp.
Silent Films, LLC
Sivad Arts II, Inc.
SKE Creative, LLC
Skidder Development LLC
Skydance Development, LLC
Skylark Lane Development Company, LLC
SMACD, LLC
Smithwood Developments, LLC
Sony Pictures Television Inc.
South Circle Productions LLC
South Rock Productions LLC
Southsquare Productions Inc. (formerly ITV US Productions, Inc.)
Spacebound, LLC
Spalding Laboratories, Inc.
Sparky Productions Inc.
Spirit Productions, LLC
St. Giles LLC

Stalwart Productions LLC
Starz Family Productions, LLC
Starz Heels Productions, LLC
Starz P Town Productions, LLC
State of Mind, LLC
Storyteller Development Co., LLC
Story Telling, Inc.
Stu Segall Productions, Inc.
Stuart Street Digital Studios LLC
StudioCanal Entertainment Development, Inc.
STX FilmDev, LLC
Subtle Differences Productions, Inc.
Summit Entertainment Development Services
Sunny Television Productions, Inc.
Sunset Television Productions, LLC
Supernova Development LLC
Swan Films, LLC

Tango West, LLC
TDG Media LLC
The De Laurentiis Company
The FKPS Company
The Flood Productions, LLC
The Gurin Company
The Imagine Writers Lab, LLC
The Mosaic Group, Inc.
The Place To Be LLC
The SKPS Company
The Steve Tisch Company
The Video Line Inc.
Tiger 62 Development, LLC
Time Travel Unlimited, LLC
Tin Roof Pictures LLC
Titan Productions LLC
Topanga Productions, Inc.
Touchstone Television Productions, LLC dba ABC Studios
TPSC Development, LLC
Trackdown Productions, Inc.
Trip Media, Inc.
TriStar Pictures, Inc.
TriStar Television, Inc.
Tuppence and Trolls Productions, LLC
TVM Productions, Inc.
Twentieth Century Fox Film Corporation

Uncommon Productions LLC
Universal Cable Productions Development LLC
Universal City Studios LLC
Universal Content Productions LLC
Universal Network Programming LLC
Unperfect Productions LLC
UPI Development LLC

Valleycrest Productions Ltd.
Vegas Blows, Inc.
Vendome Development West, LLC
Vertical Hold Productions LLC
Village Roadshow Productions Inc.
VS Films Development LLC

WAD Productions, Inc.
Walt Disney Pictures
Warner Bros. Pictures
Warner Bros. Television
Warner Media Entertainment Pages, Inc.
Warner Specialty Films Inc.
Waveform Productions LLC
WCE Productions, Inc.
West 150 Productions, LLC
White Cherry Entertainment, Inc.
Wiley Optics, Inc.
Willow and Oak, Inc.
Wilton Production, Inc.
Winston Arts LLC
Wiseguy, Inc.
Wishful Productions, LLC
Woodridge Productions, Inc.
Woodrow House Productions LLC
Wordsmith, LLC
WSAV, Inc.

YANDR Productions, LLC
YLK Development, LLC
YNFS Productions LLC

[The Company names listed above were furnished to the Guild by the AMPTP. The Guild does not insure that any such name is in its full and correct form or is spelled correctly. Inquiries regarding the full and correct legal name of a signatory Company may be directed to the Guild's Signatories Department.]

(Each entity listed above is hereinafter referred to as the "Company" and collectively as the "Companies.")

In consideration of the mutual agreements contained in this Agreement, the Guild and the Companies agree as follows:

The provisions of this Basic Agreement shall be designated as follows:

(i) General provisions (herein designated "General") applicable to both theatrical employment, options to purchase literary material for theatrical motion pictures (to the extent provided in this Agreement) and purchases of literary material for theatrical motion pictures and to television employment, options to purchase literary material for television motion pictures (to the extent provided in this Agreement) and purchases of literary material for television motion pictures, and

(ii) Provisions (herein designated "Television") applicable to television employment, options to purchase literary material for television motion pictures (to the extent provided in this Agreement) and purchases of literary material for television motion pictures only, and

(iii) Provisions (herein designated "Theatrical") applicable to theatrical employment, options to purchase literary material for theatrical motion pictures (to the extent provided in this Agreement) and purchases of literary material for theatrical motion pictures only.

The provisions of this Basic Agreement which are applicable to employment, options to purchase and purchases for free television motion pictures are also applicable to employment, options to purchase and purchases for:

(a) live television programs to the extent that such programs would be covered if they were television motion pictures; and

(b) programs covered by Appendix B to the extent provided in Appendix B; and

(c) motion pictures produced primarily for the basic cable market to the extent provided in Appendix C.

Notwithstanding any of the foregoing, the provisions of this Basic Agreement are not applicable to employment, options to purchase and purchases for:

(a) [Deleted.]

(b) programs excluded from the coverage of Appendix B which are produced principally for the pay television and/or videodisc/videocassette markets except to the extent provided in the Sideletter on Informational Programs.

The Company agrees that if it produces program(s) for television of the types heretofore traditionally produced for free television pursuant to any WGA Basic Agreement, such program(s) will be considered to be produced either for free television, basic cable or pay television. In the event a new distribution system evolves (distinct from the foregoing three methods), the parties to this Agreement reserve their respective rights with regard to such new system.

ARTICLE 1 - DEFINITIONS

The following terms or words used in this Basic Agreement shall have the following meanings:

A. GENERAL

1. The term "***television motion picture***" (sometimes referred to in this Basic Agreement as "television film") means the entertainment portion of motion pictures, whether made on or by film, tape or otherwise and whether produced by means of motion picture cameras, electronic cameras or devices or any combination of the foregoing or any other means, methods or devices, now used or which may hereafter be adopted for the recordation of motion pictures produced primarily for exhibition by free television. The prefatory language to this Basic Agreement and the provisions cited therein determine the extent to which the provisions of the Basic Agreement which are applicable to television motion pictures are also applicable to pay television and basic cable.

2. The term "***theatrical motion picture***" means motion pictures and photoplays, whether made on or by film, tape or otherwise and whether produced by means of motion picture cameras, electronic cameras, or devices or any combination of the foregoing or any other means, methods or devices now used or which may be hereafter adopted for the recordation of motion pictures produced primarily for exhibition in a theater or similar location in which a fee or admission charge is paid by the viewing audience, other than

those motion pictures produced primarily for exhibition in another market covered by this Basic Agreement.

3. The term "***basic cable***," as distinguished from pay television or free television, refers to that type of exhibition which is commonly understood in the industry today to be basic cable exhibition.

4. The terms "***pay television***" and "***videodisc/videocassette***" are defined in Article 51 and in Appendix B of this Basic Agreement.

5. The term "***literary material***" shall be deemed to include stories, adaptations, treatments, original treatments, scenarios, continuities, teleplays, screenplays, dialogue, scripts, sketches, plots, outlines, narrative synopses, routines, and narrations, and, for use in the production of television film, formats.

6. The term "***radio rights***" means the right to broadcast by radio for aural reception only and unaccompanied by any recordation, transmission or broadcast intended for visual reception.

7. The term "***week-to-week employment***" means the employment of a writer on a week-to-week basis which, except for such restrictions as may herein elsewhere be contained, may be terminated by the Company or writer at any time.

8. The term "***public domain***" refers to literary material which is not subject to copyright protection in the United States.

9. The term "***member of the Guild in good standing***" means a member of the Guild who has tendered the initiation fee and periodic dues uniformly required as a condition of acquiring or retaining membership.

10. The term "***writer***" shall not be deemed to include any corporate or impersonal purveyor of literary material or rights therein.

11. Other than as provided in Article 14 hereof, this Basic Agreement shall not, nor is it intended to cover, the employment of Producers, Directors, Story Supervisors, Composers, Lyricists, or other persons employed in a *bona fide* non-writing capacity except to the extent that such employment consists of writing services covered under this Article 1, section B.1.a.(2) or section C.1.a., nor the employment of Story Analysts, at any time prior to the expiration of this Basic Agreement, in the synopsizing of literary material, as referred to in the footnotes to Paragraph 1 of the wage scales and working conditions of the current agreement between "Producer

and I.A.T.S.E. & M.P.T.A.A.C. and Local #700 (Screen Story Analysts)" thereof.

12. It is understood that this Basic Agreement shall not, nor is it intended to, cover contracts for the purchase of literary material (a) which literary material at the time of purchase is published or exploited in any manner or by any medium whatever, or (b) with a person who is not a professional writer as defined in Article 1.B.1.b. or 1.C.1.b. hereof, whichever of said subparagraphs of Article 1 is applicable.

12.1. The term **"network,"** as used in this Agreement, means ABC, CBS, FBC and NBC, or any other entity which qualifies as a "network" under Section 73.662(f) of the rules of the Federal Communications Commission, unless the FCC determines that such entity is not a "network" for purposes of such Section.

13. Other terms not expressly defined in this Basic Agreement are used in their present commonly understood meaning in the theatrical motion picture and television motion picture industry in the State of California.

14. [Deleted.]

15. [Deleted.]

16. [Deleted.]

17. [Deleted.]

B. THEATRICAL

1. Writer and Professional Writer

   a. A "***writer***" is a person who is:

      (1) employed by the Company to write literary material as defined herein, where the Company has the right by contract to direct the performance of personal services in writing or preparing such material or in making revisions, modifications or changes therein; or

      (2) employed by Company and who performs services (at Company's direction or with its consent) in writing or preparing such literary material or making revisions, modifications, or changes in such literary material

regardless of whether such services are described or required in his/her contract of employment; provided, however, that any writing services described below performed by Producers, Directors, Story Supervisors (other than as provided in Article 14 hereof), Composers, Lyricists, or other employees, shall not be subject to this Basic Agreement and such services shall not constitute such person a writer hereunder:

(a) Cutting for time
(b) Bridging material necessitated by cutting for time
(c) Changes in technical or stage directions
(d) Assignment of lines to other existing characters occasioned by cast changes
(e) Changes necessary to obtain continuity acceptance or legal clearance
(f) Casual minor adjustments in dialogue or narration made prior to or during the period of principal photography
(g) Such changes in the course of production as are made necessary by unforeseen contingencies (*e.g.*, the elements, accidents to performers, etc.)
(h) Instructions, directions, or suggestions, whether oral or written, made to writer regarding story or screenplay

In addition to the foregoing, in the case of a person who at the time he/she performs services has not received at least two (2) screen credits for story or screenplay or both, as determined pursuant to Theatrical Schedule A of this Basic Agreement, or Schedule A of prior Theatrical Basic Agreements, within a period of ten (10) years (or has not received at least one (1) of such credits within a period of five (5) years) immediately prior to the rendition of such services, and who is employed solely in the capacity of the *bona fide* producer of a motion picture and whose employment does not include the requirement that he/she perform writing services, then, such person may, in addition to the above, perform the following writing services: make changes in dialogue, narration or action, but not including significant changes in plot, story line or interrelationship of characters, and such services by such person shall not be subject to this Basic Agreement. If such person does make significant changes in plot, story line or interrelationship of

characters, then such services by such person shall be subject to this Basic Agreement, except Article 6 hereof.

In addition to the foregoing, in the case of a person who at the time he/she performs services has received at least two (2) such screen credits within such ten-year period (and with at least one (1) of such credits within such five-year period) immediately prior to the rendition of such services, and who is employed solely in the capacity of the *bona fide* producer of a motion picture, and whose employment does not include the requirement that he/she perform writing services, then, if such person shall perform writing services in addition to those described in (a) through (h) above, such services by such person shall be subject to this Basic Agreement.

In addition to the foregoing, in the case of a person who at the time he/she performs services is employed solely in the capacity of the director of a motion picture, and whose employment does not include the requirement that he/she perform writing services, then, such person may, in addition to the above, perform the following writing services: make changes in dialogue, narration or action, but not including significant changes in plot, story line or interrelationship of characters, and such services by such person shall not be subject to this Basic Agreement.

If such person does make significant changes in plot, story line or interrelationship of characters, then such services by such person shall be subject to this Basic Agreement, except Article 6 hereof.

In any event, if any producer or director shall receive screen credit pursuant to the provisions of Theatrical Schedule A and the Guild's credit rules relating to the writing contribution necessary for such credit, then the provisions of Paragraph I. of Article 6 of this Basic Agreement shall apply with respect to such person.

With respect to a person employed solely as a producer-director, on the motion pictures which he/she directs, the director paragraph above shall apply and on the motion pictures which he/she does not direct, the producer paragraphs above shall apply.

As used above, "***producer***" shall also include the *bona fide* executive producer of said motion picture if such executive producer is of the same industry stature and has responsibilities and functions similar to those held or exercised by the following executive producers during 1977: Samuel Arkoff, Ron Miller and Marvin Mirisch.

With respect to signatory Companies, no services of any kind of any executive of the same industry stature and with responsibilities and functions similar to those held by or exercised by the following executives during 1977: Cardon Walker, Alan Ladd, Jr., John Calley, and Daniel Melnick shall be covered by any provisions of this Basic Agreement, except that if any such executive shall receive screen credit pursuant to the provisions of Theatrical Schedule A and the Guild's credit rules relating to the writing contribution necessary for such credit, then the provisions of Paragraph I. of Article 6 of this Basic Agreement shall apply to such person.

b. The term "***professional writer***" means a person who on or after May 2, 2020, sells, licenses or options to the Company the ownership of or rights to use literary material written by such writer, for use in the production of a motion picture, which literary material had not prior to such sale, license or option been published or exploited in any manner or by any medium whatsoever, and who at such time:

(1) has received employment for a total of thirteen (13) weeks, which need not be consecutive, as a motion picture and/or television writer, or radio writer for dramatic programs or writer on a “High Budget SVOD Program” (as defined in the Sideletter on Literary Material Written for Programs Made for New Media); or

(2) has received credit on the screen as a writer for a television or theatrical motion picture or “High Budget SVOD Program” (as defined in the Sideletter on Literary Material Written for Programs Made for New Media); or

(3) has received credit for three (3) original stories or one (1) teleplay for a program one-half hour or more in length in the field of live television; or

(4) has received credit for three (3) radio scripts for dramatic radio programs one-half hour or more in length; or

(5) has received credit for one (1) professionally produced play on the legitimate stage, or one (1) published novel.

The Company may rely on the statement of the writer with respect to whether or not the material had theretofore been published or otherwise exploited.

2. The term "***treatment***" means an adaptation of a story, book, play or other literary, dramatic or dramatico-musical material for motion picture purposes in a form suitable for use as the basis of a screenplay.

   The term "***original treatment***" means an original story written for motion picture purposes in a form suitable for use as the basis of a screenplay.

3. The term "***screenplay***" means the final script with individual scenes, full dialogue and camera setups.

4. The term "***first draft screenplay***" means a first complete draft of any script in continuity form, including full dialogue.

5. The term "***story***" means literary or dramatic material indicating the characterization of the principal characters and containing sequences and action suitable for use in, or representing a substantial contribution to, a final script.

6. The term "***shorts***" or "***short subjects***," for the purposes of this Basic Agreement, is defined as motion pictures which when released are 3,600 lineal feet or less in length, other than motion pictures known as cartoons, newsreels, trailers, travelogues, commercials or news and sports commentaries and motion pictures intended primarily for exhibition by free television, if such motion pictures are originally made and originally distributed as such.

7. The term "***rewrite***" means the writing of significant changes in plot, story line, or interrelationship of characters in a screenplay. "***Polish***," as used herein, means the writing of changes in dialogue, narration or action, but not including a rewrite.

8. Merchandising Rights - The term "***merchandising rights***" means the right to manufacture and to sell or otherwise dispose of any object or thing first described in literary material written by the writer pursuant to an employment agreement subject to this Basic Agreement, entered into on or after May 2, 2020, or acquired from a professional writer; provided such object or thing is fully described in such literary material and by such description appears to be unique and original. Merchandising rights include the right of publication in publications of the generic type described as "photo novels" or "photo albums."

   The writer shall have no merchandising rights. However, if the Company exploits the merchandising rights (as defined above) in any such literary material, Company shall pay to such writer an amount equal to five percent (5%) of absolute gross, that is, monies remitted by the manufacturer on account of the exploitation of the subject merchandising rights. The provisions of this subparagraph 8. are also applicable to a writer who is not entitled to Separation of Rights.

9. The term "***interactive rights***" means the right:

   a. to reuse a theatrical motion picture, in whole or in substantial part, in an interactive program, as provided in Article 64.B.1.;

   b. to utilize excerpts from a theatrical motion picture in an interactive program, as provided in Article 64.B.2.; and

   c. to produce an interactive program based upon literary material for a theatrical motion picture written by a writer pursuant to an employment agreement (to which employment the provisions of this Basic Agreement or any prior MBA containing a separation of rights provision applies) or acquired by the Company from a professional writer (to which acquisition the provisions of this Basic Agreement or any prior MBA containing a separation of rights provision applies), which interactive program meets the requirements of Article 64.C.1.

      The writer shall have no interactive rights. However, if the interactive rights are licensed as provided in Article 64.B.1., B.2., C.1., D.1.a. or D.2.a., Company shall make payment to the writer in accordance with such provisions.

C. TELEVISION

1. Writer and Professional Writer

a. A "***writer***" is a person who is:

(1) engaged by the Company to write literary material as defined herein (including making changes or revisions in literary material), when the Company has the right by contract to direct the performance of personal services in writing or preparing such material or in making revisions, modifications or changes therein; or

(2) engaged by Company and who performs services (at Company's direction or with its consent) in writing or preparing such literary material or making revisions, modifications, or changes in such material regardless of whether such services are described or required in his/her contract of employment.

A writer is a creative and professional person who performs a unique and indispensable function in relation to the production of motion pictures. It is an element of good faith, and part of the consideration of this Agreement, that no Company will use any of the following provisions of this paragraph with the purpose or intent of circumventing the employment of writers. Accordingly, it is agreed that the following services performed by an employee who is not employed as a writer shall not be subject to this Agreement and such services shall not constitute such a person a writer hereunder:

(a) Cutting for time
(b) Bridging material necessitated by cutting for time
(c) Changes in technical or stage directions
(d) Assignment of lines to other existing characters occasioned by cast changes
(e) Changes necessary to obtain continuity acceptance or legal clearance
(f) Casual minor adjustments in dialogue or narration made prior to or during the period of principal photography
(g) Such changes in the course of production as are made necessary by unforeseen contingencies (*e.g.*, the elements, accidents to performers, etc.)

(h) Instructions, directions or suggestions, whether oral or written, made to a writer regarding story or teleplay

In addition to the foregoing, if a person is employed solely in the capacity of the *bona fide* executive producer or *bona fide* producer of a specific television program and his/her employment agreement does not include the requirement that he/she perform writing services, and if said person has not been employed as a writer at least twice since June 1, 1966, and if said person nevertheless renders writing services (other than those specified in (a) through (h) above), then his/her employment as a writer shall be subject to this Basic Agreement, except that Article 6 and Article 14 of this Basic Agreement shall not be applicable if he/she performs no more than the following writing services on not more than three (3) programs in any one (1) production season (not more than one (1) of which may be a program in a mini-series, which for this purpose is a series of not more than eight (8) episodes in the production season): changes in dialogue, narration or action, but not including significant changes in plot, story line or interrelationship of characters. If such person makes significant changes in plot, story line or interrelationship of characters, such person shall be subject to Articles 6 and 14 of this Basic Agreement.

In determining whether a person has been employed as a writer since June 1, 1966, for the purposes of this subparagraph, (i) each separate occasion, if any, for which he/she has declared earnings to the Guild for services as a writer performed on a particular theatrical motion picture or television project since June 1, 1966, and (ii) each occasion, if any, on which he/she has been listed as a participating writer in relation to a screen authorship credit determination pursuant to a collective bargaining agreement with the Guild with respect to services performed as a writer since June 1, 1966 shall be conclusively counted as an employment as a writer. The exception provided for in this subparagraph shall not be valid in a particular case unless the Company obtains from the individual a warranty in writing that he/she has not been employed as a writer at least twice since June 1, 1966. If the Guild should question whether the exception applies, whether relating to employment by the Company or by another signatory, the Company shall cooperate in making available to the Guild any evidence in its possession or control which may be relevant to the inquiry. Said exception shall not apply to a writer if such writer has been previously

employed as a writer also employed in additional capacities as provided in said Article 14.

With respect to signatory Companies, no services of any kind of any executive of the same industry stature and with responsibilities and functions similar to those held by or exercised by the following executives during the 1977-78 broadcast season: Larry White at Columbia Pictures Industries, Inc., Allan Shayne at Warner Bros. Inc., Sy Salkowitz at Twentieth Century-Fox Film Corp., and Ron Miller at Walt Disney Productions, shall be covered by any provisions of the Basic Agreement, except that if any such executive shall receive screen credit pursuant to the provisions of Television Schedule A and the Guild's credit rules relating to the writing contribution necessary for such credit, then the provisions of Article 6, Paragraph I. shall apply to such person.

In addition to the foregoing, in the case of a person who at the time he/she performs services is employed solely in the capacity of the director of a specific television program, and whose employment does not include the requirement that he/she perform writing services, then, such person may, in addition to (a) through (h) above, perform the following writing services: make changes in dialogue, narration or action, but not including significant changes in plot, story line or interrelationship of characters, and such services by such person shall not be subject to this Basic Agreement. If such person does make significant changes in plot, story line or interrelationship of characters, then such services by such person shall be subject to this Basic Agreement, except Article 6 hereof.

In any event, if any director shall, with respect to the particular program, receive screen credit pursuant to the provisions of Television Schedule A and the Guild's credit rules relating to the writing contribution necessary for such credit, then the provisions of Article 6, Paragraph I. shall apply to such person. A writer who renders services as a director on a particular episode shall be deemed to be a director as to such episode.

b. A "***professional writer***" means any person who has (1) received employment for a total of thirteen (13) weeks as a television, motion picture or radio writer or writer on a “High Budget SVOD Program” (as defined in the Sideletter on

Literary Material Written for Programs Made for New Media), or (2) has received credit on the screen as a writer for a television or theatrical motion picture or on a “High Budget SVOD Program” (as defined in the Sideletter on Literary Material Written for Programs Made for New Media), or (3) has received credit for three (3) original stories or one (1) teleplay for a program one-half hour or more in length in the field of live television, or (4) has received credit for three (3) radio scripts for radio programs one-half hour or more in length, or (5) has received credit for one (1) professionally produced play on the legitimate stage or one (1) published novel.

2. The term "***teleplay***" means the final script with individual scenes, full dialogue or monologue (including narration in connection therewith), and camera setups if required; provided, however, that if the Company desires any script to consist in part of suggested or indicated dialogue (so that an actor portraying a role may extemporize therefrom), such suggested or indicated dialogue shall be deemed to satisfy the requirement of "full dialogue or monologue."

3. The term "***rewrite***" means the writing of significant changes in plot, story line or interrelationship of characters in a teleplay.

4. The term "***polish***" means the writing of changes in dialogue, narration or action, but not including a rewrite.

5. A "***back-up script***" is a story and/or teleplay for a proposed episodic series for which a writer is employed prior to the exploitation of the television series sequel rights for such proposed series, other than a pilot script.

6. A "***pilot script***" is a story and/or teleplay intended to be used for the production of a pilot for a proposed serial or episodic series and setting forth the framework intended to be repeated in subsequent episodes, including the setting, theme and premise of the proposed serial or series and its central running characters. A story and/or teleplay may be a "pilot script" whether or not there is a separate format for the proposed serial or series and regardless of whether it is written for broadcast as a unit of a unit series or as a one-time program. The foregoing definition of pilot script also may apply to a story and/or teleplay intended to be used for the production of a pilot for a proposed unit series which does not have central running characters, but which story and/or teleplay does set forth the context and continuing framework intended to be repeated in

subsequent units, including the central premises, themes, setting (locale, time, etc.), flavor, mood, style and attitude of the proposed unit series.

Nothing herein shall be construed to require that a pilot be produced for any such serial or series nor that a pilot script must be written for any such serial or series.

7. The term "***first draft teleplay***" means a first complete draft of any script in continuity form, including the full dialogue.

8. The term "***story***" means a story indicating the characterization of the principal characters and containing sequences and action suitable for use in or representing a substantial contribution to a final script; provided, however, that the writer shall not be obligated to insert dialogue therein (except to the extent necessary to show characterization) or to prepare the story in the form of a step outline.

9. a. A "***national radio network broadcast***" means a broadcast carried simultaneously by a station or stations in excess of the stations comprising a regional radio network.

   b. A "***regional radio network***" means a network maintained by a network company for regional coverage as distinguished from national or transcontinental coverage.

10. The term "***dramatic rights***" means the right of presentation in dramatic form on the speaking stage with living actors appearing and performing in the immediate presence of an audience, without any recordation, transmission, or broadcast thereof intended for aural or visual reception at places away from the place of performance, except that the dramatic rights shall include the right to broadcast directly by television such live presentation without any kinescope or other recording thereof, subject to restriction concerning the time when such broadcasts may be made as hereinafter provided.

11. The term "***publication rights***" means the right to publication of the work in book form or in magazine or periodical form, including serial publication.

12. "***Series sequel rights***" means the right to use the leading character or characters of a work participating in a substantially different story in an "episodic series" or "serial" type television program, production made for new media or radio program.

"***MOW sequel rights***" means the right to use the leading character or characters of a work participating in a substantially different story in a television program or in a production made for new media (other than a High Budget SVOD Program as defined in the Sideletter on Literary Material Written for Programs Made for New Media) ninety (90) minutes or longer, or in a High Budget SVOD Program ninety-six (96) minutes or longer, which is ordered subsequent to the broadcast of the "first MOW," as defined in Article 16.B.2.b., and is other than an exploitation of the "series sequel rights."

13. The term "***single unit***" means a television program intended for broadcast as a single show, broadcast or program, and not as a part of a unit series or episodic series.

14. The term "***unit series***" means a series of programs, each of which contains a separate complete story, without a character or characters common to each of the programs in the series, but held together by the same title, trade name or mark or identifying device or personality common to all the programs in the series.

15. "***Episodic series***" means a series of programs, each of which contains a separate complete story with a character or characters common to each of the programs in the series, provided, however, that such series shall still remain an episodic series even though a two- three- four- or five- multi-part story is utilized in the series.

    With regard to "literary material" for an "episodic series," extricable material shall consist of the plot of such material, and such original characters and characterizations which are distinctive and identifiable and which are the sole original creation of the writer, but shall not include the names of the characters.

16. The term "***serial***" means a series of programs in which generally the same characters carry on a continuing narrative.

17. The term "***established serial or episodic series***" means a serial or episodic series based upon material that has been published or exploited in any manner or by any medium whatsoever, or based upon a story in the public domain or owned by the Company.

18. **Merchandising Rights**

    a. The term "***merchandising rights***" with regard to any established serial or episodic series, or any unit series or one-time television program to which separated rights do not

apply, means the right to manufacture and to sell or otherwise dispose of any object or thing first described in literary material written by the writer, provided such object or thing is fully described therein and by such description appears to be unique and original.

b. With regard to writers entitled to separation of rights, merchandising rights shall mean the exclusive right to grant to manufacturers or others the right to refer, in conjunction with the marketing or exploitation of objects or things, to the series in which the writer's separation of rights exists or to characters of such series, but such objects or things shall not include:

(1) The television motion picture itself or any part of the television motion picture;

(2) Music composed for or identified with such series or with any episode of such series, including any form of exploitation of music, such as records or publishing;

(3) Objects or things furnished by a manufacturer or other person or company for use in or in connection with such series or any episode of such series, where the Company receives no revenue from the marketing of such objects or things (for example, a motorcycle manufacturer furnishes motorcycles to the Company for photography in a series dealing with motorcyclists in exchange for the right granted to the manufacturer to refer to the series or to characters of the series in conjunction with the marketing and exploitation of its motorcycles);

(4) Objects or things manufactured or sold by any sponsor of such series, where the right to refer to such series or characters of such series in conjunction with the marketing of such objects or things is obtained by the sponsor as part of the initial agreement for the sponsorship of the series, and the Company receives no revenue from the marketing of such objects or things (as distinguished from the revenue received by the Company for the series itself); but the sponsor referred to in this subparagraph (4) refers to the overall sponsor or sponsors of the series, as distinguished from the companies advertising in "spot" commercials;

(5) Objects or things which, in the reasonable judgment of the Company, would be harmful to the Company, network, sponsor or series to identify with such series or with characters of such series.

To effectuate the purposes of the foregoing provisions, the writer shall notify the Company in writing of the proposed license and the object or thing which is to be the subject of the license at least ten (10) business days before granting the license, so as to give the Company the opportunity to give appropriate notice to the writer. If the Company notifies the writer that any proposed license is in violation of any of the foregoing provisions of this subparagraph 18., the Company shall concurrently send a copy of such notice to the Guild. Within one (1) business day after receipt of such notice the Guild may submit the dispute to arbitration, for which purpose the "quick arbitration" provisions of Paragraph 26 of Theatrical Schedule A shall be used (but for this purpose a special panel of arbitrators shall be selected by the parties as promptly as possible following the execution of this Agreement). With respect to subparagraph (5), the arbitrator's authority shall be limited to deciding whether the Company's judgment was reasonable. The reserved merchandising rights do not include the right to use or license the use of:

(i) The name or likeness of any person;

(ii) Any proper name, trademark, service mark, trade name, or literary or artistic character (except public domain characters) existing and first exploited independently of such series.

The Company does not warrant or represent that it has or will have the right to use the title of the series or of any episode of the series in merchandising deals. In the event that a writer of a particular episode is entitled to a merchandising rights payment, the amount due such individual shall be deducted from the merchandising rights payment which would otherwise be due the writer entitled to separation of rights in the series. The definition of "merchandising rights," as it applies to writers entitled to separation of rights, shall be without prejudice to the

respective positions of the parties hereto as to the meaning of the term in previous collective bargaining agreements.

19. The term "***interactive rights***" means the right:

a. to reuse a television motion picture, in whole or in substantial part, in an interactive program, as provided in Article 64.B.1.;

b. to utilize excerpts from a television motion picture in an interactive program, as provided in Article 64.B.2.; and

c. to produce an interactive program based upon literary material for a television motion picture written by a writer pursuant to an employment agreement (to which employment the provisions of this Basic Agreement or any prior MBA containing a separation of rights provision applies) or acquired by the Company from a professional writer (to which acquisition the provisions of this Basic Agreement or any prior MBA containing a separation of rights provision applies), which interactive program meets the requirements of Article 64.C.2., subject to the following:

(1) When separation of rights does not apply to such literary material, but the writer(s) describes an object or thing or introduces a character as provided in Article 64.C.2.a. or b., such writer shall have no interactive rights. However, if the Company exploits the interactive rights as provided in Article 64.C.2., D.1.b. or D.2.b., Company shall make payment to such writer in accordance with such provisions.

(2) The interactive rights described in this subparagraph c. are reserved to the writer(s) entitled to separation of rights pursuant to Article 16.B.3.a. (subject to Article 16.B.3.d. or e. and 16.B.5.).

With respect to subparagraphs a. and b. above, the writer shall have no interactive rights. However, if the Company exploits either of such rights as provided in Article 64.B., D.1.b. or D.2.b. (subject to subparagraph c.(2) above), Company shall make payment to the writer in accordance with such provision.

20. A "***routine***" means a self-contained dramatic unit constituting fifty percent (50%) or less of the entertainment portion of a comedy-variety program; provided that such routine is either (a) an

adaptation of material previously used in television or any other medium, or (b) original and written to fit the special talents and personality of the particular actor or actors in the program involved.

21. The term "***simulcast***" means the broadcast of a single performance of a program by radio and television, whether or not the radio and television broadcasts are made at the same time, provided that the original broadcasts by radio and television take place within twenty-one (21) days of each other.

22. Writers of variety and audience participation programs shall be deemed included under all provisions of this Basic Agreement to the same extent as writers of dramatic programs, despite the fact that only "story" and "teleplay" are hereinafter referred to in the Agreement.

23. The term "***weekly unit of television films***" means the number of television films of a particular series of variety (including comedy-variety), quiz or audience participation programs prepared by the same writer or writers for initial broadcast within one (1) week.

24. The term "***format***" means a written presentation consisting of the following:

    a. As to a serial or episodic series, such format sets forth the framework within which the central running characters will operate and which framework is intended to be repeated in each episode; the setting, theme, premise or general story line of the proposed serial or episodic series; and the central running characters which are distinct and identifiable, including detailed characterizations and the interplay of such characters. It also may include one or more suggested story lines for individual episodes.

    b. As to a multi-part series telling a complete story such as *"Rich Man, Poor Man"* (Book I) or *"Roots"* or a prime time serial, such as *"Executive Suite,"* such format as described in a. above shall be called a ***"bible"*** if, in addition and at the request or upon the instructions of the Company, it contains all of the following characteristics and requirements:

        (1) It is in much greater detail than a traditional format, and includes the context, framework, and central premises, themes and progression of the multi-part series or serial.

(2) It sets forth a detailed overall story development for the multi-part series or for the first broadcast season of the serial (or such lesser period as may be contracted for with the writer) and includes detailed story lines for (a) all of the projected episodes of the multi-part series or (b) most of the projected episodes for the first broadcast season of the serial (or such lesser period as may be contracted for with the writer).

(3) The characters must be not only distinct and identifiable, but must be set forth with detailed descriptions and characterizations.

c. Except as to minimum compensation and reversion pursuant to Article 16.B.2.a., a "***bible***" is a format for all other purposes of this Agreement, including but not limited to other applicable provisions of Article 16.B.

d. As to a unit (anthology) series, a format means a written presentation consisting of the following: a detailed description of the concept of the proposed series; the context and continuing framework intended to be repeated in each episode; and the central premises, themes, setting (locale, time, etc.), flavor, mood, style and attitude of the proposed series; and it may include suggested story lines for several of the projected episodes.

25. The term "***narration***" means material used (typically off camera) to explain or relate sequences or action (excluding promos or trailers).

26. ***Narrative Synopsis***: An outline of a story owned by a writer, which is prepared for the purpose of determining the suitability of the story for teleplay purposes, which outline shall indicate characters and plot line but need not be sufficiently developed to meet the definition of a story.

ARTICLE 2 - TERM AND EFFECTIVE DATE OF AGREEMENT

A. GENERAL

1. The term of this Basic Agreement shall commence on May 2, 2020 and shall continue to and include May 1, 2023.

2. With respect to all employment agreements with writers in effect on May 2, 2020, the terms of this Basic Agreement relating to minimum compensation and to rights in material shall apply only to services performed and literary material written under such employment contracts where the date of actual employment (*i.e.*, the commitment date) was on or after May 2, 2020, except as specifically otherwise provided herein in Article 2, Section B. or Section C.

3. With respect to literary material licensed or acquired from professional writers (as described herein), the terms of this Basic Agreement relating to minimum compensation and rights in material shall apply only to unpublished and unexploited literary material licensed or acquired from such professional writers on or after May 2, 2020. Options of unpublished and unexploited literary material obtained from professional writers on or after May 2, 2020 shall be subject only to the provisions of this Basic Agreement relating to options (*i.e.*, third paragraph of Article 13.A., Article 13.B.1.a., Article 16.A.3.d. and Article 16.B.3.i.), and then only to the extent applicable. Disputes relating to the options provisions listed in the preceding sentence shall be subject to grievance and arbitration as provided in Articles 10, 11 and 12 of this Agreement.

4. Company or Guild may, by written notice to the other served not earlier than ninety (90) days nor later than sixty (60) days prior to the expiration date of this Basic Agreement, signify its desire to negotiate a new collective bargaining agreement which shall become effective upon a date determined by mutual agreement between the Company and the Guild. Such notice shall set forth in detail the proposals or recommendations of the party serving such notice. If such notice is served, the parties agree to commence negotiations covering the proposals or recommendations in the notice, and the proposals and recommendations of the party receiving such notice, within thirty (30) days after the receipt of such notice and to continue such negotiations diligently and in good faith. It is understood and agreed that the existing Basic Agreement shall continue in full force and effect until the termination date above provided.

5. [Deleted]

6. [Appeared as Article 2.A.5. in predecessor Basic Agreements.] Nothing herein contained shall be deemed to modify or affect the terms or conditions of any existing contract which are more favorable to the writer than the terms and conditions of this Basic Agreement.

B. THEATRICAL

1. With respect to all theatrical employment agreements with writers under term or deal contracts which were in effect on May 2, 2020, the new minimum compensations, conditions and Theatrical Schedule A as herein contained shall not in any manner be applicable for the period prior to, nor effective until:

   a. in the case of a term contract, the effective date of the exercise of the next option which occurs after May 2, 2020, for the renewal of the employment period, or six (6) months after the effective date of the commencement of the current employment period, whichever occurs first, but in no event prior to May 2, 2020.

   b. in the case of a deal contract, the effective date of the next step of such deal contract which commences after May 2, 2020.

2. Any contractual obligation by Company, in effect on December 12, 1966, to give credit for source material or story in connection with a photoplay, shall not in any manner be affected by the provisions of Theatrical Schedule A contained herein.

C. TELEVISION

1. With respect to television employment agreements with writers on a term or week-to-week contract basis in effect on May 2, 2020, the terms of this Basic Agreement relating to rights in material shall apply only to literary material written pursuant to assignments made on or after May 2, 2020.

2. Notwithstanding any other provisions of this Article, the terms of this Basic Agreement relating to rights in material shall not apply to literary material written pursuant to any agreement in effect on May 2, 2020, if the granting or reserving of such rights, as herein provided, would conflict with any contractual obligation of the Company to any third party entered into prior to the effective date of this Basic Agreement; provided that the Company does not have

a right to require the removal or elimination of the conflict created by such contractual obligation to the third party.

ARTICLE 3 - WORK LISTS, LOAN-OUTS AND RECOGNITION

A. GENERAL

1. Work Lists and Notices of Employment

Company each week shall send the Guild a list of the names of writers in the employ of a Company, and/or the names of professional writers from whom previously unexploited literary material has been purchased, at any time during the preceding week. Copies of such list shall be mailed concurrently to the Writers Guild of America, West, Inc., 7000 West Third Street, Los Angeles, CA 90048 and to the Writers Guild of America, East, Inc., 250 Hudson Street, New York, New York 10013. Company will send two (2) additional copies of work lists to the Guild, so that the Guild may distribute copies to Pension and Health Fund Administrators.

The notice of employment will contain the name and address of the writer, the form of the material, the place of delivery and, if the information is then available, whether or not any material has been assigned to the writer. In addition, for theatrical motion pictures, the notice of employment shall include the title of the picture and the initial compensation for writing services. For television motion pictures, the notice of employment shall include the type, title and length of the program and the "initial compensation" as that term is defined in Article 17.B.1.e.

The Company each week shall also send the writer and the Guild a notice of employment for each freelance writer, other than those employed for episodic series, for whom a deal was made during the preceding week. The notice will also indicate the name of the Company representative to contact in connection with such notice. The notice may contain a statement substantially as follows, and in any event shall be deemed to contain the following statement:

> "This information is furnished pursuant to the requirements of Article 3.A. of the 2020 Writers Guild of America-AMPTP Basic Agreement. It is based upon the facts presently available to us and, in any event, may be subject to change. THIS IS NOT A CONTRACT. All contractual provisions, including rights, and compensation terms, whether or not

specified above, will be contained in the agreement entered into between the parties."

The notices of employment may be combined with the weekly work lists referred to above.

Failure on the part of the Company to furnish any notice of employment or any list shall not constitute a default by the Company or a breach of this Basic Agreement unless the Company fails to deliver such list or such notice within seven (7) days after receiving the Guild's written request to do so. The Guild will not send such request unless it has in fact failed to receive such list or such notice within a reasonable period of time. In case of a failure to send such list and/or any such notice or notices after receiving a request to do so, liquidated damages totaling two hundred fifty dollars ($250.00) shall be paid for all such failures for any week. This shall be the sole and exclusive remedy for such breach.

2. Loan-Out Agreements

In the event the Company borrows the services of a writer from a loan-out company, then the Company shall not acquire such writer's services on terms less advantageous to the loan-out company than if the Company had employed an individual to write the material pursuant to the terms of this Basic Agreement.

Borrowing a writer's services through a loan-out company will not in any manner deprive the writer of any benefits of this Agreement to which the writer would have been entitled had he/she been employed directly by the Company, provided that the Company (as distinguished from the loan-out company) shall be responsible for such benefits only to the extent that they are within the control of the Company. Such benefits to which the writer is entitled from the Company shall include but not be limited to credits, compensation for television licensing of theatrical motion pictures, residuals with respect to television motion pictures, and separation of rights, if applicable.

With respect to compensation, and other payments which may be due under this Basic Agreement, the Company shall pay the loan-out company or the writer at least minimum, but is not responsible for payment by the loan-out company to the writer. With respect to grievance and arbitration, claims by the loan-out company against the Company for unpaid compensation for writing services under the loan-out agreement shall be subject to grievance and arbitration to the same extent as though the

transaction had been an employment contract. With respect to pension and health, the agreement between the Company and the loan-out company shall provide that the Company shall make pension and health contributions directly to the Plans on behalf of the loan-out company. In no event shall the Company be obligated to make larger contributions than it would have been obligated to make had it employed the borrowed writer directly. "***Loan-out company***," for the purposes of the foregoing and for the purposes of Article 12 of this Basic Agreement, means a company controlled by the writer.

B. RECOGNITION (THEATRICAL)

1. The Company hereby recognizes the Guild as the exclusive representative for the purpose of collective bargaining for all writers in the motion picture industry.

2. The provisions of this Basic Agreement, to the extent the same are applicable, shall apply to professional writers. However, the provisions of Article 6, “Guild Shop,” and Article 17, “Pension Plan and Health Fund” are not applicable to professional writers, except to the extent that the second sentence in each of the first and second paragraphs of Article 17.B.1. and the second paragraph of Article 17.C.1. are applicable. The Company each week shall send the Guild a list of the names of the writers, professional and non-professional, from whom the Company acquired literary material which had not been previously published or exploited in any manner or by any medium, provided that failure on the part of the Company to furnish any such list shall not constitute a default by the Company or a breach of this Basic Agreement unless the Company fails to deliver such list within forty-eight (48) hours after receiving the Guild's written request to do so.

C. RECOGNITION (TELEVISION)

1. The Company hereby recognizes the Guild as the exclusive representative for the purpose of collective bargaining of all writers engaged by the Company as employees for the purpose of preparing literary material for the entertainment portion of motion pictures produced primarily for exhibition over television.

2. If a professional writer sells or licenses to the Company the ownership of or rights to use literary material written by such writer, for use in the production of a television motion picture, then upon condition that such literary material had not prior to such sale or license been published or exploited in any manner or by any

medium whatsoever, Company agrees that the provisions of this Basic Agreement, to the extent the same are applicable, shall be effective to determine the rights of such professional writer and the obligations of the Company with respect to such literary material. However, the provisions of Article 6, "Guild Shop," and Article 17, "Pension Plan and Health Fund," are not applicable, except to the extent that the second sentence of Article 17.B.1. and the second paragraph of Article 17.C.1. are applicable. The Company may rely on the statement of the writer with respect to whether or not the material had theretofore been published or otherwise exploited. The Company each week shall send the Guild a list of the names of the writers from whom the Company acquired literary material which had not been previously published or exploited in any manner or by any medium, provided that failure on the part of the Company to furnish any such list shall not constitute a default by the Company or a breach of this Basic Agreement unless the Company fails to deliver such list within forty-eight (48) hours after receiving the Guild's written request to do so.

ARTICLE 4 - PARTIES BOUND BY THIS BASIC AGREEMENT

A. GENERAL

1. With regard to a partnership signatory, all general partners are personally bound.

2. With regard to any entity which becomes bound by this Basic Agreement by reason of this section, said entity will, upon request of the Guild, execute necessary documentation, but will be deemed signatory even without doing so.

3. With respect to a theatrical or television motion picture covered hereunder which is financed fifty percent (50%) or more by the Company (or a fifty percent (50%) or more owned subsidiary of the Company), Company will obtain a warranty from the actual employer or purchaser that writer was paid all compensation for writing services theretofore due. Upon request of the Guild, Company will provide the Guild with a certified copy of such warranty provision.

4. In the event the Company borrows a writer (whose employment had he/she been employed directly by the Company would have been covered by this Basic Agreement), whether from a domestic or foreign company, the Company shall, within ten (10) days after the execution of the agreement covering the loan-out transaction, give the Guild a written notice of the transaction, including the

name of the lending company. An inadvertent failure by the Company to give such notice shall not be deemed to be a breach of this Basic Agreement.

B. THEATRICAL

1. This Basic Agreement shall be binding upon the Company and its subsidiaries in which it has a fifty percent (50%) or more financial interest and all parties who by reason of mergers, consolidations, reorganizations, sale, assignment or the like shall succeed to or become entitled to a substantial part of the business of a signatory.

2. With respect to a motion picture produced by an independent producer under a contract with the Company for the financing and distribution of such motion picture, if Company gives the Guild notice within ten (10) days following agreement between Company and independent producer with respect to such contract that such motion picture is not covered by this Basic Agreement, then Company shall not be obligated with respect to such picture except as otherwise provided in Article 15. If the Company does not give the Guild such notice, then Company shall be obligated under this Basic Agreement (and no other collective bargaining agreement with the Guild shall be applicable) with respect to such motion picture. The provisions of this subparagraph 2. apply only to:

   a. a writer whose employment, had he/she been employed directly by Company in connection with such motion picture, would have been covered by this Basic Agreement; and

   b. a professional writer where the sale or license of the literary material involved, had it been made directly to Company in connection with the motion picture involved, would have been covered by this Basic Agreement.

3. Company agrees to notify the Guild within seven (7) days after it executes an agreement with any person, firm or corporation (not covered by the provisions of the preceding subparagraphs 1. and 2. of this Article), for the use of its studio for the production of a theatrical motion picture. Company further agrees to notify the Guild within fourteen (14) days after it executes an agreement in the County of Los Angeles, California, with any person, firm or corporation (not covered by the provisions of the preceding subparagraphs 1. and 2. of this Article) for the production, distribution or release of a theatrical motion picture where Company's studio is not used for the production of such picture; such notice to the Guild shall contain the name and address of

such person, firm or corporation as well as the name of the person who signed the agreement on behalf of such person, firm or corporation. An inadvertent failure on the part of the Company to comply with the provisions of this paragraph shall in no event constitute a default by the Company or a breach of this Basic Agreement.

C. TELEVISION

1. Company agrees to cause any subsidiary company, owned or controlled by it, which shall hereafter engage in the production of television motion pictures, to become a signatory to this Basic Agreement prior to its employment of any writer employed to prepare any material for use in such motion pictures.

2. With respect to a television motion picture produced by a non-signatory independent producer under a contract with Company for the financing, production and distribution of such television motion picture, if Company gives the Guild written notice not later than ten (10) days following agreement between Company and independent producer with respect to such contract that this motion picture is not to be covered by this Basic Agreement, then Company shall not be obligated hereunder with respect to it.

    a. If Company does not give the Guild such notice, then Company shall be obligated hereunder with respect to such television motion picture.

    b. This provision is subject to Article 5, "Geographical Application."

ARTICLE 5 - GEOGRAPHICAL APPLICATION OF THIS BASIC AGREEMENT (GENERAL)

Notwithstanding anything to the contrary contained herein, this Basic Agreement shall apply to writers only in the specific instances set forth below regardless of where the contract of employment or acquisition, as the case may be, is signed:

A. As to a writer or professional writer who lives in the United States, if a deal is made in the United States to employ such writer to render his/her services or if an acquisition deal is made in the United States with such professional writer, and if at the time such deal is made such writer or professional writer is present in the United States, regardless of where the services are rendered; provided further, however, that if such writer or

professional writer is a permanent resident of the United States but is temporarily abroad, and if the deal is made by his/her agent, attorney or other representative (including the Guild acting on the writer's behalf) who is in the United States at the time the deal is made, such deal shall be within the scope and coverage of this Paragraph A., even if such deal is made by such representative in communication by telephone, mail or cable with a representative of the Company, whether such representative of the Company is in the United States or abroad.

B. As to a writer or professional writer who lives in the United States and is transported abroad by Company, if a deal is made to employ such writer to render his/her services or if an acquisition deal is made with such professional writer while the writer or professional writer is abroad as a result of being so transported.

C. As to an employee whose writing services are required or requested by the Company to be performed and are performed in the United States under the supervision and direction of the Company.

D. "A writer or professional writer who lives in the United States," as such phrase is used in Paragraphs A. and B. above, does not include either of the following:

1. A person who lives outside the United States (other than for a temporary visit) even though he/she may at any given time be temporarily in the United States; or

2. A person who lives outside of the United States (other than for a temporary visit) whether or not he/she has retained his/her domicile in the United States.

E. A "deal is made" within the meaning of both Paragraphs A. and B. above when agreement is reached by the Company and the writer as to the money terms.

ARTICLE 6 - GUILD SHOP (GENERAL)

A. Except as provided below, in both theatrical and television motion pictures each writer employed by Company on the effective date of this Basic Agreement who is then a member of the Guild in good standing shall remain a member in good standing, and each writer so employed who is not a member shall, on or before the thirtieth day following the effective date of this Basic Agreement, become and remain a member of the Guild in good standing. Each writer employed hereunder by Company after the

effective date of this Basic Agreement shall, not later than the thirtieth day following the beginning of his/her first employment, as hereinafter defined, in the motion picture and television industry, become and remain a member of the Guild in good standing.

The term "***first employment***," as referred to above, shall mean the first such employment to which the provisions of this Basic Agreement apply as a writer for a motion picture by an employer in the motion picture and television industry, on or after the effective date of this Basic Agreement.

B. The provisions of Paragraph A. of this Article 6 shall not apply:

1. If a writer is not a member of the Guild at the time of his/her employment and although required by the provisions of his/her employment agreement to do so, fails or refuses to become a member of the Guild in good standing within the thirty (30) days above-mentioned, provided that within fifteen (15) days after written notice thereof from the Guild to the Company, the Company shall either terminate such employment or shall pay or cause to be paid the initiation fees and dues of the writer in the manner, within the time, and subject to the provisions of subparagraph E.2. hereof relating to the payment of dues. If the Company elects to and does pay such initiation fees and dues, such writer shall be deemed to be a member of the Guild in good standing, but only for the period necessary to permit him/her to complete the performance of his/her services in connection with the then current assignment. The Company may use this exception only once for any particular person.

2. To a writer whom the Company is required to employ as a condition of the sale, license or option of material, provided that within fifteen (15) days after written notice from the Guild to the Company that such writer is not a member of the Guild in good standing, the Company shall either terminate such employment, or shall pay or cause to be paid the initiation fees and dues that the writer would otherwise be required to pay hereunder during such employment, in the manner, within the time, and subject to the provisions of subparagraph E.2. hereof relating to the payment of dues. However, the writers employed by the Company within the exception provided for in this subparagraph 2. shall not exceed ten percent (10%) of the total number of writers in the employ of the Company. For the purpose of such computation, if the Company has in its employ at any time less than ten (10) writers, then one (1) of such writers so employed may fall within this exception. Promptly following the employment of any writer claimed by the Company to be within this exception, the Company will notify the

Guild in writing of the name of the writer employed, the date of the employment agreement and the fact that the Company claims that such writer is an exception hereunder. For the purpose of such computation, a writer who is employed under an exclusive contract by a Company shall be regarded as being employed by the Company at all times during the term of such contract, including periods during which the writer may be on layoff and periods during which such contract may be suspended by reason of illness or default of the writer or otherwise. The writer shall be regarded as continuing in the employ of the Company by which he/she is employed regardless of the fact that his/her services may be loaned to another Company.

C. The term "dues," as used herein, shall not include fines or initiation fees.

D. Promptly after request by any person designated by the Company, the Guild will admit such person to membership in the Guild upon terms and conditions not more burdensome to such person than those then applicable to other applicants. Membership shall be effective as of the date of such request. Guild agrees that during the term it will not impose any unreasonable initiation fee as a condition to admission to membership, and agrees that during the term hereof it will not impose upon its members any obligation to pay dues that does not uniformly apply to all members of the Guild.

It is agreed that the Guild shall not close its membership books or otherwise prevent any person who wishes to become or remain a writer from becoming a member of the Guild, but on the contrary (subject to the provisions hereof relating to waivers as to members suspended or expelled) will make available the privileges of membership to any and all writers employed by the Company. The Guild will reinstate or readmit to membership any writer who applies for reinstatement or readmission, after being declared to be not in good standing or after suspension, expulsion, or resignation for any reason whatsoever, provided the writer will apply for such reinstatement or readmission and with such application tender to the Guild unpaid dues permitted by law, and upon such tender the Company may employ or continue to employ such writer. Instead of readmitting or reinstating such writer, the Guild may, at its option, grant to the Company a waiver as to such writer, in which event, for the purpose of determining the Company's compliance with the provisions of this Article 6, such writers shall not be considered as being employed by the Company.

E. If, during any time that a writer is employed by the Company under a contract of employment, such writer is or becomes a member of the Guild in good standing and if such writer shall subsequently and before his/her

employment under such contract terminates, cease to be a member of the Guild in good standing then:

1. If such writer has ceased or shall cease to be a member for any reason other than his/her failure to pay dues, such writer shall, for the purposes of this Basic Agreement, be deemed to remain a member of the Guild in good standing throughout the writer's employment under said contract of employment as the same may be extended or renewed pursuant to any provisions or options therein contained.

2. If he/she has ceased or shall cease to be a member in good standing by reason of his/her failure to pay dues, and if the Guild gives the Company written notice of that fact within three (3) business days after such writer is first named on the weekly list provided for in Article 3.A.1. of this Basic Agreement (in the case in which he/she has ceased to be a member in good standing prior to such employment), such writer shall, for the purposes of this Basic Agreement, be deemed to remain a member in good standing for a period of fifteen (15) days after written notice from the Guild to such writer and to the Company that he/she has ceased to be a member in good standing for failure to pay dues. If, prior to the expiration of said fifteen (15) day period, payment of said dues in fact due and owing and specified in said notice shall be made by the writer or the Company, then, for the purposes of this Basic Agreement, such writer shall not lose his/her status as a member in good standing. To the extent that it may be lawful for the Company to do so, the Company may require, as a condition of employment, that any writer become and/or remain a member of the Guild in good standing, and may also require such written consent or consents as may be necessary so that, if the Company elects, it may pay to the Guild any dues of any writer and the Company shall have the right, insofar as its obligations to the Guild and to any writer under the terms and provisions of this Basic Agreement are concerned, if it elects, to deduct the amount of such dues from any compensation then or thereafter due or to become due to the writer. If, prior to the expiration of said fifteen (15) day period, payment of said dues in fact due and owing as specified in said notice shall not be made, the Company shall terminate the employment of such writer.

Every personal service contract of employment shall provide that if the writer fails or refuses to become or remain a member of the Guild in good standing, as above provided, the Company shall have the right at any time thereafter to terminate such employment agreement with such writer.

If the Company is required or directed by any decision of a court of competent jurisdiction or any proper governmental authority to refund to any writer, in whatsoever form the same may be recovered, any dues deducted and paid to the Guild by the Company under the provisions of subparagraph 2. of this Paragraph E., the Guild agrees to repay to the Company the amount of such dues so refunded. The Guild will cooperate with the Company in obtaining the necessary authorizations from writers for the payment and deduction of dues in the manner provided in subparagraph 2. above.

Notwithstanding anything to the contrary in Paragraph B. of this Article 6 or in this Paragraph E., if the payment of initiation fees or dues (in the case of Paragraph B.), or if the payment of dues (in the case of this Paragraph E.), or the deduction thereof from the compensation of the writer, is or shall become contrary to law, or any statute, or is declared by any court of competent jurisdiction in the State of California or by any Federal Court or the National Labor Relations Board or its General Counsel, or by any other board or individual having jurisdiction over the matter, to be in violation of any applicable law or statute and if, by reason thereof, the Company fails to deduct and pay to the Guild such initiation fees or dues, as the case may be, as aforesaid, and shall notify the Guild thereof in writing within the fifteen (15) days after any notice from the Guild above-mentioned, then although such initiation fees or dues, as the case may be, are not paid within the fifteen (15) day period, for the purposes of this Basic Agreement, such writer shall nevertheless be deemed to remain a member of the Guild in good standing throughout the term of the writer's assignment.

F. The Guild will facilitate employment of its members by the Company and will at all reasonable times promptly furnish to the Company in writing information concerning the status of any of its members, and the Company shall be entitled to rely upon such information so furnished by the Guild.

G. The Guild represents and warrants that discipline, resignation, admission, reinstatement, readmission and all other matters relating to membership status will at all times during the term hereof be within the exclusive jurisdiction of the Guild. The Guild agrees that it will exercise such jurisdiction subject to and in accordance with the provisions and intent of this Article 6 and of any other applicable provisions of this Basic Agreement.

H. It is understood that the provisions of this Article 6 shall never under any circumstances be so construed during the term of this Basic Agreement as to constitute or permit what is known as a "closed shop" or construed in any manner that will at any time deprive the Company of its right to

employ or continue the employment of a writer who is not a member of the Guild in good standing, or who does not become a member of the Guild in good standing within the period prescribed in Paragraph A. of this Article 6 if the Company has reasonable grounds for believing that such a membership was not available to such writer on the same terms and conditions generally applicable to other like members of the Guild, or if the Company has reasonable grounds for believing that membership in the Guild was denied, deferred, suspended or terminated for reasons other than the failure of such person to tender the applicable periodic dues uniformly required as a condition for acquiring or retaining membership in the Guild.

I. If a person who has not been listed by the Company as a writer in accordance with the provisions of Article 3 hereof shall receive, or shall have been entitled to receive, a writing credit in the form of "Story by," "Written by," "Screenplay by," or "Teleplay by," and if the period during which the person performed his services in the writing of the literary material has exceeded a period of thirty (30) days from the commencement of such services, then within fifteen (15) days after receipt of written notice from the Guild to the Company, the writer or the Company shall pay or cause to be paid the initiation fee, if any, and the dues which otherwise would have been payable to the Guild and such person shall be deemed to have been a member of the Guild in good standing during the time that he/she was so performing his/her services as a writer. For such purpose, the person receiving or entitled to such credit or the Company may apportion, on a reasonable basis, salary payable to such person during the period he/she was employed as a writer.

J. When the Company has failed to include a writer employed by the Company on the list of names of writers to be sent to the Guild under Article 3 of this Basic Agreement and when such writer's performance of writer's services has continued for more than thirty (30) days after the beginning of his/her first employment, then within fifteen (15) days after receipt of written notice thereof from the Guild to the Company, the writer or the Company shall pay or cause to be paid (in the manner, within the time, and subject to the provisions of subparagraph E.2. hereof, relating to the payment of dues) the initiation fee, if any, and the dues payable to the Guild for the period during which such writer was employed by the Company after such thirty (30) day period. Upon such payment, such writer shall be deemed to have been a member of the Guild in good standing during the time that he/she was so performing his/her services as a writer. The provisions of this paragraph shall not apply in the event the Guild gives the Company such notice prior to the expiration of such period of thirty (30) days.

K. In relation to investigations by the Guild of compliance with the provisions of this Agreement, the Guild, through its authorized representatives, shall have access to the Company's premises at reasonable times during normal business hours for the purpose of interviewing the Company's employees whose employment is covered by this Agreement, provided that such interviews shall not interfere with the normal conduct of the Company's business.

ARTICLE 7 - NO STRIKE, NO LOCKOUT CLAUSE (GENERAL)

A. The Guild agrees that during the term hereof it will not call or engage in any strike, slowdown or stoppage of work affecting theatrical or television motion picture production against the Company.

B. If, after the expiration or other termination of the effective term of this Basic Agreement, the Guild shall call a strike against any Company, then each respective then current employment contract of writer members of the Guild (hereinafter for convenience referred to as "members") with such Company shall be deemed automatically suspended, both as to service and compensation, while such strike is in effect, and each such member of the Guild shall incur no liability for breach of his/her respective employment contract by respecting such strike call, provided such member shall promptly, upon the termination of such strike, and on the demand of the Company, perform as hereinafter in this paragraph provided, and the member shall be deemed to have agreed as follows:

1. That if the writer has been assigned to the writing of any material at the time any such strike is commenced, he/she will, after the termination of such strike and upon the request of the Company, report to the Company and perform his/her services in the completion of such assignment at the same salary and upon the same terms and conditions as were agreed upon prior to the commencement of said strike.

2. That he/she will immediately, after the termination of such strike and upon the request of the Company, execute a new contract on the same terms and conditions, and at the same salary or other compensation as provided in the employment contract which was in effect at the time the strike commenced, except that such new contract shall be for a period or periods, including options, equivalent to the unexpired term of the contract which was in effect when such strike was commenced.

3. That he/she will, in lieu of subparagraph 2., after the termination of such strike, at the option of the Company, and upon its demand, execute an agreement in writing with the Company extending the

term or period of such personal service contract in effect when such strike was commenced for a period of time equal to the period of any suspension by such strike.

C. If the member shall fail to perform the foregoing, or if he/she shall fail actually to finish his/her services in the assignment mentioned in subparagraph B.1., (except by reason of his/her death, physical disability, or default by the Company), then the waiver of liability by the Company heretofore given shall be null and void.

D. The member further agrees that the statute of limitations as a defense to any action by the Company against the member for his/her failure to perform during such strike is extended by a period equivalent to the duration of such strike. If the member asserts any claim or defense by reason of the expiration of time during which he/she can be required to perform services by virtue of any statute (such as the seven-year statute), which claim or defense is based in whole or in part on the lapse of time during such strike, the waiver by the Company is ineffective thereupon, and the statute of limitations as to the Company's rights is waived by the member automatically.

E. The automatic suspension provisions of this Article 7 shall not affect the Company's right to sue any individual writer for breach of contract arising during the period of such strike, unless such writer shall have complied with his/her obligations under the provisions of this Article 7. Nothing herein contained shall be construed to deprive the Company of its right to terminate the employment contract at any time after such member shall strike or otherwise fail or refuse to perform services.

F. The provisions of this Article 7 shall be deemed included in all employment contracts between writers and Company which are now in effect and all such employment contracts which shall be entered into during the effective term of this Basic Agreement.

G. The Guild agrees that it will take such affirmative actions as may be necessary and lawful in order to require its members to perform their respective obligations under the provisions of this Article 7.

H. Notwithstanding the expiration or other termination of the effective term of this Basic Agreement, by termination or otherwise, the provisions of this Article 7 shall be and remain in full force and effect for a period of seven (7) years following the termination of any such strike, unless this covenant be sooner terminated by the written consent of Company and Guild.

I. The Guild is a corporation. Nothing in this Paragraph I. shall enlarge the liability of its officers, directors, agents, and members, this Paragraph I. being an additional limitation thereon. The Guild will not be held liable for

unauthorized acts of its officers, agents, directors, or members; neither the Guild, nor its officers, directors, agents, or members not participating in the actions hereinafter mentioned shall be liable for any strike, slowdown, or work stoppage, unless the same be authorized by the Guild in accordance with its by-laws, but the foregoing exemption of this sentence shall not apply unless the Guild, upon request from the Company affected thereby, shall proclaim promptly and publicly that such strike, slowdown or work stoppage is unauthorized and follows such pronouncement within a reasonable time thereafter, if requested so to do by the Company affected, with disciplinary proceedings in accordance with its by-laws against the participants in such unauthorized action.

J. The Company agrees that it will not call or engage in any lockout of members.

K. In accordance with and to the extent required by Articles 11 and 12 of this Basic Agreement as to any matter arbitrable thereunder, the Guild has the right to strike Company so long as the Company's wrongful failure to participate in grievance and arbitration procedures continues. Such action on the part of the Guild is not a waiver of the right to compel Company to participate in grievance and arbitration procedures. If the Company contests the arbitrability of such issue, arbitrability shall first be determined prior to the arbitrator's proceeding with a hearing on the merits.

ARTICLE 8 - CREDITS FOR SCREEN AUTHORSHIP (GENERAL)

The Company agrees that credits for screen authorship shall be given only pursuant to the terms of and in the manner prescribed in the applicable Schedule A attached hereto and by this reference incorporated herein, with respect to credits for screen authorship finally determined during the term hereof, and with respect to credits for screen authorship finally determined after the expiration of the term hereof involving material written during the term hereof or during the term of a prior collective bargaining agreement between the Company and the Guild; provided, however, that any such credits determined during the term of a successor collective bargaining agreement between the Company and the Guild shall be determined pursuant to the terms of such successor collective bargaining agreement.

ARTICLE 9 - MINIMUM TERMS (GENERAL)

The terms of this Basic Agreement are minimum terms; nothing herein contained shall prevent any writer from negotiating and contracting with any Company for better terms for the benefit of such writer than are here provided, excepting only credits for screen authorship, which may be given only pursuant to the terms and

in the manner prescribed in Article 8. The Guild only shall have the right to waive any of the provisions of this Basic Agreement on behalf of or with respect to any individual writer.

ARTICLE 10 - GRIEVANCE AND ARBITRATION

A. MATTERS SUBJECT TO GRIEVANCE AND ARBITRATION (GENERAL)

Except as otherwise specifically provided in this Article or elsewhere in this Basic Agreement, the following matters shall be submitted to grievance and thereafter to arbitration as hereinafter provided, and no other matters shall be submitted to grievance or arbitration:

1. Any dispute between the Guild and the Company concerning the interpretation of any of the terms of this Basic Agreement and the application and effect of such terms as determined by an interpretation thereof.

2. Any alleged breach of any of the terms or provisions of this Basic Agreement by the Guild or the Company.

3. Any claim by the Guild and a writer, on the one hand, against the Company, on the other hand, for unpaid compensation under the writer's individual employment agreement or loan-out agreement with the Company, or for payment under a purchase agreement with the Company in the case of a professional writer, excluding, however, any claim not related to the writer's services as a writer or not related to the sale of literary material. (Claims for compensation or payment under an employment, loan-out or purchase agreement shall be referred to hereafter as "**compensation claims**" or "**claims for compensation**.") Notwithstanding the foregoing, the grievance committee and arbitrator shall not have jurisdiction to render an award for compensation or payment exceeding the sum of four hundred thousand dollars ($400,000.00) for a theatrical or television employment or purchase. (This amount is herein referred to as the "***jurisdictional maximum***.") If a compensation claim exceeds the jurisdictional maximum, the claim may nevertheless be submitted to grievance and/or arbitration, but by such submission the Guild and writer waive any award exceeding the jurisdictional maximum and shall have no further claim or right with respect to any amount in excess of the jurisdictional maximum. A claim for compensation cannot be split nor may more than one (1) grievance or arbitration

proceeding be brought for the purpose of avoiding the jurisdictional maximum.

4. In any grievance or arbitration proceeding with respect to a claim for compensation brought under subparagraph 3. of this Article 10.A., the Company may, but need not, assert any and all defenses, including defenses based on an alleged right of suspension or termination, and any counterclaim or setoff (hereinafter referred to as "***cross-claim***"). A cross-claim is either mandatory or permissive. A mandatory cross-claim is one arising out of or related to the pending claim for unpaid compensation. A permissive cross-claim is any other cross-claim by the Company against the writer. Provided that the Company has obtained knowledge of the facts upon which the cross-claim is based, the Company shall assert any and all mandatory cross-claims in any arbitration proceeding involving a compensation claim. If the amount claimed by the Company in a cross-claim exceeds the jurisdictional maximum of four hundred thousand dollars ($400,000.00), the Company shall have the option of submitting such cross-claim to grievance and (whether or not submitted to grievance) to arbitration or to institute an action at law or in equity with respect to such cross-claim. The Company may, but need not, assert any permissive cross-claim.

5. Any claim of overpayment by a Company under Article 11.A.9. of this Basic Agreement.[1]

B. LIMITATION OF MATTERS SUBJECT TO GRIEVANCE AND ARBITRATION

1. Except as otherwise provided in this Basic Agreement, disputes under individual employment agreements, loan-out agreements or under purchase agreements with professional writers, involving:

   a. Company's rights of suspension and termination,

   b. Company's right to seek or obtain injunctive relief or specific performance,

   c. any of the warranties or grants of rights made by the writer, or

[1] Articles 10.A.5. and 11.A.9. replace Article 13.C. of the 1973 Basic Agreement.

d. any of the rights of the Company to any literary material,

shall not be subject to grievance or arbitration (except as provided to the contrary in Article 16), and the Company reserves all of its legal and equitable rights and remedies with respect thereto. Any decision in grievance or award in arbitration purporting to determine or affect any of the aforementioned matters shall, to that extent, be of no force or effect whatsoever; provided, however, that if the Company asserts in any grievance or arbitration any defense or cross-claim involving or based upon the alleged exercise of a right of suspension or termination, the same shall be determined in such grievance and arbitration proceeding.

2. The grievance committee and the arbitrator shall have jurisdiction to determine only such disputes as are submitted for grievance or arbitration under this Basic Agreement, subject to the limitations upon the powers of said grievance committee and arbitrator under this Basic Agreement. Neither the grievance committee nor the arbitrator shall have the power or jurisdiction to reform, amend or extend the express terms and provisions of this Basic Agreement or of any employment agreement, loan-out agreement or purchase agreement.

C. MATTERS SUBJECT TO ARBITRATION BUT NOT GRIEVANCE

Notwithstanding anything elsewhere contained in this Article 10, the following matters shall be submitted to arbitration but not to grievance:

1. Any dispute as to whether the arbitrator has jurisdiction or whether any matter is arbitrable, provided, however, that the arbitrator may not order an arbitration of any matter not arbitrable as provided above.

2. Any dispute concerning the credit provisions of this Basic Agreement. Such disputes are subject to the procedures set forth in Article 11.E. of this Basic Agreement.

3. Any dispute concerning separation of rights under the provisions of subparagraph 6. of Article 16.A. of this Basic Agreement.

4. Any dispute concerning allocation of receipts under Article 15.A.3.a. of this Basic Agreement.

5. Any dispute concerning Article 16.A.8. which is subject to the expedited arbitration procedure in Article 11.F.

D. REFUSAL TO ARBITRATE

A failure or refusal by any party to go to grievance on a matter subject to grievance or to arbitrate an arbitrable matter, including disputes as to jurisdiction and arbitrability pursuant to this Article 10, is a substantial breach of this Basic Agreement. A failure or refusal by any party to go to grievance on a matter subject to grievance or to arbitrate an arbitrable matter shall not limit, impair or divest the jurisdiction and powers of the grievance committee or arbitrator provided notice of grievance or arbitration has been served as provided herein. Grievance and arbitration may proceed despite the failure of a party to appear and the grievance committee or arbitrator may enter an award against such a party.

E. REFERENCES

All references in Articles 10, 11 and 12 to individual employment agreements, loan-out agreements or purchase agreements only refer to such agreements as are subject to this Basic Agreement.

ARTICLE 11 - GRIEVANCE AND ARBITRATION RULES AND PROCEDURES

A. GENERAL RULES

Unless otherwise provided in this Article 11 or elsewhere in this Basic Agreement, the rules and procedures for grievance and arbitration shall be as follows:

1. Parties

   a. In any grievance or arbitration concerning any claim by a writer for compensation under Article 10.A.3., the Guild and the writer involved shall be jointly a party and may be represented by joint counsel. In any grievance or arbitration concerning such a claim by any loan-out company, the loan-out company also shall be jointly a party and may be represented by joint counsel. The claim shall be initiated by the Guild on behalf of the writer and the loan-out company, if any.

   b. Except as provided in subparagraph a. above, only the Company and the Guild shall be parties.

   c. [Renumbered as Article 11.B.3. and deleted here.]

   d. The party commencing a claim in grievance or arbitration is sometimes referred to herein as complainant. The party

against whom such grievance or arbitration is commenced is sometimes referred to herein as respondent. Use of such terms in the singular shall be deemed to include the plural.

e. The grievance and arbitration provisions shall apply to disputes with respect to purchase agreements with professional writers to the same extent but no greater than they are applicable to disputes involving employed writers.

f. As used in Articles 10, 11 and 12 of this Basic Agreement, the term "writer" shall be deemed to include the plural, the writer's loan-out company if any (as defined in Article 3 of this Basic Agreement) and, in the case of a purchase agreement, a professional writer (as defined in Article 1 of this Basic Agreement).

2. Time Limits

a. Proceedings for grievance (or arbitration, to the extent a party is required to initiate arbitration without invoking a grievance proceeding) of a claim relating to actual or alleged television employment or purchase shall be commenced no later than two (2) years after the party bringing the grievance or arbitration proceeding (whether it is the Company, Guild or the writer) has obtained knowledge of the facts upon which the claim is based. Proceedings for grievance (or arbitration, to the extent a party is required to initiate arbitration without invoking a grievance proceeding) of a claim relating to actual or alleged theatrical employment or purchase shall be commenced no later than eighteen (18) months after the party bringing the grievance or arbitration proceeding (whether it is the Company, Guild or the writer) has obtained knowledge of the facts upon which the claim is based.

b. In any event, grievance and arbitration proceedings shall commence not later than four (4) years after the occurrence of the facts upon which the claim is based. An arbitration may be commenced prior to initiation or conclusion of a grievance proceeding, if it reasonably appears that the grievance proceeding will not be concluded in sufficient time to permit the arbitration proceeding to be commenced in time.

c. With respect to separation of rights in literary material written for television or a High Budget SVOD Program as defined in the Sideletter on Literary Material Written for Programs Made for New Media, Company may accelerate the

applicable limitation of time by serving notice on the Guild, after the literary material is completed, that the writer concerned does not have separation of rights in such material and by furnishing with such notice copies of all literary material and contracts upon which the Company's position in such notice is based. The Guild must respond within ninety (90) days from the date such notice is received or the claim to separation of rights is waived on behalf of the writer and the Guild.

d. If grievance or arbitration proceedings are not commenced within the applicable time period specified in this Article 11, such claim shall be deemed to be waived. All time limits provided in Article 11 may be extended by mutual agreement of the parties to the dispute.

e. It is the intent of the Guild and the Company that all arbitration awards should be rendered within sixty (60) days following the close of the arbitration hearing or submission of post-hearing briefs, whichever is later. However, the arbitrator's failure to render an award within such period shall not deprive him/her of jurisdiction over the dispute or render the award invalid because it is made thereafter.

3. Place of Hearing

Except as otherwise provided in this paragraph, all arbitrations shall be in Los Angeles, absent agreement of the parties. At the election of Writers Guild of America, East, the arbitration shall be in New York if a majority of the witnesses required for the arbitration hearing reside regularly in and around the New York area; provided, however, if any Company which is a party to the arbitration has its headquarters for the production of motion pictures in California, such arbitration shall be held in Los Angeles. Any dispute as to where the arbitration should be held shall be determined by an arbitrator in Los Angeles, selected in accordance with the procedures set forth in Article 11.C.2., and said arbitrator shall be disqualified from hearing the merits of the dispute. Said arbitrator shall take testimony by telephone from distant witnesses when requested to do so by either party. If the arbitrator determines that the arbitration shall be heard in New York, the arbitrator assigned to hear the merits of the dispute shall be selected from the New York list of arbitrators set forth in Article 11.C.2.

The selection of the situs of the hearing room within the appropriate city shall be by mutual agreement of the Company and the Guild. If

there is no such agreement, those parties will alternate in selecting the hearing room, with the party making the selection supplying the room at no charge to the other.

4. Award

The grievance committee and the arbitrator may make any appropriate award permitted herein. Such award shall be in writing and shall be limited as provided in this Basic Agreement. Subject to the provisions of this Basic Agreement, the award shall be final and binding upon the parties to the proceeding, whether participating in the proceeding or not, and in any grievance or arbitration proceeding in which the writer involved is not a party. Any interpretation of this Basic Agreement made in such award shall be final and binding on such writer.

5. Costs

Each party shall pay the costs of its representatives on the grievance committee. The fee and expenses of the arbitrator shall be shared equally, unless otherwise provided by the arbitrator. The arbitrator may require a court reporter and a transcript, and if so required, the cost thereof shall be shared equally. All other costs and expenses of grievance and arbitration shall be borne by the party incurring the same.

6. Notices

a. All written notices referred to in this Article 11 commencing a grievance or arbitration or alleging a cross-claim shall be sent by registered or certified mail or by personal delivery and shall set forth the particulars thereof. If the moving party is unable to effect service in this manner, service then may be effected by first class mail, postage prepaid, to the address for service last designated in writing by the Company, together with publication in *Daily Variety, The Hollywood Reporter, The Los Angeles Times* and *The New York Times*. All other written notices may be served by first class mail, postage prepaid, unless otherwise specifically provided herein.

b. All notices sent by the Guild to the Company shall be sent to the address designated by the Company in writing to the Guild at the time Company becomes signatory to the Basic Agreement. Should Company change its address for the purpose of receiving notices relating to grievance or arbitration, the Company shall notify the Executive Director

of Writers Guild of America, West, Inc. and the Executive Director of Writers Guild of America, East, Inc. of such new address, which shall then be substituted for the prior address.

c. Unless otherwise designated by Company in a written notice to the Guild, all notices sent by the Guild to the Company shall be addressed to the attention of an officer of the Company, or to its Labor Relations Department. If the Company maintains an office in Los Angeles, California or its vicinity, all such notices shall be sent to said office.

d. A petition to confirm, modify or vacate, as the case may be, an arbitration award in any court of competent jurisdiction shall be served upon the respondent by registered or certified mail or by personal delivery. If the petitioner is unable to effect service in this manner, service then may be effected by first class mail, postage prepaid, to the address for service last designated in writing by the Company, together with publication in *Daily Variety, The Hollywood Reporter, The Los Angeles Times* and *The New York Times*.

7. Conduct of Proceedings

Except as set forth elsewhere herein, the grievance committee and the arbitrator shall adopt such rules of procedure and shall conduct proceedings in such manner as they shall determine to be proper; provided, however, that each party to any grievance or arbitration shall be afforded a reasonable opportunity to present evidence and argument before the grievance committee and the arbitrator.

All hearings, deliberations and proceedings of the arbitrator and the grievance committee shall be closed to the public and shall be absolutely privileged. Only interested parties, their representatives and witnesses may attend. All communications to and from the arbitrator or the grievance committee shall likewise be absolutely privileged. Unless the Company objects, the arbitrator will send a copy of the award to the AMPTP. The Guild shall have access to those awards.

8. Claims for Compensation, Cross-Claims and Defenses

Subparagraphs a. through e. of this subparagraph 8. relate to compensation claims, cross-claims and defenses covered by Articles 10.A.3. and 10.A.4. of this Basic Agreement.

a. The grievance committee and arbitrator shall have no jurisdiction to determine or affect any claim relating to services in connection with any theatrical or television motion picture other than the theatrical or television motion picture as to which the compensation claim is asserted unless a defense or cross-claim is asserted with respect to another theatrical or television motion picture.

b. A decision made or award rendered in grievance or arbitration of a claim for compensation shall be limited to deciding or awarding what compensation, if any, is due the writer from the Company and what amount, if any, is due the Company from the writer on account of any cross-claim asserted by the Company in such grievance or arbitration.

c. If a claim for compensation under Article 10.A.3. of this Basic Agreement is submitted to grievance or arbitration, any claim of a breach of this Basic Agreement arising out of or connected with said claim must, to the extent permitted by the Basic Agreement, be submitted for grievance and arbitration together with the claim for compensation, provided that the Guild or the writer has obtained knowledge of the facts upon which said claim of breach is based. Failure to so submit such claim shall constitute a waiver of any and all rights to assert such claim thereafter.

d. The institution of any action in court by the Company shall not stay an arbitration proceeding brought by the Guild and writer for compensation, nor shall any such grievance or arbitration proceeding stay any action instituted by the Company upon any matter Company is not required to submit to grievance or arbitration as a defense or cross-claim, whether or not such action is instituted prior to the submission of the compensation claim to grievance or arbitration.

e. Cross-claims must be submitted to grievance or arbitration by serving written notice on the complainant, by certified or registered mail, setting forth the particulars thereof.

9. Overpayments

If the Company claims that it has made an overpayment to a writer of any compensation provided for in this Basic Agreement or in any prior collective bargaining agreement between the Company and the Guild (*i.e.*, minimum compensation, residuals and other compensation provided for in this Basic Agreement or any other

such collective bargaining agreement (hereinafter called "MBA compensation")) or of any compensation provided for in an employment or loan-out contract with a writer or an option agreement subject to the MBA or a purchase agreement with a professional writer not in excess of the applicable jurisdictional maximum of four hundred thousand dollars ($400,000.00) as set forth in Article 10.A.3. above (hereinafter called "arbitrable overscale compensation"), and if the Company desires to offset such payment against other compensation payable to such writer, the Company shall advise the Guild thereof in writing setting forth the particulars of such claim of overpayment. If the Guild requests that the question of whether the Company has overpaid MBA compensation or arbitrable overscale compensation to the writer be submitted to grievance and arbitration, such request shall be made within seven (7) days after such notice from the Company to the Guild. If the Guild does not make a timely request, the Company may proceed with the offset, subject to all of the legal rights and remedies of the writer. If the Guild does make a timely request, then pending the outcome of such grievance and arbitration, the Company agrees that it will not apply the offset, but will pay the amount it desires to apply as an offset to the Guild. The Guild shall then promptly deposit the amount so paid in a separate interest-bearing trust account until it is determined in such grievance and arbitration proceeding whether there was in fact an overpayment of MBA compensation or arbitrable overscale compensation, as the case may be. The grievance and arbitration shall involve only the question of whether there was in fact an overpayment of such compensation, and the amount thereof, and if it is determined that there was in fact an overpayment of such compensation, the right of offset is recognized. Upon conclusion of the arbitration, the payments into such account, together with applicable interest, shall be paid to the Company or to the writer in accordance with the arbitration decision. The parties shall cooperate in obtaining a speedy determination of the grievance and arbitration. As to any claimed right of offset with respect to any alleged overpayments of monies other than MBA compensation or arbitrable overscale compensation, the Guild and the Company reserve their respective rights and contentions.

10. Withdrawal of Services

Notwithstanding any provision of any personal service contract (including a memorandum agreement) or of the MBA to the contrary, it shall not be a violation thereof for the Guild or any employee (at the direction of the Guild) to withhold services from the Company if the Company fails or refuses to abide by the final award of an arbitrator for any reason whatsoever.

11. Any grievance and/or arbitration concerning a dispute arising under a prior MBA or a writer's individual employment agreement, loan-out agreement, option agreement or purchase agreement subject to a prior MBA shall be subject to the following grievance and arbitration rules and procedures as set forth in the MBA in effect at the time the grievance or arbitration is initiated:

a. The lists of arbitrators;

b. The method of selecting an arbitrator;

c. A party's unilateral right to waive second step grievance;

d. Use of a sole disinterested arbitrator rather than a tripartite arbitration panel;

e. Respondent's written statement of position prior to an arbitration hearing;

f. Methods of effecting service of grievance notices, arbitration claims, cross-claims and notices, and petitions to confirm, modify or vacate an arbitration award;

g. Arbitration of disputes concerning tri-Guild residuals audits as set forth in the Sideletter to Article 11.H.;

h. Expedited arbitration of residuals disputes under Article 11.G.; and

i. Expedited arbitration of reacquisition disputes under Article 11.F.

The parties agree that the provisions of this Article 11.A.11. shall not be construed to render a dispute subject to grievance and/or arbitration hereunder if that dispute was not subject to grievance and/or arbitration under such prior MBA. The parties further agree that to the extent a claim of overpayment as described in Article 11.A.9. of this Agreement or a "cross-claim" may lie, the provisions of this Article 11.A.11. also shall apply.

B. GRIEVANCE

1. Step One - Informal Conference

Prior to submitting to grievance any matter properly a subject thereof, an authorized representative of the Guild and an authorized representative of the Company will meet in a good faith

attempt to settle the dispute. If the representatives of the parties shall fail to settle the dispute within fourteen (14) days after the matter is first brought to the attention of the respondent, then the dispute may be referred to Step Two Grievance.

2. Step Two - Grievance

a. Commencement of Grievance

Complainant shall set out the nature of its claim in writing, and serve a copy ("grievance notice") thereof upon respondent by certified or registered mail. Respondent may, but need not, reply in writing, setting forth its position. The parties shall attempt to agree upon a mutually satisfactory date to convene a grievance committee and hold a grievance hearing, but if no mutually agreeable date is chosen, respondent may, within five (5) days after receipt of the grievance notice, designate by written notice to complainant a date upon which the grievance committee shall convene to hold the grievance hearing. Such date shall be no earlier than fifteen (15) nor later than thirty (30) days after receipt of the grievance notice. If respondent fails or refuses to designate such a date, complainant may designate the date for such meeting, such date to be not earlier than fifteen (15) nor later than thirty (30) days after service of the grievance notice.

b. Grievance Committee

The grievance committee shall consist of three (3) representatives chosen by respondent and three (3) representatives chosen by complainant. Either party shall have the right to designate a substitute for any of its representatives. The committee will, by majority vote, select its chairman. By mutual agreement, the grievance committee may consist of two (2) representatives chosen by respondent and two (2) representatives chosen by complainant.

c. Grievance Hearing

The grievance committee thus designated shall meet upon the date selected pursuant to the procedure described above, and shall consider and attempt to resolve the dispute brought before it. The hearing shall be conducted in an orderly fashion, but rules of evidence and technicalities of procedure shall not be controlling. It is the intent of this

Basic Agreement that the committee members shall use their good faith, best judgment and common sense, as persons experienced in the motion picture and television industry, in attempting to resolve the dispute brought before it. No matter shall be considered by the grievance committee unless a quorum is present. A quorum shall consist of six (6) members. If any four (4) members of the committee shall agree on a decision, such decision shall be final and binding upon the parties to the proceedings and any interpretation of this Basic Agreement made in such decision shall also be binding upon the writer or writers involved. If no decision is agreed upon, then in any subsequent arbitration or other proceeding, no reference shall be made to the grievance proceeding or to any statements or discussions therein, or to the failure of the grievance committee to settle the dispute.

d. Unresolved Grievance

If either party fails to designate its representatives within ten (10) days after notice of grievance is served, or if the committee shall fail to meet and commence hearings on the date selected in accordance with the procedures described above, or if four (4) members of the committee shall fail to concur in a decision, or if a grievance hearing is waived by one (1) of the parties hereto, or in any event if the dispute has not been settled by the committee or otherwise within forty-five (45) days after the mailing of the grievance notice, then either party may submit such matter to arbitration.

3. Waiver of Grievance [appeared as Article 11.A.1.c. in predecessor Agreements].

Either party may, by written notice to the other party, waive grievance. In such event, the dispute shall be submitted directly to arbitration.

C. ARBITRATION

1. Initiation of Proceedings

A dispute which is subject to grievance proceedings shall not be subject to arbitration, except as provided in subparagraph B.2.d. or subparagraph B.3. of this Article 11. An arbitration shall be initiated by complainant by written notice, setting forth the particulars of the claim, to be sent to respondent in accord with the procedures described in Article 11.A.6.a. of this Basic Agreement. Respondent

will provide complainant with a written statement of its position not later than ten (10) days prior to the date of the hearing.

2. Selection of Arbitrator

The arbitrator shall be a disinterested person. The parties shall in good faith attempt to mutually agree upon an arbitrator within ten (10) business days after respondent's receipt of the arbitration notice. The complainant may extend this ten (10) day period upon written notice to respondent(s) at the time the arbitration claim is served. Such extension is deemed effective at that time absent an objection by respondent(s). In addition, the extension will no longer be deemed effective if respondent(s) gives subsequent written notice to complainant in which case the parties shall in good faith attempt to mutually agree upon an arbitrator within ten (10) business days after complainant's receipt of notice from respondent(s). With respect to arbitration claims served on or after May 2, 2011, if the complainant has failed to take any action to select the arbitrator (either by mutual agreement or the applicable Strike Process), or has failed to withdraw the claim with or without prejudice, for a period of eighteen (18) months after service of the claim on respondent(s), such claim shall be deemed to be waived.

Should the parties fail to agree on an arbitrator, the arbitrator shall be selected by the "Strike Process" as follows:

a. The arbitrators listed in Article 11.C.2.e.(3) shall constitute the lists of arbitrators.

b. On a Company-by-Company basis, the Guild and the Company shall alternate on a case-by-case basis in first striking a name from the applicable list of arbitrators (Los Angeles or New York). Thereafter, the other party shall "strike" a name from the list. The parties shall continue to alternate in striking names from the list, until one (1) arbitrator's name remains.

c. The arbitrator whose name remains (after the Strike Process is completed) shall be the arbitrator.

d. The "Strike Process" shall commence within two (2) business days following completion of the ten (10) business day period referred to in subparagraph 2. above and must conclude no later than three (3) business days following completion of the ten (10) day period referred to in subparagraph 2. above.

e. In the event that one of the parties fails to participate in the Strike Process, or fails to strike in order and/or timely, the other party may thereupon select the arbitrator to hear the matter.

(1) [Deleted.]

(2) If more than one Company is a party, then the Company which is the real party in interest shall participate in the striking process with the Guild. In the event that such Companies cannot agree on which of them is the real party in interest, then such Companies shall determine by lot which Company shall participate in the striking process with the Guild.

(3) The authorized lists of arbitrators approved by the parties hereto are as follows:

LOS ANGELES

Sara Adler	Joel Grossman
Norman Brand	Fredric R. Horowitz
Mark Burstein	Najeeb Khoury
Douglas Collins	Fred Kuperberg
Paul E. Crost	Kenneth Perea
Greg David Derin	Sol Rosenthal
Dixon Dern	Robert Steinberg
Edna Francis	Gail Migdal Title
William Gould IV	

NEW YORK

Noel Berman	Susan MacKenzie
Daniel Brent	Joan Parker
Howard Edelman	Janet Spencer
Melinda G. Gordon	Carol Wittenberg
Joshua Javits	

Additional names may be added from time to time during the term of the contract by mutual agreement

of the parties, provided that each panel shall consist of an odd number of arbitrators at all times.

3. Substitution of Arbitrators

If the arbitrator selected cannot serve, a substitute shall be selected in accordance with subparagraph 2. above.

4. Notice of Hearing

The arbitrator or, at his/her request, one of the parties shall give written notice to the parties of the time and place of the arbitration hearing. In fixing such date, the arbitrator shall consult the parties and shall consider the time reasonably necessary for the parties to prepare their cases.

5. Exchange of Information

The parties will cooperate in the exchange of information prior to the hearing regarding the expected utilization of documents and witnesses, including the exchange of lists of witnesses and copies of documents to be utilized. Such utilization shall not be precluded because such exchange did not take place.

6. Hearing

a. The arbitrator may, upon a showing of good cause, continue the hearing.

b. The arbitration shall take place as noticed or continued regardless of whether one (1) or more of the parties fails to participate.

D. ARBITRATION OF DISPUTES WHICH INVOLVE QUESTIONS OF JURISDICTION OR ARBITRABILITY

An objection to jurisdiction or arbitrability shall first be determined by the arbitrator prior to proceeding with a hearing on the merits. If the arbitrator determines that there is jurisdiction and that the dispute is arbitrable, the arbitrator shall proceed to a decision on the merits; provided, however, that the party contesting arbitration or jurisdiction shall not, by proceeding to a determination of the merits of such arbitration, be deemed to have waived its position that the dispute is not arbitrable or that the arbitrator does not have jurisdiction. If the arbitrator rules he has no jurisdiction over the dispute or that the dispute is not arbitrable, then each party is relieved of its obligation to further delay taking any action at law or in equity which it may desire to take.

E. ARBITRATION OF DISPUTES CONCERNING CREDIT PROVISIONS

A dispute concerning the credit provisions of this Basic Agreement shall be submitted to an expedited arbitration proceeding governed by the following rules:

1. The Guild shall act on behalf of itself and the writer.

2. Within twenty-four (24) hours after the Guild or the Company serves written notice upon the other concerning a dispute involving a credit provision, an authorized representative of the Guild and an authorized representative of the Company will make a good faith attempt to settle or resolve the dispute.

3. In the event the parties shall fail to meet or shall otherwise fail to settle or resolve the dispute within twenty-four (24) hours after the twenty-four (24) hours provided in subparagraph 2. above, the dispute shall be submitted to arbitration to be commenced not later than five (5) business days after the service of the written notice provided for in subparagraph 2. above.

4. The dispute shall be submitted to a sole neutral arbitrator mutually selected from the authorized list of arbitrators approved by the parties hereto as follows:

LOS ANGELES

Sara Adler	Joel Grossman
Norman Brand	Fredric R. Horowitz
Mark Burstein	Najeeb Khoury
Douglas Collins	Fred Kuperberg
Paul E. Crost	Kenneth Perea
Greg David Derin	Sol Rosenthal
Dixon Dern	Robert Steinberg
Edna Francis	Gail Migdal Title
William Gould IV	

NEW YORK

Noel Berman	Susan MacKenzie
Daniel Brent	Joan Parker
Howard Edelman	Janet Spencer
Melinda G. Gordon	Carol Wittenberg
Joshua Javits	

Additional names may be added from time to time during the term of the contract by mutual agreement of the parties, provided that each panel shall consist of an odd number of arbitrators at all times.

In the event the parties are unable, within forty-eight (48) hours (not including weekends or holidays) after respondent's receipt of the written notice provided for in subparagraph 2. above, to agree upon an arbitrator from the above list or otherwise, the arbitrator shall be selected by use of the following "strike process:"

a. The arbitrators listed in this Article 11.E.4. shall constitute the lists of arbitrators.

b. On a Company-by-Company basis, the Guild and the Company shall alternate on a case-by-case basis in first striking a name from the applicable list of arbitrators (Los Angeles or New York). Thereafter, the other party shall "strike" a name from the list. The parties shall continue to alternate in striking names from the list until one arbitrator's name remains.

c. The arbitrator whose name remains (after the strike process is completed) shall be the arbitrator, so long as the arbitrator is a disinterested person.

d. The "strike process" shall commence within twenty-four (24) hours (not including weekends or holidays) after the period for mutual agreement has expired and shall be completed within forty-eight (48) hours (not including weekends or holidays) after the period for mutual agreement has expired.

e. If one of the parties fails to participate in the strike process, or fails to strike in order and/or timely, the other party may thereupon select a neutral arbitrator to hear the matter.

f. If more than one Company is a party, then the Company which is the real party in interest shall participate in the strike process with the Guild. In the event that such Companies cannot agree on which of them is the real party in interest, then such Companies shall determine by lot which Company shall participate in the strike process with the Guild.

5. Notwithstanding anything in this Basic Agreement to the contrary, the arbitrator shall have jurisdiction and power to award damages, to order the Company to withdraw, cancel, change, or re-do advertising materials already issued or prepared, to require the Company to re-do any film titles, and to order any other reasonable relief the arbitrator deems appropriate in the circumstances, whether relating to credit on the screen, advertising or otherwise. Any award rendered by the arbitrator shall be binding on the parties and upon the writer.

6. Any or all time limits set forth herein may be waived by the mutual consent of the parties.

7. To the extent not inconsistent herewith, all other provisions of the Basic Agreement relating to arbitrations shall be applicable.

F. EXPEDITED ARBITRATION OF CERTAIN DISPUTES CONCERNING REACQUISITION OF UNPRODUCED LITERARY MATERIAL (THEATRICAL)

1. a. Disputes Subject to Expedited Arbitration Procedure

The following procedure applies only to arbitrable disputes between the Guild and the Company concerning the interpretation or application, or alleged breach, of any provision of Article 16.A.8. of this Basic Agreement or any predecessor WGA Basic Agreement as to which the initial written notice of the writer's desire or intent to reacquire is received by the Company on or after May 2, 1998.

b. Parties

Only the Guild and the Company shall be parties to an Article 11.F. arbitration proceeding. The Guild shall act on behalf of itself and the writer.

2. Right to Invoke

Either the Guild or the Company shall have the right to invoke this expedited arbitration procedure when there is a likelihood of irreparable harm in connection with the proposed reacquisition if regular arbitration procedures were used. For purposes of Article 11.F., it is agreed that "irreparable harm" means an event or occurrence that cannot be undone or an opportunity or situation that, once lost or foregone, is unlikely to be revived or recaptured. The burden of proof shall be on the moving party to show that use of the expedited procedure is appropriate under the provisions of this subparagraph 2.

3. Commencement of Proceedings

Complainant shall initiate expedited arbitration proceedings by written notice, setting forth the particulars of the claim, to be sent to the respondent in accordance with the procedures described in Article 11.A.6.a. of the Basic Agreement. Such notice shall be served within ten (10) business days after the moving party has obtained knowledge of the facts upon which the claim is based. If expedited arbitration proceedings are not commenced within this time period, use of the expedited procedure shall be deemed waived. When the WGA or the Company has initiated the Article 48.E. Hot Line procedure, the period of no more than seven (7) days used to attempt resolution of the dispute in this manner shall not be included in the computation of the ten (10) business day period under this subparagraph 3.

4. a. Response or Objection to Expedited Claim

The respondent shall respond to the claim or object to use of the expedited procedure within ten (10) business days after its receipt of the expedited arbitration claim. If there is no objection to the procedure, the respondent will provide to complainant a written statement of its position within the time specified in the preceding sentence and, upon selection, to the arbitrator.

b. Objection to Expedited Procedure and Interim Ruling

If the respondent has objected to use of the expedited procedure, the objection must describe the factual or other basis for its contention that use of the expedited procedure is not appropriate under the provisions of Article 11.F.2. The

arbitrator (upon selection) may either convene an informal hearing by conference call, or a formal hearing, for the purpose of determining whether use of the expedited procedure is appropriate.

The hearing will take place within three (3) business days following selection of the arbitrator. Each party may file hearing briefs, page limit to be set by the arbitrator, and may make closing arguments. There will be no post-hearing briefs. The arbitrator must inform the parties of his/her decision as to whether the expedited procedure was appropriately invoked within twenty-four (24) hours after conclusion of the hearing, to be followed by an interim ruling in writing.

5. Selection of an Arbitrator; Place of Hearing

a. The arbitrator shall be a neutral third party. The parties shall in good faith attempt to mutually agree upon an arbitrator within three (3) business days after the response, objection or failure to respond, but in no event later than expiration of the ten (10) business day period in Article 11.F.4.a. above. Should the parties fail to so agree, the arbitrator shall be selected by the "Strike Process" as follows:

(1) The arbitrators listed in subparagraph (7) below shall constitute the lists of arbitrators.

(2) On a respondent-by-respondent basis, the moving party and the respondent shall alternate on a case-by-case basis in first striking a name from the list of arbitrators. Thereafter, the other party shall "strike" a name from the list. The parties shall continue to alternate in striking names from the list, until one (1) arbitrator's name remains.

(3) The arbitrator whose name remains (after the Strike Process is completed) shall be the arbitrator.

(4) The Strike Process shall commence on the first business day following completion of the three (3) business day period referred to in subparagraph 5.a. above and must conclude by close of business that day.

(5) In the event that one of the parties fails to participate in the Strike Process, or fails to strike in order and/or timely, the other party may thereupon select the arbitrator to hear the matter.

(6) If there is more than one respondent, then the respondent which is the real party in interest shall participate in the strike process with the Guild. In the event that such respondents cannot agree on which of them is the real party in interest, then such respondents shall determine by lot which of them shall participate in the striking process with the Guild.

(7) The authorized lists of arbitrators are as follows:

LOS ANGELES

Sara Adler	Joel Grossman
Norman Brand	Fredric R. Horowitz
Mark Burstein	Najeeb Khoury
Douglas Collins	Fred Kuperberg
Paul E. Crost	Kenneth Perea
Greg David Derin	Sol Rosenthal
Dixon Dern	Robert Steinberg
Edna Francis	Gail Migdal Title
William Gould IV	

NEW YORK

Noel Berman	Susan MacKenzie
Daniel Brent	Joan Parker
Howard Edelman	Janet Spencer
Melinda G. Gordon	Carol Wittenberg
Joshua Javits	

Additional names may be added from time to time by mutual agreement of the parties, provided that each

panel shall consist of an odd number of arbitrators at all times.

b. Substitution of Arbitrators

If the arbitrator selected cannot serve, a substitute shall be selected in accordance with subparagraph 5.a. above.

c. Choice of Two Arbitrators

If there is to be a hearing on the respondent's objection to use of the expedited procedure, the parties have the option of selecting one arbitrator to rule on such objection and another arbitrator to determine the remaining issues in the case, both of whom shall be selected pursuant to this subparagraph 5.

d. Place of Hearing

The place of the arbitration hearing shall be determined in accord with Article 11.A.3. of the Agreement.

6. Timeline; Citation of Expedited Arbitration Awards

a. The hearing on the merits of the claim shall commence within twenty (20) business days following the respondent's receipt of the arbitration claim or, if the respondent has objected to use of this expedited procedure, within twenty (20) business days following the arbitrator's determination that use of this expedited procedure is appropriate.

The arbitrator or, at his/her request, one of the parties, shall give written notice to the other party of the time and place at which the arbitration hearing will commence. In fixing such date, the arbitrator shall consult the parties and shall consider the time reasonably necessary for the parties to prepare their cases. The arbitration shall take place as notified (or as continued) regardless of whether one (1) of the parties fails to participate.

b. The hearing on the merits of the claim shall conclude within ten (10) business days after its commencement, provided that the duration of the hearing is consistent with fundamental fairness in the arbitrator's sole judgment.

c. The parties may file post-hearing briefs within fifteen (15) business days following the close of the hearing. Either party's election to file a post-hearing brief will not preclude that party's right to make a closing argument so long as the hearing concludes within the time permitted in subparagraph 6.b. above.

d. Within ten (10) business days following either receipt of the parties' briefs, or the conclusion of the hearing if no briefs are filed, the arbitrator shall issue a written decision and award on the issues presented. The arbitrator's failure to meet the deadline shall not oust the arbitrator of jurisdiction. The arbitrator's determination of issues and award shall be final and binding upon the Company, the Guild and the writer or writers involved, whether participating in the proceeding or not.

Any award so rendered may be cited or offered into evidence by any party in another arbitration proceeding under this Basic Agreement, whether expedited or not.

7. Waiver of Time Limits

Any or all of the time limits set forth in Article 11.F.6. may be waived by the mutual consent of the parties.

8. Right to Seek an Extension of Time Limit

Upon the arbitrator's finding of good cause demonstrated by either party, the arbitrator may expand the time for conducting the hearing for a maximum of three (3) additional business days, and/or the time for filing post-hearing briefs for a maximum of three (3) additional business days. In making such a determination, the arbitrator shall take into account the position of a party opposing the extension that prejudice would result from the extension. The arbitrator shall advise the parties of his/her ruling on any request for an extension within forty-eight (48) hours after the request is made.

9. Choice of Arbitration Forum; Application of Other Arbitration Provisions

Claims processed under this Article 11.F., which result in expedited arbitration awards on the merits of the issues presented, shall not be subject to adjudication in a judicial forum. The preceding

sentence does not reduce or impair the rights of any party under Article 12.C., D., and E. of this Agreement.

In addition, once an expedited arbitration procedure is initiated, the provisions of Article 11.F. shall preclude arbitration under Article 16.A.6. to the extent that the issue(s) under Article 16.A.6. has (have) been decided in the expedited proceeding.

To the extent not inconsistent herewith, all other provisions of Articles 10, 11 and 12 of the Basic Agreement relating to arbitration shall be applicable.

10. Remedies in the Arbitration Forum

In an expedited arbitration proceeding under Article 11.F., the arbitrator is limited to providing remedies that are in the nature of equitable relief such as a declaration of the respective rights of the parties and specific performance.

If all issues in dispute concerning the reacquisition are not fully resolved in the expedited proceeding, the WGA or the Company may initiate a subsequent arbitration proceeding under the regular procedures in the Basic Agreement.

11. Legal Subcommittee

The parties to this Basic Agreement shall establish a legal subcommittee to explore whether the expedited arbitration procedure in Article 11.F. should apply to other Article 16 disputes. The subcommittee shall report its recommendations, if any, to the Contract Adjustment Committee (CAC).

G. ARBITRATION OF CERTAIN DISPUTES CONCERNING RESIDUALS PROVISIONS

Notwithstanding any other provision of the MBA, a dispute concerning the residuals provisions of this Basic Agreement or a predecessor WGA Basic Agreement shall be submitted to an expedited arbitration proceeding if the respondent is not financially responsible, or it is likely that the respondent's assets will be depleted or transferred, such that in either case it is reasonable to believe that the respondent would be unable to satisfy its residuals liability if the dispute were processed through the grievance and/or arbitration procedures set forth in Articles 11.A. through 11.C., above. This expedited proceeding will be governed by the following rules:

1. **Invocation of Expedited Proceeding**

A Notice of Expedited Arbitration (so labeled by the claimant) shall be reduced to writing and delivered to the respondent. The Notice of Expedited Arbitration shall include the name, address and telephone number of the claimant's representatives and the name of the person who represents the respondent, if known. The Notice of Expedited Arbitration shall also set forth the particulars of the claim, including an allegation that the respondent is not financially responsible, or it is likely that the respondent's assets will be depleted or transferred, such that in either case it is reasonable to believe that the respondent would be unable to satisfy its residuals liability if the dispute were processed through the grievance and/or arbitration procedures set forth in Articles 11.A. through 11.C.

This expedited procedure is not available when the residuals obligation(s) at issue is (are) payable, guaranteed or assumed by a "Qualified Distributor," "Qualified Buyer" and/or a "Qualified Residuals Payor," except by mutual agreement.

2. **Attempt to Settle Dispute**

Within seven (7) business days after the claimant serves written notice upon the respondent concerning an expedited arbitration proceeding, an authorized representative of the claimant and an authorized representative of the respondent will make a good faith attempt to settle or resolve the dispute.

3. **Submission of Dispute to Arbitrator**

In the event the parties shall fail to meet or discuss the claim, or shall otherwise fail to settle or resolve the dispute within fifteen (15) business days after the respondent's receipt of the claim, the dispute shall be submitted to arbitration to be commenced not later than sixty (60) days after the respondent's receipt of the claim.

4. **Place of Hearing**

All expedited arbitration hearings under this Paragraph G. shall be in Los Angeles, absent agreement of the parties to another situs.

5. **Arbitrator Selection**

The dispute shall be submitted to a sole neutral arbitrator mutually selected from the authorized list of arbitrators as follows:

LOS ANGELES

Sara Adler	Joel Grossman
Norman Brand	Fredric R. Horowitz
Mark Burstein	Najeeb Khoury
Douglas Collins	Fred Kuperberg
Paul E. Crost	Kenneth Perea
Greg David Derin	Sol Rosenthal
Dixon Dern	Robert Steinberg
Edna Francis	Gail Migdal Title
William Gould IV	

Additional names may be added from time to time during the term of the contract by mutual agreement of the parties, provided that each panel shall consist of an odd number of arbitrators at all times.

In the event the parties are unable, within ten (10) business days (not including weekends or holidays) after the respondent's receipt of the claim, to agree upon an arbitrator from the above list or otherwise, the arbitrator shall be selected by use of the following "strike process:"

a. The arbitrators listed in this Article 11.G. shall constitute the list of arbitrators.

b. On a Company-by-Company basis, the Guild and the Company shall alternate on a case-by-case basis in first striking a name from the list of arbitrators. Thereafter, the other party shall "strike" a name from the list. The parties shall continue to alternate in striking names from the list until one arbitrator's name remains.

c. The arbitrator whose name remains (after the strike process is completed) shall be the arbitrator, so long as the arbitrator is a disinterested person.

d. The strike process shall commence within twenty-four (24) hours (not including weekends or holidays) after the period for mutual agreement has expired and shall be completed within forty-eight (48) hours (not including weekends or holidays) after the period for mutual agreement has expired.

e. If one of the parties fails to participate in the strike process, or fails to strike in order and/or timely, the other party may thereupon select a neutral arbitrator to hear the matter.

f. If more than one Company is a party, then the Company which is the real party in interest shall participate in the strike process with the Guild. In the event that such Companies cannot agree on which of them is the real party in interest, then such Companies shall determine by lot which Company shall participate in the strike process with the Guild.

6. **Award**

The arbitrator's written award shall be issued within sixty (60) calendar days from the end of the expedited arbitration hearing if closing argument is substituted for post-hearing briefs, or ninety (90) days following submission of post-hearing briefs. The arbitrator's failure to meet the deadline shall not oust the arbitrator of jurisdiction. The arbitrator's determination of issues and award shall be final and binding on all parties, whether participating in the hearing or not. The parties shall be so bound in any subsequent arbitration proceeding between them concerning a residuals dispute involving the same theatrical and/or television motion picture(s). Except as provided above, awards resulting from the use of these expedited procedures shall not be offered in evidence or cited in arbitrations under this Basic Agreement.

7. **Continuance of Hearing and Testimony by Telephone**

The hearing shall not be continued, absent agreement of the parties, except upon proof of good cause by the party requesting such continuance. The unavailability of any witness shall not constitute good cause unless the witness' testimony is relevant to the issues in the arbitration and could not be received by means consistent with fundamental fairness which do not require the witness' presence at the hearing. Each party shall have the right to present the testimony of any witness by telephone, so long as the arbitrator is satisfied that the examination is consistent with fundamental fairness.

8. **Settlement**

Nothing contained in this Article 11.G. shall preclude the parties from discussing the settlement of the dispute, except that such discussion shall not delay the expedited arbitration procedure.

9. **Time Limit for Use of Expedited Proceedings and Determination of Claims Not Subject to Expedited Arbitration**

The failure of the claimant to serve the Notice of Expedited Arbitration within sixty (60) days following the date on which the facts upon which the claim is based were discovered by the moving party shall constitute a waiver of the right to use this expedited arbitration procedure. If two (2) or more residuals claims are submitted to expedited arbitration and the expedited arbitration procedure has been waived or is inapplicable to one (1) or more claims, absent objection by the respondent, the non-expedited claim(s) may be heard in the expedited proceeding. If the respondent objects to the determination of the non-expedited claim(s) in the expedited proceeding, the same arbitrator selected to hear the expedited claim(s) may, absent objection by a party during the arbitration hearing, determine the claim(s) not subject to expedited arbitration, provided that such non-expedited arbitration claim(s) shall be determined in a separate proceeding conducted in accordance with Article 11.C., above.

10. **Right to Object to Expedited Procedures and Interim Ruling**

The respondent may object to proceeding under this Article 11.G. by serving written notice of such objection with claimant and the arbitrator within seven (7) business days of receipt of the Notice of Expedited Arbitration. The respondent's notice of objection must describe facts indicating it is financially responsible, or that it is not likely that its assets will be depleted or transferred, such that in either case it is reasonable to believe that the respondent would be able to satisfy its residuals liability if the dispute(s) at issue were processed through the grievance and/or arbitration procedures set forth in Articles 11.A. through 11.C., above. In the event of an objection, the claimant shall have the burden of proving that it is consistent with this Article 11.G. to hear the dispute(s) under these expedited procedures.

The arbitrator may convene an informal hearing by telephone conference call, or a formal hearing, to determine whether it is consistent with this Article 11.G. to hear the dispute(s) under these expedited procedures. If the arbitrator convenes a hearing, that hearing will take place within three (3) business days of receipt of the respondent's notice of objection. The parties may file hearing briefs, the page limit to be set by the arbitrator, and they may make closing argument. There will be no post-hearing briefs. The arbitrator must inform the parties of the interim ruling on the use of the expedited procedures under this Article 11.G. within twenty-four

(24) hours after conclusion of the hearing or, in the event no hearing is convened, within twenty-four (24) hours of the submission to the arbitrator of all briefs and/or relevant documents, to be followed by an interim ruling in writing.

11. **Bifurcation**

If the expedited arbitration involves multiple residuals disputes or controversies, such as which of two (2) or more respondents is liable to make payment and the amount of residuals unpaid, the arbitrator may, upon the request of a party, bifurcate or separate such disputes or controversies and render separate awards, each of which shall be deemed final.

12. **Invocation of Expedited Proceeding After Service of Claim Under Articles 11.A. through 11.C.**

If, after such time as a residuals arbitration has been commenced under the procedures set forth in Articles 11.A. through 11.C. above, a party learns that a respondent is not financially responsible, or it is likely that the respondent's assets will be depleted or transferred, such that in either case it is reasonable to believe that the respondent would be unable to satisfy its residuals liability if the dispute were processed through such grievance and/or arbitration procedures, any party to that arbitration proceeding may invoke an expedited arbitration under this Article 11.G. by serving appropriate notice to that effect.

13. **Waiver of Time Limits**

Any and all time limits in Article 11.G. may be waived by the mutual consent of the parties.

14. **Other Provisions Applicable**

To the extent not inconsistent with Article 11.G., all other provisions of the Basic Agreement relating to arbitrations shall be applicable.

H. ARBITRATION OF DISPUTES CONCERNING TRI-GUILD RESIDUALS AUDITS

See Sideletter to Article 11.H., Arbitration of Disputes Concerning Tri-Guild Residuals Audits, for the procedures applicable to such cases.

I. EQUAL STATUS OF PARTIES

It is understood that the Companies and the Guild are parties of equal status under this Agreement and in the administration of the arbitration processes throughout this Agreement. The equal status of the parties in the administration of the arbitration process shall be recognized in matters involving the determination of the availability of arbitrators, the selection of hearing dates, the retention of stenographic reporters, and insofar as applicable in all communications with the arbitrators.

Arbitration claims, cross-claims and notices shall carry the caption "WRITERS GUILD OF AMERICA - PRODUCERS ARBITRATION TRIBUNAL."

ARTICLE 12 - COURT PROCEEDINGS

A. DISPUTES CONCERNING CREDITS

Nothing in this Basic Agreement shall limit the rights of the Guild or any writer to assert any and all appropriate legal and equitable rights and remedies to which the Guild or such writer is entitled in courts of competent jurisdiction with regard to an alleged breach of Article 8 and Schedule A of this Basic Agreement with respect to writing credit; subject, however, to the following conditions and limitations:

1. The Guild and the writer shall be bound by any court proceedings instituted by the Guild.

2. If the Guild or the writer commences any proceedings in court with respect to any such alleged breach prior to the submission of the dispute to arbitration hereunder, then neither the Guild nor the writer may submit such dispute to arbitration and no arbitrator shall have jurisdiction to consider the alleged breach of such credit provision.

3. If the Guild or the Company commences an arbitration proceeding hereunder with respect to any such alleged breach prior to the submission of the dispute to a court, then neither the Guild nor the writer shall thereafter commence any proceeding in court with respect to such alleged breach.

4. Any permissible court proceeding referred to in this Paragraph A. must be commenced by the Guild or the writer, if at all, within the applicable time limits specified in subparagraph 2. of Article 11.A.

B. DISPUTES CONCERNING COMPENSATION

With respect to a compensation claim which is arbitrable pursuant to the provisions of this Basic Agreement, the writer, at his/her option, need not proceed by grievance and arbitration, but instead may institute an action at law or in equity with respect to such claim prior to submission of such claim to grievance or arbitration; provided, however, that for compensation claims of four hundred thousand dollars ($400,000.00) or less for theatrical or television employment or purchase, the writer must submit such claim to grievance and arbitration pursuant to Articles 10 and 11 of this Basic Agreement and failure to so proceed by grievance and

arbitration shall constitute a waiver by the writer as to such compensation claim.

C. Nothing in this Basic Agreement shall impair, affect or limit the right of the Company, the Guild or any writer to assert and exercise any and all appropriate legal or equitable rights or remedies to which such Company, Guild or writer is entitled in any court of competent jurisdiction as to any dispute which is not subject to grievance or arbitration pursuant to this Basic Agreement. The rights of the parties to assert and exercise legal or equitable rights or remedies as to disputes which are subject to grievance or arbitration are as more particularly defined in this Basic Agreement.

D. The Guild shall have the right to take to grievance and arbitration a claim of the Guild of a breach by the Company of any of the terms or provisions of this Basic Agreement, including a failure to pay minimum compensation, regardless of whether or not such claimed breach may also involve a breach by the Company of its contract with the writer and such proceeding shall not affect the right of the writer to pursue his/her own remedies at law or in equity, except as limited by the provisions of this Basic Agreement.

E. Nothing in this Basic Agreement shall preclude any court of competent jurisdiction from confirming, setting aside or modifying any grievance or arbitration award hereunder in any proceeding brought for such purpose in accordance with applicable law.

ARTICLE 13 - COMPENSATION

A. THEATRICAL

Company agrees that the minimum basic compensation to be paid a writer who is employed for a feature length photoplay on a so-called flat deal basis shall be as herein set forth.

For the purpose of this Article 13.A.1.a., "High Budget" photoplay shall be a photoplay the cost of which equals or exceeds five million dollars ($5,000,000.00); a photoplay the cost of which is less than five million dollars ($5,000,000.00) shall be referred to as a "Low Budget" photoplay.

The Company may option to purchase or license from a professional writer literary material, which would be covered by this Basic Agreement, for a period of eighteen (18) months upon payment of ten percent (10%) of the applicable minimum compensation for such literary material. Company may renew or extend such option for subsequent eighteen (18) month periods upon payment of an additional ten percent (10%) of the applicable minimum compensation for such literary material for each such eighteen (18) month period. Notwithstanding anything in this Basic Agreement to the contrary, the option payment(s) shall be credited against the purchase price or other compensation payable to the writer.

1. a. Minimum Compensation

FLAT DEAL SCREEN MINIMUMS

HIGH BUDGET		EFFECTIVE		
		5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
(1)	Screenplay, including treatment	$126,089	$129,241	$132,149
(2)	Screenplay, excluding treatment	87,191	89,371	91,382
(3)	Final Draft Screenplay or Rewrite	38,759	39,728	40,622
(4)	Polish	19,380	19,865	20,312
(5)	First Draft of Screenplay (alone or with option for Final Draft Screenplay):			
	First Draft Screenplay	58,138	59,591	60,932
	Final Draft Screenplay	38,759	39,728	40,622
(6)	Treatment	38,759	39,728	40,622
(7)	Original Treatment	58,138	59,591	60,932
(8)	Story	38,759	39,728	40,622
(9)	Additional Compensation Screenplay – No Assigned Material	19,380	19,865	20,312

LOW BUDGET		EFFECTIVE		
		5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
(1)	Screenplay, including treatment	$67,802	$69,497	$71,061
(2)	Screenplay, excluding treatment	42,366	43,425	44,402
(3)	Final Draft Screenplay or Rewrite	25,424	26,060	26,646
(4)	Polish	12,721	13,039	13,332
(5)	First Draft of Screenplay (alone or with option for Final Draft Screenplay):			
	First Draft Screenplay	30,512	31,275	31,979
	Final Draft Screenplay	20,337	20,845	21,314
(6)	Treatment	25,424	26,060	26,646
(7)	Original Treatment	35,108	35,986	36,796
(8)	Story	25,424	26,060	26,646
(9)	Additional Compensation Screenplay – No Assigned Material	9,693	9,935	10,159

NOTE: The minimum for a screen writer shall be not less than the "appropriate" television minimum, consistent with the particular literary element and the length of the motion picture.

b. Additional Payment - No Assigned Material

When Company employs a writer to write a screenplay on a flat deal basis at the minimum basic compensation provided in this Article 13.A., unless Company in good faith furnishes such writer a novel, play, treatment, original treatment, or story upon which the screenplay is to be based or from which it is to be adapted, such writer shall be paid an additional amount as described in subparagraph 1. above. The assigned material shall be specifically identified in the notice of employment and contract; if not then known, the writer and the Guild shall be furnished with such identification when it is available.

Any dispute as to whether or not Company has so furnished such writer a novel, play, treatment, original treatment, or story shall be subject to automatic arbitration by the Guild arbitration committee (referred to in Theatrical Schedule A); provided, however, that in the event Company or the writer does not accept the decision of such Guild arbitration committee, such party shall notify the Guild and the other party, in writing, of its position and such dispute shall thereupon be subject to the grievance and arbitration provisions of Articles 10, 11 and 12 of this Basic Agreement.

2. Narration by a Writer Other Than any Writer of Screenplay or Story and Screenplay

Minimums for narration are based on status of film assembly and nature of previously written material as follows:

Nature of Material Written Prior to Employment of Narration Writer	**Film Assembled in Story Sequence**	**Film Footage Not Assembled in Story Sequence**
None	Applicable Screenplay excluding Treatment Minimum	Applicable Screenplay including Treatment Minimum
Story Only	Applicable Screenplay excluding Treatment Minimum	Applicable Screenplay excluding Treatment Minimum
Story and Screenplay	Per Rate Schedule A	Per Rate Schedule A

Rate Schedule A	**EFFECTIVE**		
	5/02/20-5/01/21	**5/02/21-5/01/22**	**5/02/22-5/01/23**
Two minutes or less	$1,183	$1,213	$1,240
Over two minutes through five minutes	4,191	4,296	4,393
Over five minutes	applicable polish minimum		

Aggregate sound track running time in minutes of narration written by writer hired pursuant hereto.

Narration writer may be hired on a week-to-week basis.
There is no separation of rights for narration.

3. Initial Payment

The Company shall use its best efforts to issue to the writer (or his/her designated representative), for the writer's signature, a written document memorializing the agreement reached between the Company and the writer within ten (10) business days after agreement is reached on the major deal points of a writing assignment (*e.g.*, agreement on initial compensation, including bonus, if any, and number of drafts) for a theatrical motion picture

(twelve (12) business days in the case of either a term writing agreement or an agreement for both writing and non-writing services), but in no event later than the earlier of: (a) fifteen (15) business days after agreement is reached on the major deal points of the writing assignment, or (b) the time period required by Article 19. Disputes as to whether Company has submitted such document in a timely manner may be submitted to the "Hot Line" dispute resolution procedure in Article 48.

Company shall attach a cover sheet to the document memorializing the agreement reached between the Company and the writer which sets forth in summary form all conditions precedent which must be satisfied before writing services can commence. The terms of such cover sheet shall not alter or vary the terms of the agreement reached between the Company and the writer, and, in any event, the terms of the writer's agreement shall prevail.

With respect to any employment under this Article 13.A. on a flat deal basis, the Company will pay to the writer, not later than the next regular payday in the week following the day the Company instructs the writer to commence his/her services, a single advance amount (to be applied against the first compensation which otherwise would be due to the writer) at least equal to the greater of (a) ten percent (10%) of the writer's agreed compensation which otherwise would be due to the writer upon delivery of the first required material, or (b) one week's compensation at the weekly rate for term employment for 14 out of 14 weeks.

4. Maximum Period of Employment

With respect to writers employed at the minimum basic compensation provided for in this Article 13.A. to write a story, treatment, original treatment, first draft screenplay, final draft screenplay, screenplay, or rewrite, the Company shall not require the writer to render services beyond that period of weeks (and fractions thereof) obtained by dividing such applicable minimum basic compensation set forth above in (1) through (9), as the case may be, by the minimum weekly compensation provided for in Article 13.A., subparagraph 15. hereof, for writers employed on a weekly basis.

In the event that the same writer is employed to write any combination of those items set forth above in (1) through (9), such time periods shall be cumulative.

If the writer is required by written notice from the Company to render his/her services beyond such time period, he/she shall be

entitled to the specified compensation on delivery and to the minimum weekly compensation to which such writer would be entitled if employed on a weekly basis, as hereinafter in subparagraph 15. of Article 13.A. provided, for services rendered after the expiration of such period.

5. Computation of Writer's Period of Employment

In computing the duration of a writer's employment under this Article 13.A., there shall be excluded the following:

a. Any time during which the writer's employment agreement was suspended by reason of any breach or default on the part of the writer;

b. Any time during which the writer's employment agreement was suspended by reason of any of the causes specified in the "force majeure" clause of such writer's employment agreement;

c. Except as hereinafter provided, waiting time which occurs during or after the writer's employment.

Any excess waiting time shall be included in computing the duration of the writer's employment. However, excess waiting time after the expiration of the duration of the writer's employment shall not be included in computing the duration of the writer's employment unless the writer holds himself/herself available for the Company's further instructions pursuant to the Company's written notice to the writer so to hold himself/herself available after the expiration of the writer's employment.

Any time during which the writer shall make revisions called for by the Company shall be included in computing the duration of the writer's employment.

6. Waiting Time

The waiting time to be excluded in computing the duration of the writer's employment shall not exceed three (3) days following delivery of material, and such waiting time shall not be compensable. In the event that the same writer is employed to write any combination of story, treatment or original treatment, first draft screenplay, final draft screenplay or screenplay, such waiting time shall be cumulative. "Excess waiting time," as used in this Article 13.A., means waiting time in excess of the waiting time to be

excluded as provided in this subparagraph 6. If the writer is called into conference on any day or instructed to perform any services on any day, such day may not be included in waiting time. Sundays and holidays generally recognized in the motion picture industry shall be excluded in computing waiting time.

7. Extension of Employment Period

If the employment agreement under this Article 13.A. for a treatment on a flat deal basis contains any option for additional literary material, and the Company wishes the writer to change, revise or complete his/her assignment after the expiration of the maximum allotted employment period under this Article, the Company may postpone the time for exercise of such option by notifying the writer that it elects to continue the employment of the writer on a week-to-week basis commencing upon the expiration of the employment period then expiring at the minimum weekly compensation prescribed in subparagraph 15. hereof, but without any minimum guaranteed period of employment. The Company must notify the writer to this effect promptly upon the expiration of such maximum allotted employment period. Such employment shall continue until further notice from the Company, and the waiting time shall commence upon such termination of the employment. If the Company thereafter exercises any option, and the maximum allotted employment period under this Article 13.A. for which the Company would be entitled to the writer's services under such option shall exceed the period during which the writer performed his/her services (excluding time for which the writer was compensated on a week-to-week basis and excluding waiting time), then the Company shall be entitled to credit against the amount due under such option an amount equal to the minimum weekly compensation specified in subparagraph 15. herein for the period of such excess. Such credit shall not exceed the amount actually paid to the writer for services performed on a week-to-week basis.

8. Failure to Deliver Material Within Allotted Time Period

If the writer has not completed and delivered to the Company the material within the maximum allotted employment period provided for in this Article 13.A., or any shorter period specified in the individual writer's employment agreement, then the Company may exercise the succeeding option and require the writer to complete such material within the succeeding option period. If the writer has not completed and delivered to the Company the material within such maximum allotted employment period, or such shorter period specified in the individual writer's employment agreement, and if the failure of the writer so to complete and deliver such material

was not caused by any instructions or directions on the part of the Company, then and at any time thereafter and prior to the delivery of such material, the Company may terminate the writer's employment agreement, and the Company shall not be obligated to make any further or additional payment thereunder. For the purposes of determining whether to terminate such contract, the Company may require the writer to deliver for inspection any material then written and compliance with such requirement shall not constitute delivery for the purpose above mentioned without the written consent of the Company. The Company shall retain title to and ownership of any material theretofore delivered for which payment was made by the Company, subject to the provisions of Article 16.A.

9. Teams

Every writer shall receive no less than the applicable minimum, except that if a *bona fide* team of no more than two (2) writers offers, prior to employment on the script in question, to collaborate, the team as a unit shall receive in the aggregate not less than the applicable minimum compensation.

In addition, if a *bona fide* team of no more than three (3) writers offers, prior to employment on the script in question, to collaborate, the team as a unit shall receive in the aggregate not less than two hundred percent (200%) of the applicable minimum compensation, of which each individual writer shall be paid not less than one-third (⅓) of said aggregate compensation.

10. Week-to-Week, Term, Flat Deal

The Company may employ a writer on a week-to-week or term basis to write a story, treatment, original treatment, first draft screenplay, final screenplay, screenplay, or rewrite. At any time thereafter, Company may employ such writer or any other writer on a flat deal basis to write any such material in accordance with the provisions of this Article 13.A. If Company employs a writer on a flat deal basis to write any such material, at any time thereafter Company may employ such writer or any other writer to write any such material on a week-to-week basis or term basis. If the Company imposes the condition that such material must be completed and delivered by a specified date, and the writer accepts the employment upon such conditions and completes and delivers the material to the Company in compliance with such condition, then such employment shall be deemed to be employment on a flat deal basis and the writer shall be entitled to the applicable flat deal minimums provided in this Article 13.A. for the work involved. If the

Company employs two (2) writers as a team on a week-to-week basis to write a story, treatment, original treatment, first draft screenplay, final screenplay, screenplay or rewrite and imposes the condition that such material must be completed and delivered by a specified date, and if the period by which the writers are to complete and deliver the material under their employment agreement is less than one-half of the applicable maximum period of employment for the work involved as provided in this Article 13.A., the Company shall only be obligated to pay to each such writer one-half of the amount payable to one (1) writer employed on a flat deal basis for the work involved, but if the period by which the writers are to complete and deliver the material under their employment agreement is more than one-half of the applicable maximum period of employment for the work involved provided in this Article, the Company shall not be obligated by this Article 13.A. to pay any additional amount to such writers. For example, if a team of writers is employed on a week-to-week basis during the period May 2, 2020 through May 1, 2021 to write a "screenplay, including treatment" for a High Budget photoplay (for which the flat deal minimum is $126,089) and a date later than ten (10) weeks after the commencement of such employment is specified in the employment agreement for completion and delivery of such final screenplay, then if such final screenplay is completed and delivered within such time, the Company need only pay each writer the $63,045 received as weekly salary. In the event of a dispute as to whether the Company has imposed such a specified date of completion and delivery, such dispute shall be subject to grievance and arbitration pursuant to the provisions of Articles 10, 11 and 12 hereof.

11. Applicable Deal Minimum Compensation

When Company hereafter employs one (1) or more writers on a flat deal basis for the minimum basic compensation as above provided, then regardless of the exercise of any option, if a motion picture is actually produced by Company from the screenplay so written under such deal basis, the compensation (hereinafter called "applicable minimum deal compensation") paid to the writer or writers who participated in the writing under such flat deal shall be not less than the applicable "Flat Deal Screen Minimums" set forth in Article 13.A., subparagraph 1.a. above. In the event an amount at least equal to such applicable minimum deal compensation has not been paid to such writer or writers by the time screen credits for such motion picture have been finally determined, then Company shall pay to the writer or writers receiving screen credit for such motion picture, within thirty (30) days after such screen credit has been finally determined, the difference between all of the

compensation theretofore paid to the writer or writers employed by Company on such flat deal basis in connection with such photoplay, on the one hand, and the applicable minimum deal compensation provided, on the other hand. A writer or writers employed at the minimum week-to-week compensation to write a treatment and also a screenplay for a motion picture which is produced by Company shall be compensated at not less than the applicable minimum basic compensation provided for in this Article 13.A., and shall be considered as employed on a flat deal basis at such minimum compensation for purposes of subparagraph 1.c. of this Article. No writer employed on a term basis shall be entitled to additional compensation by reason of the provisions of this Article 13.A.

When a planned Low Budget theatrical motion picture is produced as a High Budget theatrical motion picture for reasons other than *force majeure* (including but not limited to disability, illness or inclement weather) or labor cost escalations undetermined at commencement of production, the Company shall pay any necessary increase in the applicable minimum deal compensation within thirty (30) days after Company knows that the cost of the motion picture has increased or will increase past the High Budget break figure, and in any event within thirty (30) days after delivery of the answer print of said motion picture.

12. Inapplicability of Provisions

The provisions of this Article 13.A. shall not apply to writers employed at compensation in excess of the applicable minimum specified in this Article except as hereinafter provided. However, even though the total compensation shall exceed such minimums, the amount payable for the writing of the story, treatment, original treatment, first draft screenplay, final screenplay, screenplay or rewrite shall be not less than the minimum for such individual work as above designated. The provisions of subparagraphs 4., 5. and 6. of this Article 13.A. shall be applicable to writers employed at compensation not exceeding twice the applicable minimum compensation, except that the three (3) day waiting period in subparagraph 6. shall be two (2) weeks for the above-scale writer covered by this sentence. The provisions of subparagraph 8., subparagraph 14. and the last two paragraphs of subparagraph 15. of this Article 13.A. are applicable to all employment agreements regardless of compensation.

The provisions of this Article 13.A. shall not apply to any short or short subject, except that the Company agrees that any such agreement made by the Company with any writer employed on a

similar basis with respect to a short or short subject shall guarantee such writer an aggregate compensation for services rendered in the writing and preparation of such material which shall be not less than a sum equal to the minimum weekly compensation to which such writer would be entitled if employed on a weekly compensation basis, as provided in subparagraph 15. hereof, multiplied by the number of weeks (plus any fraction of a week) during which the writer actually and continuously performed such services, it being understood that the Company may terminate the employment of such writer at the time the writer becomes entitled to additional compensation by reason of the provisions of this paragraph or at any time thereafter.

13. Purchases

a. The applicable minimums for purchases or licenses subject to this Agreement from a professional writer shall be the flat deal minimum for the appropriate budget as determined by the Company in good faith; provided, however, that if a motion picture is produced based upon the story, treatment or screenplay, as the case may be, and if such motion picture is a High Budget photoplay, and if the purchase price or license fee paid for the acquisition or license was less than the applicable minimum for the respective type of work (story, treatment or screenplay, as the case may be) for such class of motion picture, *i.e.*, High Budget, pursuant to Article 13.A.1., an additional payment shall be made to the professional writer in an amount such that such writer shall have received in the aggregate an amount equal to such higher applicable minimum.

b. [Deleted.]

14. Payment of Compensation Under Deal Contract

Company will use its best efforts to pay writers employed to write on a deal basis not less than the applicable minimum within forty-eight (48) hours after the delivery of a completed story, treatment or original treatment, first draft screenplay or final draft screenplay, as the case may be, but in no event shall any such payment be made later than seven (7) days after delivery of such material. Payment shall not be contingent upon the acceptance or approval by the Company of the material so delivered. Company shall include in writer's deal memorandum or personal service contract:

a. the place where and the name(s) or function of the person(s) to whom delivery of such material is to be made, and

b. the name(s) of the person(s) authorized to request rewrites of said material.

The person(s) identified pursuant to subparagraphs a. and b. above shall be at a level no higher than the President of Production (*i.e.*, the individual who heads theatrical creative development).

Company shall give writer written notice of any change in the name(s) of the person(s) to whom delivery is to be made and/or the name(s) of the person(s) authorized to request rewrites.

Company will pay interest of one and one-half percent (1.5%) per month when any initial compensation payment is due and not paid as provided. If the Company has failed to make such payment because the executed contract was not delivered by the writer to the Company, then no such interest is due. If the contract is not so delivered by the writer because of a dispute as to the terms of the contract and the Company shall be held to be wrong, the above-described interest payment shall be applicable.

15. Minimum Weekly Compensation

Every writer employed on a week-to-week or term basis shall receive a salary at the rate of not less than the amount per week specified below for the respective period designated:

Term Contracts	**At the Rate of Per Week**		
	5/02/20-5/01/21	**5/02/21-5/01/22**	**5/02/22-5/01/23**
40 out of 52 weeks	$4,975	$5,099	$5,214
20 out of 26 weeks	5,405	5,540	5,665
14 out of 14 weeks	5,854	6,000	6,135
Week-to-Week	6,307	6,465	6,610

Every week-to-week or term contract shall specify the exact compensation for each full week of services rendered or to be rendered thereunder.

If any writer under a week-to-week or term contract shall render services after the expiration of the guaranteed period of employment, then, for purposes only of prorating days worked in a partial workweek (*i.e.*, less than six (6) days), at the end of such

employment, the writer shall receive one-fifth (1/5) of the weekly rate for each day worked during such partial workweek, after the expiration of the guaranteed period.

16. Theatrical Motion Picture Released on Free Television

If a theatrical motion picture is released on free television before it has had a *bona fide* theatrical release (determined as provided in Article 15.A.3.j. of this Basic Agreement), the compensation of the writer or writers who have received screen authorship credit for such motion picture shall be adjusted so that it shall be no less than the appropriate television minimum compensation or the appropriate theatrical minimum compensation, whichever is higher.

17. Remakes

The Company's right to remake a theatrical film shall be subject to the following:

a. If a credited writer's material is used for a remake and no writer is employed to rewrite, adapt or revise such material for the remake, the Company will pay such writer(s) the applicable minimum compensation for the intended medium of the remake (but this provision shall not be construed as affecting the rule that a *bona fide* team shall be considered a unit). In addition, the writer will be entitled to receive payment in accordance with Article 15.A. with respect to a theatrical remake licensed to free television, Article 15.B. with respect to reruns or foreign telecast of a television remake, and Article 51 with respect to a theatrical or free television remake released in Supplemental Markets.

b. If a writer is employed to rewrite, adapt or revise such literary material for the remake, then the credited writer(s) of the original material shall also be participant(s) in the credit determination and if accorded credit shall accordingly be entitled to the portion of applicable minimum compensation for the intended medium of the remake equal to the proportion of credit awarded pursuant to subparagraph c.(1) below (but this provision shall not be construed as affecting the rule that a *bona fide* team shall be considered a unit). In addition, the writer will be entitled to share in any additional compensation in accordance with Article 15.A. with respect to a theatrical remake licensed to free television, Article 15.B. with respect to reruns or foreign telecast of a television remake, and Article 51 with respect to a theatrical or free television remake released in Supplemental Markets. The

writer's portion of such additional compensation shall be equal to the portion of credit awarded pursuant to subparagraph c.(1) below.

c. With respect to a television remake of a theatrical film, the phrase "applicable minimum compensation" in subparagraphs a. and b. of this subparagraph 17. means the applicable rate provided for in Article 13.B.7.a., b. or e. of this Agreement.

In a credit arbitration concerning such remake, the arbiters shall determine the following issues:

(1) the contribution made by the writer(s) of the original material expressed as a percentage of the whole, and

(2) the form of credit to be accorded such writer(s), which credit may include a credit in the nature of a source material credit, such as "Based on a Screenplay by ..."

The foregoing provisions shall apply to material written during the term of this Agreement upon which a remake is based.

18. Script Annotations

If the Company is to require one or more script annotations, it shall so inform the writer at the time of the negotiation of the writing assignment, or option or acquisition of literary material, unless from the nature of the project the Company's need for the annotation(s) is not reasonably known at the outset. In the latter case, the Company shall inform the writer that an annotation is needed when the Company knows, or reasonably should have known, of it.

If the Company uses written guidelines or standards describing the type of information to be included in an annotation for a fact-based project or a project inspired by fact, such guidelines or standards shall be furnished to the writer when the Company first informs the writer that an annotation is needed.

B. TELEVISION

1. Minimum Basic Compensation

a. Options

When the Company options to purchase or license from a professional writer literary material, which would be covered under this Basic Agreement, Company shall pay five percent (5%) of the applicable minimum compensation for such literary material for the first period of up to one hundred eighty (180) days, and an additional ten percent (10%) of the applicable minimum compensation for each subsequent period of up to one hundred eighty (180) days.

Notwithstanding anything in this Basic Agreement to the contrary, the option payment(s) shall be credited against the purchase price or other compensation payable to the writer.

The foregoing paragraphs shall not apply to arrangements under which the consideration for the agreement is the Company's good faith effort to effectuate network or other buyer/licensee interest or otherwise obtain a development commitment for the material.

b. Other Compensation Minimums

Company agrees that the minimum basic compensation to be paid for writing services covered by this Basic Agreement shall be as herein set forth during the periods indicated below. The periods are herein designated:

	From	Through
"1st Period"	May 2, 2020	- May 1, 2021
"2nd Period"	May 2, 2021	- May 1, 2022
"3rd Period"	May 2, 2022	- May 1, 2023

The applicable minimum shall be the minimum for each writer, except when a *bona fide* team of no more than two (2) writers offers, prior to employment on the script in question, to collaborate, in which event such writers shall be considered a unit, which unit shall receive in the aggregate not less than the applicable minimum compensation.

In addition, if a *bona fide* team of no more than three (3) writers offers, prior to employment on the script in question, to collaborate, the team as a unit shall receive in the aggregate not less than two hundred percent (200%) of the applicable minimum compensation, of which each individual writer shall be paid not less than one-third (⅓) of said aggregate compensation. If all three (3) writers are also employed pursuant to Article 14 of this Basic Agreement, the two hundred percent (200%) of minimum compensation may be reduced to not less than one hundred fifty percent (150%).

With respect to the provisions for increased rates during specified periods, the intent is that, as to freelance employment, the rates applicable when the employment is entered into shall apply, except that when an employment is entered into during one period, but is not to start until a subsequent period, the rate applicable during the subsequent period applies.

2. "High Budget" Films

For the purpose of this schedule, "High Budget" television motion pictures are those for which the negative costs equal or exceed the following amounts:

15 minutes or less	$150,000
30 minutes or less (but more than 15 minutes)	215,000
60 minutes or less (but more than 30 minutes)	300,000
75 minutes or less (but more than 60 minutes)	400,000
90 minutes or less (but more than 75 minutes)	500,000
120 minutes or less (but more than 90 minutes)	900,000
For each additional 30 minutes or less, an additional	300,000

However, in the case of non-prime time network films, "High Budget" films shall be films the negative costs of which equal or exceed the following amounts:

15 minutes or less	$ 60,000
30 minutes or less (but more than 15 minutes)	100,000
60 minutes or less (but more than 30 minutes)	200,000
75 minutes or less (but more than 60 minutes)	260,000
90 minutes or less (but more than 75 minutes)	340,000
120 minutes or less (but more than 90 minutes)	450,000
For each additional 30 minutes or less, an additional	125,000

3. "Low Budget" Films

   For the purpose of this schedule, "Low Budget" television motion pictures are those for which the negative cost is less than the amounts indicated above.

4. "Negative Cost"

   a. "Negative cost," for the purposes of this Article 13.B., shall be deemed to include all actual costs and expenses of production, including overhead and, except to the extent hereinafter provided, excluding deferments. If no overhead has been charged, an amount equal to twenty percent (20%) of all direct charges shall be added to represent an overhead charge.

   b. It is agreed that if the Company rents studio facilities and the customary rental includes a charge for overhead, the provisions of the preceding quoted sentence shall be waived, but the Guild shall have the right at all times to have a determination by arbitration as to whether said customary rental charge has in fact included a charge for overhead.

   c. If more than fifty percent (50%) of the cost of any item is deferred, the negative cost of the film shall be revised to include a charge of not less than fifty percent (50%) of the total cost of such item including the amount deferred.

   d. If the compensation of any actor, writer, director or producer shall include a participation in the receipts of a film and the initial salary paid such employee shall be less than one hundred percent (100%) of his/her established television

salary, or fifty percent (50%) of his/her established theatrical motion picture salary (if he/she has not established his/her television salary), the negative cost shall be revised to include an amount equal to such established television salary or fifty percent (50%) of such established theatrical motion picture salary, as the case may be. The "established theatrical motion picture salary" for the purposes hereof shall be computed by dividing the total compensation earned by the employee in theatrical motion pictures during the year immediately preceding the assignment in question by the total weeks and fractions thereof worked for such compensation.

e. Any dispute relating to the determination of the negative cost of a film shall be resolved by a Price Waterhouse audit, the costs of which are to be borne equally by the Company and the Guild.

f. If a Low Budget minimum shall be paid to a writer prior to the production of a film whose negative cost shall in fact require the payment of a High Budget minimum, the writer shall be paid the difference not later than thirty (30) days after the completion of production of the film.

5. Story Claim By Production Executive

If Company shall claim that a writer has been assigned to write a teleplay based upon a story composed or created by a production executive, the story and teleplay shall be subject to an automatic arbitration pursuant to the provisions of Television Schedule A hereof, and if the arbitrators shall accord both the story and teleplay credit to the writer, then the combined story and teleplay minimum above provided for shall apply to the material so written, provided that Company may appeal any such credit determination to arbitration pursuant to Articles 10, 11 and 12 hereof.

6. Step Outline

The writer may not be compelled to prepare a step outline of the teleplay. For such purpose, the term "step outline" shall mean a development of the story in the form of a condensed scene-by-scene progression indicating action and the substance of essential story dialogue, but without dialogue.

7. Schedule of Minimum Compensation

a. **Story** (For all television films except (1) network prime time programs of the types covered by subparagraph d. below and (2) serials which are covered by subparagraph e.(1) or e.(3) below)

HIGH BUDGET

Program Length in Minutes	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
15 or less	$ 3,478	$ 3,565	$ 3,645
30 or less (but more than 15)	6,363	6,522	6,669
60 or less (but more than 30)	11,563	11,852	12,119
75 or less (but more than 60)	16,462	16,874	17,254
90 or less (but more than 75)	17,378	17,812	18,213
120 or less (but more than 90)	22,772	23,341	23,866

LOW BUDGET

Program Length in Minutes	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
15 or less	$ 2,959	$ 3,033	$ 3,101
30 or less (but more than 15)	4,923	5,046	5,160
60 or less (but more than 30)	9,308	9,541	9,756
75 or less (but more than 60)	13,252	13,583	13,889
90 or less (but more than 75)	14,189	14,544	14,871
120 or less (but more than 90)	18,740	19,209	19,641

b. **Teleplay** (For all television films except (1) network prime time programs of the types covered by subparagraph d. below and (2) serials which are covered by subparagraph e.(1) or e.(3) below)

HIGH BUDGET

Program Length in Minutes	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
15 or less	$ 6,363	$ 6,522	$ 6,669
30 or less (but more than 15)	10,333	10,591	10,829
60 or less (but more than 30)	20,024	20,525	20,987
75 or less (but more than 60)	29,144	29,873	30,545
90 or less (but more than 75)	30,800	31,570	32,280
120 or less (but more than 90)	40,856	41,877	42,819

LOW BUDGET

Program Length in Minutes	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
15 or less	$ 4,633	$ 4,749	$ 4,856
30 or less (but more than 15)	7,964	8,163	8,347
60 or less (but more than 30)	15,187	15,567	15,917
75 or less (but more than 60)	21,915	22,463	22,968
90 or less (but more than 75)	23,254	23,835	24,371
120 or less (but more than 90)	30,770	31,539	32,249

c. **Story and Teleplay** when the same writer prepares both ("bargain rates") (For all television films except (1) network prime time programs of the types covered by subparagraph d. below and (2) serials which are covered by subparagraph e.(1) or e.(3) below)

HIGH BUDGET

Program Length in Minutes	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
15 or less	$ 8,682	$ 8,899	$ 9,099
30 or less (but more than 15)	15,903	16,301	16,668
60 or less (but more than 30)	28,907	29,630	30,297
75 or less (but more than 60)	41,200	42,230	43,180
90 or less (but more than 75)	43,443	44,529	45,531
120 or less (but more than 90)	56,932	58,355	59,668

LOW BUDGET

Program Length in Minutes	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
15 or less	$ 7,373	$ 7,557	$ 7,727
30 or less (but more than 15)	12,290	12,597	12,880
60 or less (but more than 30)	23,277	23,859	24,396
75 or less (but more than 60)	33,720	34,563	35,341
90 or less (but more than 75)	35,473	36,360	37,178
120 or less (but more than 90)	46,681	48,033	49,114

For programs in excess of one hundred twenty (120) minutes, compensation is based on the one hundred twenty (120) minute or less minimum (shown above) plus, for each additional thirty (30) minutes or less, the following additional payments:

High Budget	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
Story	$ 5,393	$ 5,528	$ 5,652
Teleplay	10,055	10,306	10,538
Story and Teleplay	13,485	13,822	14,133

Low Budget	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
Story	$ 4,549	$ 4,663	$ 4,768
Teleplay	7,495	7,682	7,855
Story and Teleplay	11,390	11,675	11,938

The category of minimums provided for in subparagraph c. of this paragraph 7. (the so-called "bargain rate") is applicable only when the employment is for story and teleplay, not when the employment is for story with option for teleplay.

cc. Story with Options

If Company engages a writer to write a story with an option to have the writer write a teleplay, the Company must exercise such option, if at all, within fourteen (14) days after delivery of the final story.

d. Network Prime Time

(For all network prime time episodic series, one-time shows, unit series shows, once-per-week network prime time serials, and anthology programs. This subparagraph d. is not applicable to programs covered by Appendix A and other non-dramatic programs (*e.g.*, *Wild Kingdom* and travelogues). The rates set forth in this subparagraph d. are

not to be utilized for the purposes of Article 15.B. of this Agreement.)

(1) Story

Program Length in Minutes	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
15 or less	$ 4,929	$ 5,052	$ 5,166
30 or less (but more than 15)	9,036	9,262	9,470
45 or less (but more than 30)	12,466	12,778	13,066
60 or less (but more than 45)	15,904	16,302	16,669
90 or less (but more than 60)	21,248	21,779	22,269
For Serials and Episodic Programs 120 or less (but more than 90)	28,374	29,083	29,737
For other than Serials and Episodic Programs 120 or less (but more than 90)	30,967	31,741	32,455

(2) Teleplay

Program Length in Minutes	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
15 or less	$11,971	$12,270	$12,546
30 or less (but more than 15)	19,436	19,922	20,370
45 or less (but more than 30)	20,560	21,074	21,548
60 or less (but more than 45)	26,223	26,879	27,484
90 or less (but more than 60)	37,783	38,728	39,599
For Serials and Episodic Programs 120 or less (but more than 90)	48,474	49,686	50,804
For other than Serials and Episodic Programs 120 or less (but more than 90)	52,899	54,221	55,441

(3) Story and Teleplay when the same writer prepares both ("bargain rates")

Program Length in Minutes	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
15 or less	$14,807	$15,177	$15,518
30 or less (but more than 15)	27,100	27,778	28,403
45 or less (but more than 30)	31,242	32,023	32,744
60 or less (but more than 45)	39,858	40,854	41,773
90 or less (but more than 60)	56,078	57,480	58,773
For Serials and Episodic Programs 120 or less (but more than 90)	73,784	75,629	77,331
For other than Serials and Episodic Programs 120 or less (but more than 90)	80,647	82,663	84,523
For programs in excess of one hundred twenty (120) minutes, compensation is based on the one hundred twenty (120) minute or less minimum (shown herein) plus, for each additional thirty (30) minutes or less, the following additional payments:			
Story	$ 4,760	$ 4,879	$ 4,989
Teleplay	8,876	9,098	9,303
Story and Teleplay	11,911	12,209	12,484

dd. Segment Rate

Writers who are employed to write segments for use on programs meeting the requirements of this section may, at the option of the Company, be paid in accordance with this section rather than in accordance with the otherwise applicable provisions of this Agreement. In order to utilize this section, the Company (1) must apply this section to all writers employed on the program or, in the case of a program series, the individual episode; and (2) must inform such writers no later than the time of assignment to the program that this section is being utilized. As to any single dramatic program or any program of a dramatic television series thirty (30) minutes or more in length which consists of self-contained segments of various lengths (whether or not

such segments are intercut within each program), the aggregate minimum compensation shall be one hundred seventy-five percent (175%) of the applicable minimum compensation for story and teleplay set forth in subparagraphs c. and d. Writers employed to write segments for use in such programs shall be compensated at the following rates:

Total Length of Program	**Length of Segment**	**Segment Compensation as Percentage of Aggregate Minimum Compensation**
30 min. or less	3 min. or less 5 min. or less (over 3) 10 min. or less (over 5) 15 min. or less (over 10)	10% 15% 30% 40%
60 min. or less (but more than 30 min.)	8 min. or less 15 min. or less (over 8) 20 min. or less (over 15) 30 min. or less (over 20)	16⅔% 20% 25% 40%
90 min. or less (but more than 60 min.)	8 min. or less 15 min. or less (over 8) 20 min. or less (over 15) 30 min. or less (over 20) 60 min. or less (over 30)	10% 12½% 16⅔% 27½% 40%
120 min. or less (but more than 90 min.)	8 min. or less 15 min. or less (over 8) 20 min. or less (over 15) 30 min. or less (over 20) 60 min. or less (over 30)	8⅓% 10% 12½% 20% 30%

Should the total minimum compensation payable to the writers of the segments pursuant to the schedule immediately above be less than the aggregate minimum compensation specified above, the difference shall be distributed among the segment writers in proportion to the segment compensation set forth above. In said distribution, the Company may credit to an individual writer any overscale payment paid to such writer.

With respect to such programs, the following provisions will be incorporated into appropriate sections of the MBA:

(1) The applicable minimums for rewrites shall be twenty-five percent (25%) of the segment minimum as determined in accordance with the above formula.

(2) Separation of rights shall apply to each segment, excluding only those elements (continuing characters, etc.) which are part of the continuing series format.

(3) Any story for which no teleplay is written during the same production season will revert to the writer.

(4) The minimum compensation as computed above for each writer shall be the basis for calculation of all rerun, foreign telecast and theatrical exhibition payments required under the Basic Agreement.

(5) Writing credits are to be given for each individual segment, identified by segment title, with a single card devoted to each segment.

e. Serials

(1) Employment and purchase of literary material for serials produced for broadcast three (3), four (4), five (5), six (6) or seven (7) times per week other than prime time is treated in Appendix A. (See Appendix A, Article 13.)

(2) The minimum compensation for stories and/or teleplays, rewrites and polishes for episodes of a once-a-week network prime time serial shall be the corresponding minimums or stories and/or teleplays, rewrites and polishes for episodes of network prime time episodic series.

(3) As to serials other than those described in subparagraphs e.(1) and (2) above, there is to be no differentiation between stories and teleplays for compensation purposes and minimum compensation for writing such material for such serials shall be as follows:

Program Length in Minutes	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
15 or less	$ 5,986	$ 6,136	$ 6,274
30 or less (but more than 15)	9,970	10,219	10,449
60 or less (but more than 30)	18,938	19,411	19,848
90 or less (but more than 60)	27,067	27,744	28,368

For programs in excess of ninety (90) minutes, compensation is based on the ninety (90) minute or less minimum shown herein, plus, for each additional thirty (30) minutes or less, the difference between the appropriate ninety (90) minute compensation and the sixty (60) minute compensation.

f. Installment Payments

Payment of the writer's agreed upon compensation shall be made in installments as follows:

(1) If employment is for Story and Teleplay, not less than

(a) Thirty percent (30%) of agreed compensation on delivery of story.

(b) Forty percent (40%) of agreed compensation on delivery of first draft teleplay. In no event shall the total of installments (a) and (b) be less than ninety percent (90%) of the applicable minimum compensation for story and teleplay.

(c) Balance of agreed compensation on delivery of final draft teleplay.

(2) If employment is for Teleplay, not less than

(a) Sixty percent (60%) of agreed compensation or ninety percent (90%) of applicable minimum compensation, whichever is greater, on delivery of first draft teleplay.

(b) Balance of agreed compensation on delivery of final draft teleplay.

With respect to any employment under Article 13.B.7.a., b., c. or d. above relating to pilots and one-time programs ninety (90) minutes or more in length, the Company will pay to the writer, not later than the

next regular payday in the week following the day the Company instructs the writer to commence his/her services, a single advance amount (to be applied against the first compensation which otherwise would be due to the writer) at least equal to ten percent (10%) of the monies which otherwise would be due to the writer upon delivery of the first required material.

If the writer of a television motion picture ninety (90) minutes or longer has negotiated a salary sufficient to allow for three (3) revisions of the teleplay as follows, and the writer's contract provides for such revisions, the first draft teleplay shall be delivered to the producer (or other executive) designated in the writer's deal memorandum or contract and such producer shall be authorized to give notes to the writer and the writer shall utilize such notes in the first revision.

Payment for such writing steps would be as follows:

(1) commencement (10% of agreed compensation);
(2) delivery of story (20% of agreed compensation);
(3) delivery of first draft teleplay to producer (40% of agreed compensation);
(4)[2] (a) delivery of first set of revisions to producer, based on producer's notes, if any (10% of agreed compensation); or
(b) if producer has not requested a revision, delivery of first set of revisions to network or licensee (10% of agreed compensation);
(5) delivery of second set of revisions (10% of agreed compensation); and
(6) delivery of polish (10% of agreed compensation).

SPECIAL COMPANY AFFIRMATIVE COVENANT OF TIMELY PAYMENT IN LONG-FORM TELEVISION

The following is without derogation of any other payment obligation in this Agreement.

Given that industry practice in long-form television includes situations in which the Company (which employs the writer) receives payments, sometimes in stages, from a licensee, and that the licensee may contract with the Company for a number of drafts of a script prior to a production commitment, it is understood, and the Company hereby affirms that:

[2] See Sideletter to Article 13.B.7.f. at page 591 of this Agreement ("Letter of Understanding Between the Guild and Licensees of Television Motion Pictures (90 Minutes or Longer)").

(1) The obligation to make timely payment to the writer pursuant to this Article 13.B.7.f. and Article 13.B.9., including with respect to step (4)(a) above, or otherwise, is an obligation of the Company regardless of any funding arrangement with a licensee of the motion picture; and

(2) Lack of receipt by Company of payment from a licensee is not, and shall not be used as, an excuse for failure to pay the writer on a timely basis.

g. Plot Outline - Narrative Synopsis of Story

Company may request writer to prepare a narrative synopsis of reasonable length (herein designated as an "outline") of a story owned by writer in order to determine its suitability for television purposes. The minimum compensation for the preparation of such outline shall be:

Program Length in Minutes	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
15 or less	$1,741	$1,785	$1,825
30 or less (but more than 15)	2,900	2,973	3,040
60 or less (but more than 30)	5,493	5,630	5,757
75 or less (but more than 60)	7,164	7,343	7,508
90 or less (but more than 75)	8,117	8,320	8,507
120 or less (but more than 90)	10,703	10,971	11,218

Company shall, within fourteen (14) days from time of delivery of such outline, notify writer of its election to acquire such outline and employ writer to prepare a teleplay based thereon. If Company shall so elect, the agreed compensation paid for the outline shall be deemed an advance against the applicable minimum compensation for such story with an option for teleplay, which option shall be deemed exercised, and writer shall receive the difference, if any. If Company shall elect not to proceed, it shall return the outline to the writer not later than the end of such fourteen (14) day period and writer shall be entitled to retain the above applicable minimum for the outline and shall own all right, title and interest in the literary material contained in such outline, except to the extent that the outline was prepared for an episodic series or serial-type film and program format and/or characters belonging to the Company were incorporated in the material written by the writer.

Company shall sign and deliver to writer, on the date of hiring, a slip stating it has employed the writer to prepare an outline of such material and that the conditions of such employment are upon terms not less favorable than those provided by this subparagraph g.

h. Compensation for Rewrites and Polishes

Company shall pay not less than the following minimum compensation with respect to rewrites and polishes:

(1) Rewrites

High Budget - Non-serial pictures and serials described in 13.B.7.e.(2)

Program Length in Minutes	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
15 or less	$ 3,750	$ 3,844	$ 3,930
30 or less (but more than 15)	6,260	6,417	6,561
45 or less (but more than 30)	9,052	9,278	9,487
60 or less (but more than 45)	11,843	12,139	12,412
75 or less (but more than 60)	16,624	17,040	17,423
90 or less (but more than 75)	17,446	17,882	18,284
120 or less (but more than 90)	23,046	23,622	24,153

Low Budget - Non-serial pictures and serials described in 13.B.7.e.(2)

Program Length in Minutes	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
15 or less	$ 2,747	$ 2,816	$ 2,879
30 or less (but more than 15)	4,700	4,818	4,926
60 or less (but more than 30)	8,962	9,186	9,393
75 or less (but more than 60)	12,457	12,768	13,055
90 or less (but more than 75)	13,234	13,565	13,870
120 or less (but more than 90)	17,486	17,923	18,326

Teleplays for serials described in 13.B.7.e.(3)

Program Length in Minutes	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
15 or less	$ 2,985	$ 3,060	$ 3,129
30 or less (but more than 15)	4,989	5,114	5,229
60 or less (but more than 30)	9,457	9,693	9,911

(2) Polishes

High Budget - Non-serial pictures and serials described in 13.B.7.e.(2)

Program Length in Minutes	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
15 or less	$ 1,877	$ 1,924	$1,967
30 or less (but more than 15)	3,124	3,202	3,274
45 or less (but more than 30)	4,518	4,631	4,735
60 or less (but more than 45)	5,932	6,080	6,217
75 or less (but more than 60)	8,301	8,509	8,700
90 or less (but more than 75)	8,713	8,931	9,132
120 or less (but more than 90)	11,520	11,808	12,074

Low Budget - Non-serial pictures and serials described in 13.B.7.e.(2)

Program Length in Minutes	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
15 or less	$1,366	$1,400	$1,432
30 or less (but more than 15)	2,344	2,403	2,457
60 or less (but more than 30)	4,476	4,588	4,691
75 or less (but more than 60)	6,225	6,381	6,525
90 or less (but more than 75)	6,623	6,789	6,942
120 or less (but more than 90)	8,746	8,965	9,167

Teleplays for serials described in 13.B.7.e.(3)

Program Length in Minutes	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
15 or less	$1,501	$1,539	$1,574
30 or less (but more than 15)	2,508	2,571	2,629
60 or less (but more than 30)	4,739	4,857	4,966

i., j., k. and l. [deleted]

m. **(1) Format**

Minimum basic compensation for a format shall be:

5/02/20 - 5/01/21	$12,033
5/02/21 - 5/01/22	12,334
5/02/22 - 5/01/23	12,612

If a story, or stories, are included in a purchased format and the story is used, the applicable minimum for such story or stories shall apply. If such story or stories are not used, no story minimum would apply.

If a writer is employed to write a format and a story or stories are included, at the direction of Company, the applicable story minimum shall apply.

At the time of purchase or hire, Company shall submit to writer any formats in control of the Company relating to the project for which writer has been engaged. The writer shall be obligated to read, initial and date such format.

(2) Bible

Minimum basic compensation for a network prime time bible shall be:

5/02/20 - 5/01/21	$60,828
5/02/21 - 5/01/22	62,349
5/02/22 - 5/01/23	63,752

plus ten percent (10%) thereof for each detailed storyline in excess of six (6) ordered by the Company in connection therewith. With respect to a non-network and/or non-prime time bible for a multi-part closed end series, the minimum basic compensation shall be twenty percent (20%) less than set forth above. The writer of the bible shall be entitled to the applicable story payment (including the additional compensation set forth in Article 13.B.7.d.(1), if applicable) for each segment or episode of the multi-part program or prime-time serial for which he/she receives story credit. Ten percent (10%) of the applicable minimum for a bible may be credited against such payment for each story. Notwithstanding the foregoing, should the Company separately pay the full story and teleplay minimum to the bible writer or any other writer, the story payment (including the additional compensation set forth in Article 13.B.7.d.(1), if applicable) otherwise due to the bible writer under this subparagraph shall not be required.

(3) Rewrite or Polish of Format or Bible

Minimum basic compensation for a rewrite of a format shall be fifty percent (50%) of the applicable minimum set forth above. Minimum basic compensation for a polish of a format shall be twenty-five percent (25%) of the applicable minimum set forth above.

Minimum basic compensation for a rewrite or polish of a bible shall be:

	Rewrite	Polish
5/02/20 - 5/01/21	$30,414	$15,207
5/02/21 - 5/01/22	31,174	15,587
5/02/22 - 5/01/23	31,875	15,938

provided, however, that when the writer rewrites or polishes more than six (6) story lines in the bible, the minimum basic compensation shall be increased as follows (for rewrite or polish, as the case may be) for each such story line in excess of six (6):

	Rewrite	Polish
5/02/20 - 5/01/21	$3,040	$1,521
5/02/21 - 5/01/22	3,116	1,559
5/02/22 - 5/01/23	3,186	1,594

With respect to rewriting or polishing a non-network and/or non-prime time bible, the minimum basic compensation shall be twenty percent (20%) less than set forth above.

n. **Narration**

Minimum basic compensation for a narration shall be as follows:

NARRATION

(by writer other than writer of teleplay or story and teleplay)

FILM ASSEMBLED IN STORY SEQUENCE

Nature of Material Already Written under MBA when Narration Writer Hired	**Credit to Narration Writer[3]**	**Freelance Minimum**	**Residuals to Narration Writer**
1. No Material	"Narration Written by"	See Rate Schedule A	Yes, based on % of applicable freelance minimum in Rate Schedule A
2. Story only	"Narration Written by" (If story credit, then on same card)	See Rate Schedule A	Yes, based on % of applicable freelance minimum in Rate Schedule A
3. Story and Teleplay	None, but if over 8 minutes of narration (aggregate), only receive "Narration by" credit (same card) **Automatic arbitration**	See Rate Schedule C	If "Narration by" credit, then only shared residuals, as determined in WGA credit arbitration (aggregate of no more than story & teleplay residuals)

[3] Credit not to affect rates - There is no separation of rights for narration.

NARRATION

(by writer other than writer of teleplay or story and teleplay)

FILM FOOTAGE NOT ASSEMBLED IN STORY SEQUENCE

Nature of Material Already Written under MBA when Narration Writer Hired	Credit to Narration Writer[4]	Freelance Minimum	Residuals to Narration Writer
1. No Material	"Written by"	See Rate Schedule B	Yes, based on % of applicable freelance minimum in Rate Schedule B
2. Story only	"Narration Written by" (If story credit, then on same card)	See Rate Schedule A	Yes, based on % of applicable freelance minimum in Rate Schedule A
3. Story and Teleplay	None, but if over 8 minutes of narration (aggregate), only receive "Narration by" credit (same card) **Automatic arbitration**	See Rate Schedule C	If "Narration by" credit, then only shared residuals, as determined in WGA credit arbitration

NOTE: Excluded from these provisions is material described in Article 13.B.7.p.

Two writers collaborating equal one unit, to receive in the aggregate not less than applicable minimum.

Narration writer may be hired on a week-to-week basis, subject to Article 13.B.7.s.

[4] Credit not to affect rates - There is no separation of rights for narration.

The following rates are for High Budget:[5]

RATE SCHEDULE A

Program Length in Minutes*	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
15 or less	$ 7,523	$ 7,711	$ 7,884
30 or less (but more than 15)	12,503	12,816	13,104
60 or less (but more than 30)	23,711	24,304	24,851
75 or less (but more than 60)	33,238	34,069	34,836
90 or less (but more than 75)	34,930	35,803	36,609
120 or less (but more than 90)	46,137	47,290	48,354
plus, for each additional ½ hour or fraction thereof	11,208	11,488	11,746

RATE SCHEDULE B

Program Length in Minutes*	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
15 or less	$ 8,682	$ 8,899	$ 9,099
30 or less (but more than 15)	15,890	16,287	16,653
60 or less (but more than 30)	28,907	29,630	30,297
75 or less (but more than 60)	39,750	40,744	41,661
90 or less (but more than 75)	41,912	42,960	43,927
120 or less (but more than 90)	54,907	56,280	57,546
plus, for each additional ½ hour or fraction thereof	13,025	13,351	13,651

* Running time is in terms of soundtrack.

[5] If Low Budget, then applicable rates are equal to corresponding rates for Low Budget teleplay (under “A” above) and Low Budget story and teleplay (under “B” above).

RATE SCHEDULE C

Aggregate sound track running time in minutes of narration written by writer hired pursuant to this chart	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
2 minutes or less of narration	$1,206	$1,236	$1,264
Over 2 minutes through 5 minutes of narration	4,218	4,323	4,420
Over 5 minutes of narration	Teleplay rewrite minimum for applicable program length		

o. **Remakes**

The Company's right to remake a television motion picture shall be subject to the following:[6, 7]

(1) If the credited writer's material is used for the remake and no writer is employed to rewrite, adapt or revise such material for the remake, the Company will pay such writer a sum equal to the applicable minimum compensation for the intended medium of the remake appropriate to the writer's initial employment to write such material. Said minimum compensation shall not be diminished by virtue of any sharing of credit by said writer for the remake (but this provision shall not be construed as affecting the rule that a *bona fide* team shall be considered a unit as provided in subparagraph B.1. of this Article). In addition, the writer will be entitled to receive payments in accordance with Article 15.A. with respect to a theatrical remake licensed to free television, Article 15.B. with respect to reruns or foreign telecast of a television remake, and Article 51 with respect to a theatrical or free television remake released in Supplemental Markets.

[6] But as to any series in production prior to March 6, 1973, this paragraph B.7.o. shall remain as in the 1970 WGA Agreement and as to any series in production prior to March 2, 1977, which was not in production prior to March 6, 1973, this paragraph B.7.o. shall remain as in the 1977 WGA Agreement.

[7] See Sideletter to Article 13.B.7.o. on page 593.

(2) If a writer is employed to rewrite, adapt or revise such literary material for the remake, then the credited writer of the original material also shall be a participant in the credit determination and if accorded credit shall be paid the applicable minimum compensation for the intended medium of the remake appropriate to such credit. In the event of a television remake, the writer of the original material, if accorded credit, will be entitled to share, in accordance with such credit, in any additional compensation for television reruns or theatrical exhibition which may become due. Said minimum compensation shall not be diminished by virtue of any sharing of credit by said writer for the remake, (but this provision shall not be construed as affecting the rule that a *bona fide* team shall be considered a unit as provided in subparagraph B.1. of this Article). In addition, such writer of the original material will be entitled to share in any additional compensation in accordance with Article 15.A. with respect to a theatrical remake licensed to free television, Article 15.B. with respect to foreign telecast of a television remake, and Article 51 with respect to a theatrical or free television remake released in Supplemental Markets. The portion of additional compensation referred to in this subparagraph (2) which is payable to the original writer shall be equal to the portion of credit awarded pursuant to subparagraph (a) below.

(3) With respect to a television remake, the "applicable minimum compensation" in subparagraphs (1) and (2) of this paragraph o. means the applicable rates provided for in Article 13.B.7.a., b. or e. of this Agreement.

In a credit arbitration concerning such remake, the arbitrators shall determine the following issues:

(a) the contribution made by the writer(s) of the original material expressed as a percentage of the whole; and

(b) the form of credit to be accorded such writer(s), which credit may include a credit in the nature of a source material credit, such as "Based on a Teleplay by ..."

p. **Non-Commercial Openings and Closings**

When a writer other than the writer of the teleplay for a television film writes literary material for self-contained units of entertainment which are used as opening, closing and/or bridging material in such film, the total minimum compensation for all such self-contained units in such film will be:

Aggregate Running Time of Material	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
3 minutes or less	$3,124	$3,202	$3,274
More than 3 minutes	4,387	4,497	4,598

It is further expressly understood that the foregoing rates are not intended to apply to customary or routine introductions, bridges or conclusions. An example of the material intended to be covered is the material delivered by Alfred Hitchcock on the series "*Alfred Hitchcock Presents*." In addition, if such units are rerun, as the term "rerun" is used in Article 15.B.1.b., Company shall pay the writer additional payments expressed in percentages of said total minimum compensation at the rates specified in said Article 15.B.1.b. It is expressly understood that, except as specifically provided herein, this paragraph is not intended to extend the coverage of this Basic Agreement to, nor provide payment for, any matter in any television film not elsewhere covered by this Basic Agreement.

q. **Total Writing Cost**

Company shall not produce a television film based upon material subject to this Basic Agreement the total purchase and writing cost for which shall be less than the applicable minimum compensation for narration, a story and teleplay, or teleplay, as the case may be.

r. **Pilot Scripts, Back-up Scripts and Spin-offs**

(1) Pilot Script

A writer employed to write a pilot story or a pilot story and teleplay shall receive for said pilot story or pilot story and teleplay an amount equal to one hundred fifty percent (150%) of the applicable minimum initial basic compensation (including the rates set forth in Article 13.B.7.d., where applicable) set forth in this Article 13.B. for a pilot story or pilot story and teleplay, but this provision shall not be construed to increase said writer's rights or minimum compensation for any other purpose under this Basic Agreement, such as, but not limited to, reruns and theatrical uses.

If a writer was paid less than the amount set forth herein by reason of the fact that Company did not intend that the material would be used in a pilot at the time the writer was engaged or material acquired by the Company, but the

Company nevertheless actually exploits the television series sequel rights to such material without making a pilot, then such writer shall be paid the amount by which the applicable pilot fee set forth above exceeds the compensation originally paid to the writer for such material.

(2) Back-up Script

A writer employed to write a back-up script shall receive for said story and/or teleplay an amount equal to one hundred fifteen percent (115%) of the applicable minimum initial basic compensation (including the rates set forth in Article 13.B.7.d., if applicable) set forth in this Article 13.B. for a story and/or teleplay, but this provision shall not be construed to increase said writer's minimum compensation for any other purpose under this Basic Agreement, such as, but not limited to, reruns and theatrical uses.

(3) Spin-off

When the Company knows prior to engaging a writer to write a story or story and teleplay for an episode of a series that such episode is intended to be used as a spin-off, the Company shall also advise the writer at the time of the initial interview. If Company does not have such knowledge but thereafter broadcasts one or more programs in a new television series based upon such episode, then, if the initial compensation paid such writer for such episode was less than one hundred fifty percent (150%) of the WGA minimum initial basic compensation therefor, Company shall pay writer the difference between such one hundred fifty percent (150%) and writer's initial compensation, but this provision shall not be construed to increase the writer's minimum basic compensation for any other purposes under this Basic Agreement, such as, but not limited to, reruns and theatrical use. Such payment need not be made when the new television series is based primarily on either a public domain format or public domain character or characters used in the spin-off episode.

s. **Week-to-Week and Term Employment**

(1) Company agrees that except as hereinafter provided, all employment of writers shall be only on a freelance (non-exclusive) basis, and such employment shall be upon terms and conditions which conform in principle to, and shall not be less favorable than, the terms and provisions hereof.

(2) The Company may employ writers on a term contract basis as follows:

Overall Term	Guaranteed Weeks of Employment	Compensation Per Week		
		5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
(a) 52	40	$3,964	$4,063	$4,154
(b) 26	20	4,338	4,446	4,546
(c) 14	14	4,700	4,818	4,926
(d) 6	6	5,059	5,185	5,302

(e) In no event shall a writer employed on a term basis receive less than the total applicable minimum compensation, as set forth in this Basic Agreement, to which he/she would have been entitled had he/she been employed on a freelance basis. At the end of each guaranteed period of employment on a term basis, Company shall compute the aggregate minimum compensation to which the writer would have been entitled under this Basic Agreement had he/she been employed on a freelance basis to write the literary material written by the writer during such period, and shall deduct therefrom the total compensation accruing to the writer during such period, and will promptly pay to the writer the excess, if any. Any dispute as to the amount of compensation payable under this subparagraph (e) may be submitted to arbitration, as herein provided. All the provisions of this Basic Agreement, to the extent the same are applicable, shall apply to such term employment, including but not limited to the provisions relating to additional compensation for reruns and theatrical release, and the separation of rights provisions.

(f) The suspension period provided in the so-called "force majeure" clause of employment agreements with writers employed on a week-to-week basis or for a definite term, who receive salary at the rate set forth in subparagraph (d) above or less a week, shall not exceed four (4) weeks; provided, however, that Company shall have the right to continue such suspension from week to week, not exceeding six (6) additional weeks, at one-half salary. If the salary of any such writer shall be at the rate of more than set forth in subparagraph (d) above per week, such

suspension period shall not exceed eight (8) weeks. Nothing herein contained shall be construed to deprive the Company of its right to terminate any such employment agreement after the commencement of the suspension period.

(g) For a partial workweek (defined as a workweek consisting of less than six (6) days work) following the guaranteed period of employment, a writer shall be paid one-fifth of his/her weekly compensation for each day employed in such partial workweek.

Such writer shall be paid one-fifth of weekly compensation for each day worked at Company's direction in excess of five (5) times the number of weeks worked.

(h) Such writer under a week-to-week employment may write any literary material covered hereunder; provided, however, if such literary material amounts to a rewrite or more, such writer shall be paid not less than the minimum freelance compensation for such literary material, computed as of the end of his/her employment or as of the end of each six (6) month period, whichever occurs sooner. The compensation of a week-to-week writer shall be the compensation per week as set forth in subparagraph (d) above.

(3) The Company may employ a writer on a guaranteed episode basis. When such writer's initial guarantee is at least five (5) episodes, the minimums provided in Article 13.B.7.s.(2) (a) - (c) shall apply to such initial guarantee based on the number of weeks such writer actually works.

8. Reading Time and Obligations of Freelance Writer Re Revisions

a. Story

The Company shall have not more than fourteen (14) days (including Sundays and holidays) after the writer's first submission of the story within which to make one (1) request for revision of such story; provided that if, after the writer has made the requested revision of the story first submitted, the Company shall make a second request for revision, such second revision shall be incorporated in the teleplay; it being understood that the Company shall not be entitled to more than two (2) requests for revision of the story and not more than fourteen (14) days shall

elapse between the first submission of the story and the commencement of the preparation of the teleplay by the writer.

Company may have a second revision of story before teleplay upon additional payment of one-half story minimum, except when second revision of the story is accomplished by execution in the teleplay. It is understood this does not permit a new story.

Story revision time and obligations shall apply to formats.

b. Teleplay

The Company shall have not more than fourteen (14) days (including Sundays and holidays) after the writer's first submission of the material in teleplay form within which to make one (1) request for revision of the material; provided that if Company shall make such request within seven (7) days (including Sundays and holidays) after the first submission of the literary material in teleplay form, Company shall be entitled to make a second request for revision within seven (7) days (including Sundays and holidays) after submission of the teleplay as first revised. Neither revision permitted under this subparagraph b. shall involve a substantial change in the story line.

c. Teleplays Over 30 Minutes

With respect to films more than thirty (30) minutes in length, the fourteen (14) day period mentioned in subparagraph b. shall be increased to twenty-one (21) days and the first seven (7) day period mentioned in subparagraph b. shall be increased to fourteen (14) days.

d. Writer's Obligation

The writer shall be obligated to make revisions requested by the Company in compliance with the foregoing provisions.

e. Company's Best Efforts

Company agrees to use its best efforts to read the material submitted and call for any necessary revisions as soon as possible after submission.

f. Writer Entitled to Script

The Company shall promptly, at the close of production, provide the writer with two (2) copies of the revised final shooting script.

g. Revisions in Pilot

The time limits referred to in subparagraphs a., b., and c. shall be increased by seven (7) days for pilot stories and teleplays whenever the writer is paid at least double minimum compensation.

9. Time of Payment

Company will use its best efforts to pay to the writer the applicable installment payment provided in Article 13.B.7.f. within forty-eight (48) hours after delivery of the narrative synopsis, story, first draft or final draft teleplay, as the case may be, but in no event shall any such payment be made later than seven (7) days after the delivery of such narrative synopsis, story or first or final draft teleplay. Payment shall not be contingent upon the acceptance or approval by the Company of the literary material so delivered. Company shall include in writer's deal memorandum or personal service contract:

a. the place where and the name(s) and function of the person(s) to whom delivery of such material is to be made, and

b. the name(s) of the person(s) authorized to request rewrites of such material.

Company shall give writer written notice of any change in the name(s) of the person(s) to whom delivery is to be made and/or the name(s) of the person(s) authorized to request rewrites.

The payment for the week shall be made on the Company's regular payday in the following week for writers employed on a week-to-week or term basis.

Company will pay interest of one and one-half percent (1.5%) per month when any payment due to the writer pursuant to this Article 13.B. is due and not paid as provided herein. If the Company has failed to make such payment because the executed contract was not delivered by the writer to the Company, then no such interest is due. If the contract is not so delivered by the writer because of a dispute as to the terms of the contract and the Company shall be held to be wrong, the above-described interest payment shall be applicable.

10. Cut-Off

There shall be no right to cut-off in teleplay employment.

11. Script Annotations

If the Company is to require one or more script annotations, it shall so inform the writer at the time of the negotiation of the writing assignment, or option or acquisition of literary material, unless from the nature of the project the Company's need for the annotation(s) is not reasonably known at the outset. In the latter case, the Company shall inform the writer that an annotation is needed when the Company knows, or reasonably should have known, of it.

If the Company uses written guidelines or standards describing the type of information to be included in an annotation for a fact-based project or a project inspired by fact, such guidelines or standards shall be furnished to the writer when the Company first informs the writer that an annotation is needed.

12. Notice of Conditions Precedent

For long-form television projects, Company shall attach a cover sheet to the document memorializing the agreement reached between the Company and the writer which sets forth in summary form all conditions precedent which must be satisfied before writing services can commence. The terms of such cover sheet shall not alter or vary the terms of the agreement reached between the Company and the writer and, in any event, the terms of the writer's agreement shall prevail.

C. CLAIMED OVERPAYMENTS (See Article 11.A.9.)

D. PAYMENT PROCEDURES (GENERAL)

Company agrees to meet from time to time at the request of the Guild with representatives of the Guild to review Company's payment procedures for the purpose of assuring timely payment of compensation as provided in this Article 13. The AMPTP shall cooperate with the Guild in obtaining compliance by the Companies with the provisions of this Basic Agreement governing time of payment. In addition, the AMPTP has issued a bulletin dated August 11, 1989 to Companies signatory to the 1988 MBA reminding them of their obligations to make payment to writers within the time periods set forth in Articles 13.A., 13.B., 15.A., 15.B. and 51 and advising them of the interest charge of one and one-half percent (1.5%) per month assessed on monies not paid timely as provided therein.

ARTICLE 14 - WRITERS ALSO EMPLOYED IN ADDITIONAL CAPACITIES (TELEVISION)

A. DEFINITION

The parties acknowledge that it is customary in the television industry to employ persons to render services as writers under the terms of this Basic Agreement, and the same persons to render services in other capacities which are not subject to this Basic Agreement. For the purposes of this Article 14, a person employed as a writer (as defined in Article 1.C.1.a. of this Basic Agreement) and also as an executive producer, producer, associate producer or story editor (as such terms are customarily used and understood in the television industry) is referred to as a "writer also employed in additional capacities," or "such person" or "such writer." Because of the difficulty of ascertaining the amount, duration, nature and extent of the services rendered by such person as a writer, and for the purpose of avoiding disputes concerning those matters and concerning the extent of such person's contributions as a writer to the programs with respect to which he/she renders his/her services, the parties agree that the duration or term of such person's employment as a writer in relation to a particular series, during a particular production season, shall be no less than the duration or term of his/her employment in the additional capacity in relation to such series, during such production season (except as provided in Paragraphs C. and I. of this Article 14), and that such person shall be employed as a writer in relation to such series, during such production season only in accordance with the provisions of this Article 14.

B. CONTRACTS OF EMPLOYMENT

The contract of employment of a writer also employed in additional capacities may cover both the employment as a writer and the employment in additional capacities, or there may be a separate contract covering the employment as a writer and a separate contract covering the employment in additional capacities, provided that in the latter case (*i.e.*, when there are separate contracts) separate compensation shall be provided for the services as a writer from the services in additional capacities, and such separately stated compensation for such person's services as a writer shall not be less than the appropriate minimum compensation for a writer also employed in additional capacities as provided in Paragraph K. of this Article 14. Similarly, when the employment as a writer and in additional capacities is covered by the same contract, and the compensation as a writer is segregated from the compensation for the additional services, such compensation as a writer shall not be less than the appropriate minimum compensation for a writer also employed in additional capacities as provided in said Paragraph K. When the contract of employment of a writer also employed in additional

capacities under such contract does not segregate his/her compensation as a writer from his/her compensation for his/her additional services, the Company shall have the right to allocate to his/her services as a writer not less than the appropriate minimum compensation for a writer also employed in additional capacities as provided in said Paragraph K. Except as provided in the immediately preceding sentence, none of the compensation due such person for his/her services in a capacity or capacities other than as a writer shall be offset or credited against any compensation due such person for his/her services as a writer.

C. FORMS OF EMPLOYMENT

A writer also employed in additional capacities may be employed as a writer only on a week-to-week or term basis, (which employment may be exclusive), at no less than the appropriate minimum compensation provided in Paragraph K. of this Article 14 and subject to all of the provisions of this Basic Agreement; provided, however, that if the Company employs two (2) such persons, then the Company may employ other individuals (referred to in this Article 14 for convenience as "additional writers") as writers also employed in additional capacities, in relation to the respective series, and such additional writers may be employed as writers on a week-to-week, term or freelance basis, and the duration or term of their employment need not be coterminous with the duration or term of their employment in additional capacities.

D. AMOUNT, NATURE AND EXTENT OF SERVICES

Because of the difficulty of determining the amount, nature and extent of the services as a writer performed by a writer also employed in additional capacities and his/her contribution as a writer to any specific program of a series, it is agreed that, for the purposes of Paragraph G. of this Article 14, such writer (other than the additional writers referred to in Paragraph C. of this Article 14) shall be deemed to have performed services as a writer on each program of the series for which he/she is employed for which writing is done during the respective production season; provided, however, that if the employment of such writer has been suspended for cause, or terminated for cause (and for this purpose, any termination of employment of a writer employed on a week-to-week basis shall be deemed to be termination for cause), the number of programs of the respective series for which such writer shall be compensated pursuant to said Paragraph G. shall be proportionately reduced. In the case of suspension, the reduction shall be in the proportion that the length of the suspension bears to the overall period of employment of such writer during the respective production season; in the case of termination, the reduction shall be in the proportion that the length of the period from the date of termination to the completion of principal photography of the series during such production season bears to the period from the

commencement of such person's employment as a writer during such production season to the date of completion of principal photography of the series during such production season. If such calculation results in a fraction, no payment shall be made with respect to a fraction of less than fifty percent (50%), and full payment of one (1) program fee shall be made with respect to a fraction of fifty percent (50%) or more. An additional writer (as such is referred to in Paragraph C. above) who is employed on a week-to-week, term or freelance basis, need not be deemed to have performed services on each program of the series for which he/she is employed, but shall be entitled to a program fee (or to a share thereof) pursuant to Paragraph G. for each program for which he/she did render writing services during his/her employment. The Company shall notify the term or week-to-week writer that he/she is an additional writer at the time of his/her employment, or (as to a writer already employed) when he/she is assigned as an additional writer.

E. 1. **What Minimum Compensation Covers**

All writing services rendered by a writer also employed in additional capacities up to and including rewrites shall be deemed to be compensated by the minimum compensation provided for such writer pursuant to Paragraph K. of this Article 14.

2. All formats, stories and teleplays written by such writers during their employment as writers also employed in additional capacities shall be separately compensated, without any offset, credit or allocation of any kind against or by any other compensation of any kind due said individual. Notwithstanding the foregoing, with respect to any writer hereunder who is guaranteed compensation of at least one hundred thousand dollars ($100,000.00) for up to fifty-two (52) weeks of employment for both writing and non-writing services, the Company shall have the right to credit such compensation freely against the compensation which otherwise would be due to said writer for the writing of any literary material during such employment (but not against residuals or the program fees provided for in Paragraph G. below) or for non-writing services. In the event of such crediting, the applicable minimum compensation for writing services set forth in Paragraph K. below shall be credited at no less than one hundred ten percent (110%) thereof, and the compensation for the writing of stories and teleplays for non-pilot one-time programs ninety (90) minutes or longer shall be credited at no less than one hundred fifty percent (150%) of the applicable minimum therefor (but this provision shall not be construed to increase the writer's compensation for any other purpose under this Basic Agreement, such as, but not limited to reruns and theatrical uses). In such event, the base amount upon which the Company shall compute Pension and Health contributions with respect to such employment shall be two hundred seventy-five

thousand dollars ($275,000.00) for contracts entered into on or after May 2, 2018, except that the base amount shall remain at two hundred fifty thousand dollars ($250,000.00) for writers employed under this Article 14.E.2. and guaranteed compensation of two hundred fifty thousand dollars ($250,000.00) or less.[8] If the period of guaranteed employment is longer than fifty-two (52) weeks, the applicable base amount for computation of contributions referred to above shall be increased proportionately. If the period of guaranteed employment is shorter than fifty-two (52) weeks, the applicable base amount for computation of contributions shall be decreased proportionately. As to contracts in effect on March 1, 1985, the Company may elect to pay pension and health contributions according to the formula set forth above or according to the formula in the 1981 MBA.

3. **Writers Not Considered to be "Writers Also Employed in Additional Capacities"**

In any case in which a writer is employed to write one or more formats, stories or teleplays, or any combination (with or without options) of formats, stories or teleplays, on a freelance basis, concurrently with his/her employment as a producer, executive producer, associate producer or story editor, and whether or not such freelance employment is entered into at the same time as he/she enters into his/her employment in such other capacity or at a different time or times, such person shall not, by reason of such freelance employment, be deemed to be a "writer also employed in additional capacities" for any of the purposes of this Article 14, and this Article 14 shall in no way apply to such employment, notwithstanding anything to the contrary in this Article 14.

F. 1. **Becoming a "Writer Also Employed in Additional Capacities" After Initial Employment**

If an individual is initially employed as an executive producer, producer, associate producer or story editor, but not as a writer, so that at the time of such employment such individual is not a "writer also employed in additional capacities" as defined in Paragraph A. of this Article 14, but if, during such employment, such individual, with the knowledge and consent of the Company, performs services as a writer for the series for which he/she is employed in such additional capacity, such individual shall, from the time he/she starts to perform such services as a writer, be deemed to be employed as a "writer also employed in additional capacities" for the purposes of this

[8] See Sideletter to Article 14.E.2 - Pension Plan and Health Fund Contributions for Article 14.E.2. writers on page 598.

Article 14, except that: (a) if such writing services are limited to those described in subparagraphs (a) to (h), inclusive, of Article 1.C.1.a. of this Basic Agreement and to those described in subparagraph E.3. of this Article 14; or (b) if such person is not a "writer," by reason of the provisions of the third paragraph of said Article 1.C.1.a. (immediately following said subparagraph (h)) and such writing does not qualify him/her as a "writer," then in any of said excepted cases, such employment of such individual shall not be subject to this Paragraph F. With respect to contracts in existence on the date of execution of this Agreement, providing for employment as an executive producer, producer, associate producer or story editor, but not for employment as a writer, and which do not contain an express provision that the employee shall not render services as a writer, or is not employed to render services as a writer, such contracts shall be deemed to include such a provision for the purposes of this Paragraph F., if the Company serves written notice on such person to the effect that such person shall not render services as a writer (other than the excepted services referred to above in this subparagraph 1. and in subparagraph E.3. of this Article 14).

2. **Duration of Services**

A person who becomes a writer also employed in additional capacities pursuant to subparagraph 1. of this Paragraph F. shall continue to be employed as a writer in connection with the respective series on a term contract basis for a period coterminous with the remainder of the duration or term of his/her employment in the other capacity or capacities in relation to such series during the respective production season or until the completion of principal photography of all programs of such series produced during such production season, whichever is the earlier, subject to the following provisions of this Paragraph F. and to the provisions of Paragraph I. of this Article 14. In such case, the Company shall have the right to allocate to his/her services as a writer no less than the appropriate minimum compensation for a writer also employed in additional capacities as provided in Paragraph K. of this Article 14.

3. Notwithstanding anything to the contrary in this Paragraph F., if such person is an "additional writer," as defined in Paragraph C. of this Article 14, then such person shall be deemed to be employed as a writer and also in additional capacities, pursuant to this Paragraph F., only during the period during which he/she performs services as a writer, and such employment may be on a week-to-week, term or freelance basis.

4. **Substitute Writer**

Any writer employed on a term basis pursuant to this Paragraph F. may be replaced by the Company with another writer at any time during such term, provided that:

a. the substitute writer may not be replaced during the term of his/her employment as a writer during the respective production season, except for cause;

b. the rate of compensation payable to such substitute writer for writing shall be no less than the appropriate minimum rate of compensation provided for in Paragraph K. of this Article 14, or the rate paid to the replaced writer for writing, whichever is higher;

c. the term of employment of the substitute writer shall be no less than the remainder of the term of employment of the replaced writer during the respective production season.

Subparagraph a. of this subparagraph 4. is to be interpreted as meaning that the Company shall pay the writer's compensation but shall not be obligated to use such writer's services as a writer, and may employ other writers to perform such services. This subparagraph 4. does not apply to any "additional writer" referred to in subparagraph 3. of this Paragraph F.

5. The Company specifically represents to the Guild that it is not the intention of the Company to use any of the provisions of this Article 14 in such manner as to evade the purpose and intent of this Article 14. Specifically, the Company expressly represents that it is not its intention to, and agrees that it will not, use the provisions of subparagraphs E.3. or F.1. for the purpose of avoiding its obligations under this Article 14 regarding the coterminous employment of a writer also employed in additional capacities. Accordingly, when a person is employed as an executive producer, producer, associate producer or story editor with no intention that such person is to perform services as a writer, including rewrites and polishes (other than the excepted writing services referred to in subparagraphs E.3. and F.1. of this Article 14), and provided that his/her contract of employment for such other capacity or capacities provides that such person shall not render services as a writer, or is not employed to render services as a writer (other than the excepted writing services referred to in subparagraphs E.3. and F.1.):

a. If such person, without the Company's knowledge and consent, nevertheless does perform services as a writer on the series for

which he/she is employed in the other capacity or capacities (other than the excepted writing services referred to in subparagraphs E.3. and F.1.), then promptly after the Company or the Guild becomes aware of that fact, it shall notify the other party, and said parties shall jointly and cooperatively take appropriate steps designed to prevent such person from further performing unauthorized writing services. If the Guild believes that the Company knows of and condones such person's unauthorized writing, or that it was originally the intent of the Company and its employee to evade the provisions of this Article 14, the Guild may bring the matter to arbitration (but not to grievance) pursuant to Articles 10 and 11 of this Basic Agreement. If the arbitrator rules in favor of the Guild, the arbitrator shall have the power to make a monetary award to the Guild, no part of which shall be paid or otherwise applied to the benefit of the writer, directly or indirectly. In determining the amount of such award, if any is granted, the arbitrator may consider, among other things, the amount of the minimum compensation which would have been paid to such writer had he/she initially been employed for the particular series during the particular production season as a writer and in additional capacities pursuant to this Article 14.

b. If such person, with the Company's knowledge and consent (and the fact of said knowledge or consent is not disputed by the Company), nevertheless does any rewriting or polishing, then such person shall be deemed to be a term writer pursuant to Article 14.B. retroactively from the commencement of his/her employment by the Company on the particular series during the respective production season.

c. If his/her contract of employment does not include a provision that such person shall not render services as a writer, or is not employed to render services as a writer (other than the excepted writing services referred to in subparagraphs E.3. and F.1.), and if such person nevertheless does any rewriting or polishing, then such person shall be deemed to be a term writer pursuant to Article 14.B. retroactively from the commencement of his/her employment by the Company on the particular series during the respective production season.

G. PROGRAM FEES

Each person whose employment as a writer is governed by this Article 14, whether such employment is on a week-to-week, term or freelance basis (including the "additional writers" defined in Paragraph C. of this Article 14) shall be paid a program fee for each program of a series produced for

network prime time exhibition for which such writer performed services as a writer pursuant to this Article 14 (or is deemed to have performed services as a writer, as provided in Paragraph D. of this Article 14), in the following amount:

Program Fees	Effective		
	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
30-minute program	$1,062	$1,089	$1,114
60-minute program	1,408	1,443	1,475
90-minute program or longer	1,757	1,801	1,842

Provided, however, that in no event for a particular program need the Company pay total program fees in an amount which exceeds three (3) times the applicable rate. If more than three (3) writers (a team is deemed to be one (1) writer) are entitled to receive program fees for the same program, a total sum of three (3) times the applicable rate shall be divided equally among them. Program fees may not be prepaid nor may they be offset or credited against or by any other compensation of any kind due the respective writers. Program fees shall not be included in "applicable minimum compensation" for the purposes of Article 15.B. of this Basic Agreement, but shall be included in "initial compensation" for the purposes of Article 17 of this Basic Agreement. Program fees for all episodes of a particular season of a series shall be due thirty (30) days after the completion of principal photography of the final episode of the season.

H. SUSPENSION, TERMINATION AND/OR OFFSET

Nothing in this Article 14 shall be interpreted as precluding the Company from exercising rights of suspension for cause or termination for cause under individual employment contracts, nor from exercising rights of offset, if any, in relation to an indebtedness of the writer to the Company pursuant to law, subject, however, to the provisions of Article 11.A.9. of this Basic Agreement.

I. HIATUS PERIODS

For the purposes of this Paragraph I., the following periods will be referred to as "writing hiatus" periods:

1. With respect to a writer also employed in additional capacities (except one who becomes such a writer pursuant to Paragraph F. of this Article 14 and except a story editor), the period between the date

of commencement of his/her employment in a particular production season until the occurrence of the earliest of the following:

a. Services as a writer are performed by any writer on the respective series during such production season;

b. A commitment is made with a writer (other than as a writer also employed in additional capacities) for such series during such production season;

c. A story conference is held with a writer for such series during such production season;

d. Principal photography of a program of such series is started during such production season; and the period following the completion of principal photography of the last program of such series produced during such production season until the termination of such person's employment during such production season.

2. With respect to a writer also employed in additional capacities (including one so employed pursuant to Paragraph F. of this Article 14, but not including a story editor), if in a particular production season principal photography of all of the programs of the respective series theretofore ordered by the network has been completed, the period between such date of completion until the occurrence of the earliest of the following after the start of such period:

a. Services as a writer are performed by any writer on the respective series during such production season;

b. A commitment is made with a writer (other than as a writer also employed in additional capacities) for such series during such production season;

c. A story conference is held with a writer for such series during such production season;

d. Principal photography of a program of such series is started during such production season, provided that such period continues for at least fourteen (14) consecutive days.

The Company may suspend the employment of such person as a writer during any writer hiatus period, both as to services as a writer and compensation as a writer; provided, however, that such person's overall compensation shall be allocated or re-allocated by the Company so that there shall be no reduction in the overall compensation of such person by

reason of such suspension, and provided further that the re-allocated payments are subject to contributions to an industry pension plan.

J. For the purposes of this Article 14, one-time programs including but not limited to a movie-of-the-week, and development deals for specific television programs, shall each, separately, be considered to be a "series," and the employment of an individual as a writer and in additional capacities for such a show or deal shall be governed by this Article 14; the writer also employed in additional capacities on such show or program shall receive the program fee regardless of whether such writer receives or shares in a "Written by" credit. Payment of the program fee for such show or program shall not be payable before the screen authorship credits are finally determined. If there are one or more periods of suspension of writing services between the various steps of a development deal or of a project for a show (for example, between format and screenplay, or between teleplay and production), the employment as a writer of the individual employed as a writer and in other capacities may be suspended as to services and compensation during such periods of suspension.

K. MINIMUM COMPENSATION

1. The minimum compensation for week-to-week and term employment for writers also employed in additional capacities shall be the following:

	Rate per week		
	5/02/20-5/01/21	**5/02/21-5/01/22**	**5/02/22-5/01/23**
a. Week-to-week & term employment up to and including 9 weeks	$9,434	$9,670	$9,888
b. Term employment 10 weeks through 19 weeks	7,862	8,059	8,240
c. Term employment 20 weeks or over	7,072	7,249	7,412

The Company may employ a writer on a guaranteed episode basis. When such writer's initial guarantee is at least five (5) episodes, the minimums provided in Article 14.K.1.b. or c. shall apply to such initial guarantee based on the number of weeks such writer actually works.

2. With respect to contracts entered into on or after May 2, 2018, the overall employment period covered by the episodic guarantee for each writer employed on a guaranteed episode basis (including an “all episodes produced” guarantee) under this Article 14.K., other than a writer employed as a story editor or other contractually

equivalent title, on a dramatic episodic series or serial made for television, or a High Budget SVOD series or serial, for which the full season order (including the pilot) is fourteen (14) or fewer episodes (or twelve (12) or fewer episodes for broadcast television), shall not exceed a number of weeks equal to two and four-tenths (2.4) multiplied by the number of episodes paid or guaranteed to the writer.

The writer shall be paid an additional episodic fee for each additional period worked of two and four-tenths (2.4) weeks, prorated for any period less than two and four-tenths (2.4) weeks, in excess of the overall employment period covered by the episodic guarantee. In no event shall the writer be paid less than the applicable Article 14.K. minimum for each week worked in the entire employment period.

The overall employment period shall not include any weeks during which a writer's employment is suspended pursuant to Article 26 or any weeks not worked by the writer during a hiatus.

The foregoing shall not apply to: (1) any writer who receives at least $350,000, excluding script fees, (at least $375,000, excluding script fees, with respect to contracts for employment on programs made for basic cable entered into on or after August 2, 2020 and at least $400,000, excluding script fees, with respect to contracts for employment on programs other than programs made for basic cable entered into on or after August 2, 2020) for the then-current contract year. With respect to contracts entered into on or after May 2, 2021, Company may not make additional payments to the writer for the sole purpose of exempting the writer from eligibility for payments due under this Article 14.K.2.; (2) any writer employed pursuant to Article 14.E.2.; (3) any writer employed on a "series" described in Article 14.J. (*i.e.,* a one-time program, including but not limited to a movie-of-the-week, or development deals for specific television programs); and (4) any writer employed on a multi-part closed-end series.

L. 1. **Submission of Contracts to Guild**

When the employment of a writer also employed in additional capacities is covered by a single contract, a copy of the entire contract shall be submitted to the Guild as provided in Article 19.C.1. of this Basic Agreement. When such employment is covered by separate contracts, the Company shall, concurrently with the delivery to the Guild of a copy of the writer's employment contract pursuant to said Article 19.C.1., deliver to the Guild a copy of those provisions of the contract governing the additional services which define or specify the term of employment.

2. **Weekly Work Lists**

The weekly list provided for in Article 3.A.1. of this Basic Agreement shall indicate the type of employment as a writer (week-to-week, term or freelance), the series for which the person is employed as a writer, whether the writer is also employed in additional capacities and, if so, in what additional capacities. Such list shall also include the names of persons, if any, who perform services as writers during the respective week (other than services described in subparagraphs (a) to (h), inclusive, of Article 1.C.1. of this Basic Agreement), but who are not "writers" because of the provisions of the third paragraph of said Article 1.C.1.a. (immediately following subparagraphs (a) through (h)). If such a person is included, the list shall state that he/she is excepted as a "writer" pursuant to Article 1.C.1.a. of this Basic Agreement. Apart from the mere listing of names, as required by Article 3.A.1., any information once given in the report pursuant to this subparagraph L.2. need not be repeated in subsequent reports unless there is a change in the information previously given.

M. BETTER TERMS

Nothing contained in this Article 14, including the rights of the Company to allocate compensation and to terminate or suspend employment as a writer as above set forth, shall prevent any such writer from negotiating and contracting with the Company for better terms for the benefit of such writer than are provided in this Article 14. Only the Guild shall have the right to waive any of the provisions of this Article 14 on behalf of or with respect to such writer.

ARTICLE 15 - TELEVISION EXHIBITION

A. THEATRICAL

1. Pre-1960 Motion Pictures

As to all motion pictures, the principal photography of which commenced prior to June 13, 1960, the Guild agrees that it does not and will not, either during the term of this Basic Agreement or at any time thereafter, make any claim for compensation for or with respect to the exhibition of such motion pictures on television.

2. The provisions of this subparagraph 2. relate and apply only to theatrical motion pictures as defined in Article 1.A.2.:

a. produced by the Company or within the provisions of subparagraph 3.h.(1) of this Article 15.A.; and

b. the principal photography of which commenced on or after May 2, 2020, which motion pictures are, either during the term hereof or at any time thereafter, released to free television; and

c. based upon a story or screenplay written by writer while in the employ of the Company or in the employ of the actual producing Company as described in subparagraph 3.h.(1) of this Article 15.A. (to which employment the provisions of this Basic Agreement apply as provided in Article 5 hereof) or acquired by the Company (or such actual producing Company) from a professional writer (to which acquisition the provisions of this Basic Agreement apply as provided in Article 5 hereof), which writer or professional writer receives screen credit for the authorship of such story or screenplay, as provided in Theatrical Schedule A.

3. Payment

As to each such theatrical motion picture referred to in subparagraph 2. above (herein sometimes called "Such Picture"), except as provided in Article 64, the Company will pay to each participating writer (as such term is hereinafter defined) as additional compensation, a *pro rata* share of two percent (2%) (hereinafter referred to as the "percentage payment") of the Company's accountable receipts from the distribution of Such Picture on free television, computed as hereinafter provided and subject to the following conditions:

a. The term "***Producer's gross***," as used herein, means the worldwide total gross receipts derived by the distributor of Such Picture (who may be the Company or a distributor licensed by the Company) from licensing the right to exhibit Such Picture on free television; provided, however, that in the case of any Such Picture which is produced outside of the United States, if Such Picture is subject to this Basic Agreement and if such production is under an arrangement (herein referred to as a "foreign production deal") pursuant to which a foreign producer or distributor provides or guarantees any of the financing for the production of Such Picture or furnishes any other consideration for such production and a foreign distributor acquires one or more foreign territories for the distribution of Such Picture on free television, then no monies from any such distribution in any such foreign territory shall be included in Producer's gross except to the extent such foreign producer or foreign distributor

is obligated to account to Company or to the distributor of Such Picture for such monies, and except for gross receipts received by such foreign distributor from such distribution in the United Kingdom.

If the distributor of Such Picture does not distribute Such Picture directly to free television, but employs a subdistributor to so distribute Such Picture, then the "Producer's gross" shall be the worldwide total gross receipts derived by such subdistributor from licensing the right to exhibit Such Picture on free television. In case of an outright sale of the free television distribution rights for the entire world, or any territory or country, the income derived by the seller from such sale, but not the income realized by the purchaser or licensee of such rights, shall be the "Producer's gross." If any such outright sale shall include free television exhibition rights and other rights, then (but only for the purpose of the computation required hereunder) the Company shall allocate to the free television exhibition rights a fair and reasonable portion of the sales price which shall, for the purpose hereof, be the "Producer's gross." In reaching such determination, Company may consider the current market value of free television exhibition rights in comparable motion pictures.

If the Guild shall contend that the amount so allocated was not fair and reasonable, such claim may be determined by submission to arbitration as herein provided. If the arbitrator shall find that such allocation was not reasonable and fair, he/she shall determine the fair and reasonable amount to be so allocated. If the outright sale includes free television distribution rights to more than one motion picture, Company shall likewise allocate to each Such Picture a fair and reasonable portion of the sales price of the free television rights. If the Guild contends that such allocation is not fair and reasonable, the question may be determined by submission to arbitration as above provided. If the arbitrator shall find that such allocation was not fair and reasonable, he/she shall determine the fair and reasonable amount to be so allocated to each Such Picture. Nothing with respect to the price received on the outright sale of only free television distribution rights in a single Such Picture shall be subject to arbitration except that in the event of a dispute, there may be arbitrated the question of whether the price reported by the Company to the Guild as having been received by the Company on such outright sale is less than the amount actually received by the Company on such outright sale. Sums paid to any advertising agency in connection with any

exhibition of any Such Picture on free television shall not be included in Producer's gross.

Guild's right to elect. The parties further agree with reference to Article 15.A.3.: If, in the upcoming negotiations with SAG-AFTRA and DGA, the Company agrees to modify the basic substantive provisions regarding licensing of theatrical motion pictures for exhibition on free television, Company will so notify the Guild and accord it the opportunity to elect that this subparagraph be modified in the same manner, as of the date on which the Guild so notifies the Company. Adjustments which statistically maintain the relative allocations of proceeds derived from post-1960 theatrical motion pictures licensed to television among SAG-AFTRA, DGA and WGA as established in 1960 (*i.e.*, the ratio of 6, 2 and 2 of accountable receipts, respectively) will not activate this provision, but an increase in the relative allocations to SAG-AFTRA or DGA in such proceeds will activate this provision, with any such increase to be accorded proportionately to WGA. Upon request, the Guild shall be provided with the statistics upon which the adjustments have been made, and the Guild's right to activate this provision shall be arbitrable. The Guild shall give notice of its election within sixty (60) days after receipt of the Company's notice or after being provided with the statistics referred to, whichever is later. The election shall be limited to accepting the entire agreement reached with SAG-AFTRA or DGA on licensing theatrical motion pictures for exhibition on free television, and only such entire agreement, but with appropriate equivalent adjustment for writers for provisions peculiar to actors or directors, as the case may be.

b. **"Accountable Receipts"**

The term "***accountable receipts***," as used herein, means the balance of the Producer's gross after deducting an arbitrary forty percent (40%) of the Producer's gross for distribution fees and expenses, except that in the case of an outright sale of free television distribution rights, there shall be deducted only an arbitrary ten percent (10%) of the Producer's gross for sales commissions and expenses of sale.

c. **When Payment Obligation Accrues**

Company's obligation shall accrue hereunder only after accountable receipts are received by Company, but as to foreign receipts such obligation shall accrue only when such receipts can be freely converted to U.S. dollars and are remitted

to the United States and until such time, no frozen foreign receipts shall be included in accountable receipts. Payment of amounts accruing hereunder shall be made quarterly on the basis of quarterly statements, as hereinafter provided. Upon request, and if permitted by the authorities of a foreign country, the Company will transfer to any writer, in the currency of such foreign country, his/her share, if any, of frozen foreign receipts in such country, provided the writer will bear any costs involved; and such transfer shall be deemed to be payment to the writer of an equivalent number of U.S. dollars at the then current free market rate for blocked funds of that category as determined by the Company. Concurrently with such transfer, the writer will pay to the Company in U.S. dollars the total amount the Company is required to withhold from such payment under all applicable laws. If the Company utilizes frozen foreign currencies derived from exhibition of Such Picture on free television by conversion thereof to properties that may be freely exported and turned to account, the amount so utilized by the Company shall be deemed to have been converted to U.S. dollars at the then current free market rate for blocked funds of that category determined as above provided. Frozen foreign receipts from free television shall be deemed to be released on a first-in, first-out basis, unless the authorities of the foreign country involved designate a specific period that would render such basis inapplicable. Such released funds shall be allocated between Such Picture and other motion pictures distributed by the distributor on free television in the same ratio that receipts, derived from the distribution of Such Picture on free television within the foreign country, bear to the total receipts derived from the distribution of Such Picture and all other motion pictures on free television within the foreign country, during the applicable period, unless the authorities of the foreign country involved require another method of allocation, in which case such other method shall be used. Foreign receipts shall be accounted for in U.S. dollars at the rate of exchange at which such receipts are actually converted and remitted, and 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 accountable receipts. Company 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 Company. The Guild and the writers shall be bound by any arrangements made in good faith by the Company 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 Company may freely commingle the same with other funds of the

Company. No sums received by way of deposits or security need be included in Producer's gross until earned, but when the Company is paid a non-returnable advance by a distributor, such advance shall be included in the Producer's gross.

A "***non-returnable advance***" is to be included in "***accountable receipts***" when Such Picture is "***available***" and "***identifiable***" and the amount of the advance payment is "***ascertainable***."

Such Picture is "***available***" when the first of the following occurs:

(1) The product first may be exhibited or otherwise exploited by a specified method of distribution and in a territory under the terms of the applicable license or distribution agreement, or

(2) It first may be sold or rented by a retailer under the terms of the applicable license or distribution agreement.

Such Picture is "***identifiable***" when the Company first knows or reasonably should have known that a given motion picture is covered by a particular license or distribution agreement for its exploitation in the applicable market.

The amount of the advance payment is "***ascertainable***" if:

(1) the advance is for one (1) motion picture, means of exhibition, and territory, or

(2) the total amount of the advance is for more than one (1) motion picture, means of exhibition and/or territory, in which case the Company shall fairly and reasonably allocate such advance among the licensed motion pictures, exhibition markets and/or territorial markets. As each of these pictures becomes identifiable and available, the allocated portion of the non-returnable advance is to be included in "Producer's gross" for that quarter. The Company shall notify the Guild of its allocation when the report of "Producer's gross," which includes the advance, is to be filed. The Guild has the right to challenge in an MBA arbitration a failure to allocate or any allocation that it contends is not fair and reasonable.

If Such Picture is available in any territory or by any means of exhibition, and is identifiable and the amount of the advance is

ascertainable, but the Company does not provide the WGA with the information required by the MBA and applicable law, then the advance shall be deemed includable in "accountable receipts" no later than six (6) months after the Company receives it.

An advance received by a Company's parent, subsidiary or any other related or affiliated entity or successor-in-interest, or by any other entity to which the advance payment is directed by the Company or license or distribution agreement, shall be considered as an advance payment received by the Company.

d. If any license or outright sale of exhibition rights to Such Picture on free television includes as a part thereof any recorded commercial or advertising material, the Company 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 Producer's gross hereunder.

e. The term "***participating writer***," as used herein, means a writer who, while in the employ of the Company or in the employ of the actual producing Company of Such Picture as described in subparagraph 3.h.(1) below (to which employment the provisions of this Basic Agreement apply), or a professional writer from whom the Company (or such actual producer) acquired literary material (to which acquisition the provisions of this Basic Agreement apply), participated in the writing of and received credit pursuant to Theatrical Schedule A hereof for the writing of the story or screenplay upon which Such Picture was based. If Such Picture is a remake of a prior motion picture, and if any of the writers of the prior motion picture receives writing credit for the remake, such writers shall be deemed to be "participating writers" for the purposes of this Article 15.A., but then only if their employment as writers for the prior motion picture, or if the purchase of literary material from them for the prior motion picture, was covered by and subject to a collective bargaining agreement with the Guild. The "*pro rata* share" payable to each participating writer shall be as follows:

(1) If the participating writer or writers receive "Written by" credit, one hundred percent (100%) thereof shall be payable to the credited writer or writers receiving "Written by" credit.

(2) If the participating writer or writers receive either story or screen story credit, or screenplay credit, but not both,

one hundred percent (100%) thereof shall be payable to the credited participating writer or writers receiving story or screen story, or screenplay credit, as the case may be; provided, however, that if the individual employment contract or purchase agreement with the other writer(s) (*i.e.*, those who are not subject to this Basic Agreement) provides for payment to such writer or writers of the additional compensation provided for in this Article 15.A., such writer or writers shall receive the share which would have been payable had such writer or writers been participating writers, as provided in subparagraph (3) below.

(3) If the participating writer or writers receive both "Story by" or "Screen Story by" and screenplay credit, seventy-five percent (75%) thereof shall be payable to the credited screenplay writer or writers, and twenty-five percent (25%) thereof to the credited story or screen story writer or writers. In the event there is a minor credit, such as adaptation, the writer or writers receiving such minor credit shall be paid ten percent (10%) thereof which sum shall be deducted from the screenplay writer's share.

Any participating writers receiving the same screen credit referred to above shall share equally in such percentage amount specified.

If there are one or more participating writers who receive screenplay credit and no credit is given for story or screen story, then the *pro rata* share which would have been payable to a participating writer had he/she received such story or screen story credit shall, subject to the provisions of the next following paragraph, be paid to the participating writers who receive such screenplay credit. The provisions of the immediately preceding sentence shall also apply with respect to the determination under the Producer-Writers Guild Theatrical Basic Agreements of 1960, 1963, 1970 and 1973 of "*pro rata* shares" payable to participating writers as therein defined.

If the writer's services on Such Picture are performed for the Company on a loan-out basis, then for the purposes of this Article 15.A., the Company shall be deemed to be the employer, and the lender shall not have any responsibility hereunder with respect to Such Picture.

f. **Time and Manner of Payment**[9]

If the picture is licensed for network exhibition, payment with respect to the gross receipts from such license shall be made as follows:

(1) If, under the terms of the license, there is no possibility that the picture can or may be dropped out of the license, payment must be made within thirty (30) days after receipt of payment from the network with respect to Such Picture.

(2) If there is a possibility that Such Picture can or may be dropped out of such license, then payment with respect to Such Picture shall be made within thirty (30) days after exhibition of Such Picture on television pursuant to such license, but not earlier than thirty (30) days after receipt of payment from the network with respect to Such Picture.

Payment shall be accompanied with a written report of the license fee payable for Such Picture pursuant to the license and of the amount paid by the network for Such Picture.

With respect to exhibition of the picture on free television other than pursuant to a license for network exhibition, the following provisions of this subparagraph f. shall apply:

Within a reasonable time after the expiration of each calendar or fiscal quarter, but not exceeding sixty (60) days, Company will furnish or cause to be furnished to the Guild a written report showing the Producer's gross during the preceding quarter from the distribution of each Such Picture by Company on free television with respect to which Company is required to make payments hereunder (whether distributed by the Company or through another distributor).

Concurrently with the furnishing of each such report, the Company will make the payments shown to be due by such report. All payments shall be made by check payable to the order of the writers entitled thereto, and shall be delivered to the Guild for forwarding to such

[9] See Sideletter at page 738, which permits a Company to enter into an agreement with the Guild for payments via direct deposit in lieu of issuing checks.

writers, and compliance herewith shall constitute payment to the writers.

No such reports need be furnished with respect to any period during which there was no such Producer's gross. The Company shall make available for inspection by the Guild all distributor's statements and exhibitor's statements which are available to the Company insofar as they relate to such Producer's gross, and all the financial terms of contracts pertaining to such Producer's gross, and the Guild shall have the right, at reasonable times, to examine the books and records of the Company as to such Producer's gross pertaining to such distribution of any Such Picture, at whatever place or places such records are customarily kept by the Company. If the Guild requests that it be informed of the license fee paid under a license for the free television exhibition of the picture, or if the Guild requests that it be sent an extract of the financial terms of such a license, and if such information is not extensive in nature, the Company will forward such information or extract without making it necessary for the Guild to send a representative to the offices of the Company. In general, the Company will cooperate in furnishing such information to the Guild by mail or telephone, when doing so is not unreasonable or burdensome. If more than one picture is licensed in a single license agreement, the Company shall inform the Guild, at its request, of the identity of the pictures covered by the license, and shall make available for inspection by the Guild in the office where such license agreement is customarily kept a copy of the terms of such license showing the titles of the pictures licensed under such agreement and the license fee for each Such Picture. Company agrees to cooperate in responding to reasonable inquiries from the Guild as to whether any Such Picture is currently being distributed for telecasting on free television. An inadvertent failure to comply with the reporting provisions of this subparagraph f. shall not constitute a default by the Company hereunder, provided such failure is cured promptly after notice thereof from the Guild is received by the Company.

Company shall make all social security, withholding, unemployment insurance, and disability insurance payments required by law with respect to the additional compensation provided for in this Article 15.A.

If the Company shall fail to make any payment provided for in this Article 15.A. to be made to the writer when and as the same becomes due and payable, it shall bear interest at the rate of one and one-half percent (1.5%) per month on the unpaid balance thereof commencing to accrue on the earlier of: (a) seven (7) days after notice in writing to Company from the Guild of such delinquency, or (b) sixty (60) days after such payment becomes due and payable.

The compensation payable under this Article 15.A. shall be excluded from the gross compensation upon which Company contributions are to be made to the Pension Plan.

g. **Crediting**

If a participating writer's employment agreement with the Company requires that the writer's compensation shall be based, in whole or in part, upon, or measured by, a percentage of the gross receipts derived from the distribution of Such Picture, then such percentage compensation shall be credited against any amounts payable to the writer hereunder, and likewise any payment due to the writer hereunder shall be credited against such percentage compensation. When all or a part of a writer's compensation is a specified sum of money, commonly known and referred to as a "deferment," such deferment may not be credited against amounts payable by the Company to such writer hereunder.

h. With respect to all Such Pictures, the following provisions shall be applicable:

(1) Acquisition of Title by Company:

If Company was not the actual producer of Such Picture which was produced by a signatory Company, but acquired title thereto by purchase, assignment, transfer, voluntary or involuntary, or by foreclosure of a chattel mortgage or security agreement or a pledgee's sale, Company shall nevertheless be obligated to make the payments herein provided when Such Picture is exhibited on free television, unless such payment required hereunder has already been paid.

(2) Financing-Distribution Agreement by Company:

The obligation of the signatory Company hereunder with respect to the payments provided for in this Article 15.A.

shall also apply to any Such Pictures produced by an independent producer under a contract between the signatory Company and such independent producer for the production of such motion picture, and for the financing and distribution thereof by the signatory Company. However, such signatory Company shall not be liable for the payment of any television fees based on monies received by a foreign distributor under a foreign production deal as defined in subparagraph a. of this subparagraph 3., with respect to which such foreign distributor or such independent producer is not obligated to account to such signatory Company. Nor shall such signatory Company be obligated to obtain any Television Distributor's Assumption Agreement from any foreign distributor referred to in subparagraph a. of this subparagraph 3. except if such foreign distributor is obligated to account to such signatory Company pursuant to subparagraph a. of this subparagraph 3. with respect to monies as therein provided.

(3) Company Liability:

It is expressly understood and agreed that Company shall in all events remain bound hereunder to make the payments due by reason of the exhibition of each Such Picture on free television, irrespective of the assumption of such liability by any other person, firm or company as hereinabove provided, except as otherwise expressly provided in this Basic Agreement.

(4) Failure to Deliver Assumption Agreement:

The failure of Company to obtain and deliver an executed assumption agreement as provided in Article 65.A. or subparagraph i. of this Article 15.A.3. shall be deemed a substantial breach of this Basic Agreement.

i. If the Company shall sell, transfer, assign or otherwise dispose of its rights in any literary material (to which the provisions of Articles 15.A.3., 47 and 65 of this Basic Agreement apply, or may apply) prior to the production of a motion picture based thereon, to any person or company (hereinafter referred to as the "Buyer") other than a person or company with headquarters outside the United States, the Company shall obtain from the Buyer a separate agreement in substantially the following form:

"LITERARY MATERIAL ASSUMPTION AGREEMENT

_____
(hereinafter referred to as the 'Buyer')

agrees with _____
(Company)

that the story, screenplay or story and screenplay covered by this agreement is subject to the 2020 Writers Guild of America - Alliance of Motion Picture and Television Producers Theatrical and Television Basic Agreement (herein the 'Basic Agreement') and particularly to the provisions of Article 15.A.3. thereof pertaining to additional payments to writers on release of a theatrical motion picture based thereon to free television (but excluding subparagraph h. of said Article 15.A.3.), and the said Buyer hereby agrees, expressly for the benefit of the Writers Guild of America, West, Inc., and Writers Guild of America, East, Inc. (herein referred to as the Guild), as representatives of the writers involved, to abide by and perform the provisions of said Basic Agreement and make the additional payments required thereunder, as aforesaid. For the purpose of applying such provisions of said Basic Agreement, the writer or writers of such material shall be treated in all respects as though the said material were written by such writer or writers while in the employ of the Buyer.

"It is expressly understood and agreed that the rights of the Buyer to exhibit or license the exhibition of any motion picture based upon said material shall be subject to and conditioned upon the payment to the writer or writers involved of additional compensation, if any, required under subparagraph 3. (except subparagraph h. thereof) of said Article 15.A. of said Basic Agreement, and it is agreed that the Guild shall be entitled to injunctive relief and damages against Buyer in the event such payments are not made.

"If the Buyer shall sell, transfer, assign or otherwise dispose of its rights in such material to any person or company with headquarters in the United States, it may obtain from the party acquiring such rights a separate agreement in the same form (including this sentence) as this agreement, and will notify the Guild thereof, together with the name and address of the transferee, and deliver to the Guild a copy of such assumption agreement; it being the intent hereof that the obligations herein set forth shall be continuing obligations on the part of such subsequent owners of such material so headquartered in the United States.

_____
BUYER

Date: _____ By: _____
(Please print name and title)

Address: _____
_____"

The Company agrees to give notice to the Guild of such sale, transfer or assignment of the nature above mentioned, with the name and address of the Buyer, and to deliver to the Guild an executed copy of such assumption agreement. An inadvertent failure on the part of the Company to comply with any of the provisions of this subparagraph i. shall in no event constitute a default by the Company hereunder or a breach of this Basic Agreement, provided that such failure is cured promptly after notice thereof from the Guild.

Upon delivery of such assumption agreement, Company, or any subsequent owner obtaining the execution of such an assumption agreement, shall not be further liable to the Guild or any writer for the keeping of any such records or the payment of such additional compensation, or for compliance with credit obligations insofar as they relate to the broadcast of Such Picture on free television; and the Guild agrees to look exclusively to the party last executing such an assumption agreement for the keeping of such records, payment and compliance with credit obligations. If a company with headquarters outside the United States is a subsidiary of the Company, or the Company is the distributor of Such Picture for such a company, then, for the purposes of this subparagraph i., such company shall be deemed to be headquartered only in the United States.

j. Anything to the contrary herein notwithstanding, it is agreed that the provisions of this subparagraph 3. apply only if Such Picture is first exhibited on free television after Such Picture has had a *bona fide* theatrical release. For such purpose, Such Picture may be regarded as having had a *bona fide* theatrical release even though such release has not been fully completed, or shall not have been withdrawn from its theatrical release, and even though Such Picture may have been released theatrically only domestically or theatrically only in foreign countries or territories. If Such Picture is exhibited on free television prior to the time that it has had a *bona fide* theatrical release, then the release of Such Picture to free television shall be governed by the provisions of the Basic Agreement then in effect between the parties hereto, but only with respect to the provisions

thereof relating to additional compensation for television reruns on free television.

The provisions of this subparagraph 3. shall not apply to the televising or exhibition of trailers or advertising a motion picture by shots, etc., substantially in the nature of a trailer, or to the use of stock shots, or to the televising or exhibition of excerpts from theatrical motion pictures for news or review purposes unless the excerpts from a single theatrical motion picture exceed ten (10) minutes. Except as modified by Article 15.B.10.e., for any other use of excerpts from Such Picture in television programs (and, for this purpose, the term "television programs" includes programs made for free television, pay television, videodiscs/videocassettes and basic cable), including television programs which consist substantially of excerpts from theatrical motion pictures, or for any other use of excerpts from Such Picture, the principal photography of which commenced on or after May 2, 2020, in another theatrical motion picture, the Company shall pay the following aggregate one-time-only sum to the writers determined by the Guild to be entitled to such compensation and prorated as determined by the Guild:

	5/02/20-5/01/21	**5/02/21-5/01/23**
(1) Thirty (30) seconds or less of excerpts	$192	$198
(2) Over thirty (30) seconds but not over two (2) minutes of excerpts	577	594
(3) Over two (2) minutes excerpts:		
- for the first two (2) minutes	577	594
- for each minute or portion thereof in excess of two (2) minutes	192	198

If an excerpt is used in a local program and the program is broadcast in no more than one market, the payment for such use shall be sixty percent (60%) of the amount provided in this Article 15.A.3.j. If the program is broadcast later in another market, the writer(s) shall be paid the remaining forty percent (40%).

The use of an excerpt from a theatrical motion picture in an interactive program shall be governed by the provisions of Article 64.

No compensation shall be payable pursuant to this subparagraph j. to a writer of a motion picture from which an excerpt is derived if such writer writes material for and receives writing credit on the program or motion picture into which such excerpt is inserted.

jj. Notwithstanding any other provision of this Agreement, if the writer

(1) first describes in literary material an object or thing which is fully described in such literary material and by such description appears to be unique and original; and/or,

(2) introduces a character and the characterization of such character is fully developed and fully described in the material written by the writer and from such development and description the character appears to be unique and the principal creation of the writer,

and an interactive program is based upon such object, thing or character, the writer will be paid as provided in Article 64.

k. Notwithstanding the sooner termination of this Agreement, the parties hereto agree that the terms and conditions of this subparagraph 3. shall apply and remain in full force and effect, and without change, to Such Pictures produced by the Company, the principal photography of which commenced between May 2, 2020 and May 1, 2023, both dates inclusive, regardless of when (either during or at any time after the expiration of the term of this Basic Agreement or of such period) Such Pictures are released to free television, and regardless of the terms or provisions of any Basic Agreement which is a modification, extension, or renewal of, or substitution for this Basic Agreement.

4. Small Accountings - With regard to all television licensing payments required under this Article 15.A., the Company may accrue such payments until the aggregate is equal to fifty dollars ($50), at which time the payment provision of the appropriate subparagraph shall be effective, except that in any event all accrued amounts of less than fifty dollars ($50) due to the writer shall be paid no later than thirty (30) days following the close of the calendar year in which accrued. Nothing herein shall relieve the Company of its obligation to make the accounting reports required elsewhere herein.

5. At the request of the Guild, the Company authorizes any networks, as defined in Article 1.A.12.1., as well as any television station to advise the Guild of the fact that a payment was or was not made by

the network or station for, and the date of any previous telecast of, a theatrical motion picture specified in the Guild's request.

6. In the event that a Company liable for the payments required hereunder shall license a motion picture to television stations owned or controlled by it, or to a network owned or controlled by it, the "accountable receipts" shall be comparable to the accountable receipts paid to distributors by comparable stations or comparable networks, as the case may be, for comparable telecasts of comparable motion pictures in comparable markets and the accountable receipts paid to Company by comparable stations or comparable networks, as the case may be, for the comparable telecast of such motion picture in comparable markets.

7. The Company shall notify the Guild in writing, to the attention of the Residuals Administrator at its Los Angeles, California office, of any and all English language changes made by the Company in the title of any theatrical motion picture subject to this Agreement released to free television, within thirty (30) days of said change of title.

B. TELEVISION RERUNS & FOREIGN TELECASTS OF TELEVISION MOTION PICTURES

1. United States and Canada

   a. The minimum compensation above provided for in Article 13.B. shall constitute payment in full for the telecasting of such motion picture once in each city in the United States and Canada in which any television broadcasting station is now located and once in each city in the United States and Canada in which any television broadcasting station is hereafter for the first time established.

   b. Rerun Formula, Free Television, in the United States and Canada

      (1) A television motion picture which has been telecast not more than once in any city in the United States and Canada is in its first run. A television motion picture which has been telecast more than once, but not more than twice, in any city in the United States and Canada, is in its second run. A similar test applies in determining when a television motion picture is in its third and succeeding runs.

      (2) In the event a television motion picture based upon literary material to which this Basic Agreement applies is

telecast for more than one (1) run in any city in the United States or Canada, the writer or writers who receive story and/or teleplay screen credit therefor shall be paid additional compensation which, in the aggregate, shall not be less than the following amounts (if more than one (1) writer shares a story or teleplay credit, then all of the writers sharing each credit shall be considered a unit and shall participate equally in and receive in the aggregate the rerun payments applicable thereto and, when adaptation credit is accorded, the writer or writers receiving such credit shall be paid ten percent (10%) thereof, which sum shall be deducted from the share of the teleplay writer(s)).

(a) Reruns over television network in prime time:

With respect to any television motion picture, the credited writer(s) of which commenced writing services on or after May 2, 2020, the additional compensation payable for the second or any subsequent run which includes telecasting of said motion picture over a television network in prime time for the type of story or teleplay involved shall be as follows:

HIGH BUDGET

Program Length in Minutes	**Story**	**Teleplay**	**Story and Teleplay**
15 or less	$ 2,955	$ 5,406	$ 7,375
30 or less (but more than 15)	5,406	8,778	13,511
60 or less (but more than 30)	9,822	17,012	24,558
75 or less (but more than 60)	13,985	24,757	35,000
90 or less (but more than 75)	14,762	26,167	36,906
120 or less (but more than 90)	19,345	34,707	48,365
For programs in excess of 120 minutes, each additional 30 minutes or less	4,582	8,540	11,456

LOW BUDGET

Program Length in Minutes	Story	Teleplay	Story and Teleplay
15 or less	$ 2,515	$ 3,936	$ 6,265
30 or less (but more than 15)	4,183	6,766	10,441
60 or less (but more than 30)	7,906	12,903	19,774
75 or less (but more than 60)	11,257	18,617	28,645
90 or less (but more than 75)	12,054	19,755	30,136
120 or less (but more than 90)	15,921	26,140	39,809
For programs in excess of 120 minutes, each additional 30 minutes or less	3,863	6,367	9,678

(b) [Deleted.]

(c) Other reruns:[10]

(i) For the second run, not less than fifty percent (50%) of the writer's "applicable minimum compensation" if such second run includes the telecasting of such motion picture over a television network; otherwise, such payment shall be not less than forty percent (40%) of the writer's "applicable minimum compensation;"

(ii) For the third run, not less than forty percent (40%) of the writer's "applicable minimum compensation" if such third run includes the telecasting of such motion picture over a television network; otherwise, such payment

[10] [These provisions appeared in Article 15.B.1.b.(2)(b) in predecessor Basic Agreements.] See Sideletters at pages 601 and 606 for special provisions governing residuals payable under a license agreement entered into prior to July 1, 2020 for certain reruns of certain one-hour network prime time dramatic series and for the experiment regarding the syndication of half-hour series in markets representing 50% or fewer of U.S. television households. See also Sideletter at page 631 for special provisions governing licenses of free television, basic cable or pay television motion pictures to secondary digital channels. See also Sideletter at page 634 for special conditions for licenses for exhibition in syndication for Canada only. See Article 15.B.1.e. at pages 157-158 for special provisions governing broadcast syndication sales of dramatic programs under a license agreement entered into on or after July 1, 2020.

shall be not less than thirty percent (30%) of the writer's "applicable minimum compensation;"

(iii) For the fourth run, not less than twenty-five percent (25%) of the writer's "applicable minimum compensation;"

(iv) For the fifth run, not less than twenty-five percent (25%) of the writer's "applicable minimum compensation;"

(v) For the sixth run, not less than twenty-five percent (25%) of the writer's "applicable minimum compensation;"

(vi) For the seventh run, not less than fifteen percent (15%) of the writer's "applicable minimum compensation;"

(vii) For the eighth run, not less than fifteen percent (15%) of the writer's "applicable minimum compensation;"

(viii) For the ninth run, not less than fifteen percent (15%) of the writer's "applicable minimum compensation;"

(ix) For the tenth run, not less than fifteen percent (15%) of the writer's "applicable minimum compensation;"

(x) For the eleventh run, not less than ten percent (10%) of the writer's "applicable minimum compensation;"

(xi) For the twelfth run, not less than ten percent (10%) of the writer's "applicable minimum compensation;"

(xii) For the thirteenth run and each and every run thereafter, not less than five percent (5%) of the writer's "applicable minimum compensation" (paid separately for each such run).

See Article 15.B.1.b.(3)(a) which sets forth the "applicable minimum compensation" that applies for purposes of this Article 15.B.1.b.(2)(c) with respect to the second or any subsequent run in the United States and Canada (other than over a television network in prime time) of a free television motion picture (other than a television motion picture covered by Appendix A), the credited writer(s) of which commenced writing services on or after May 2, 2020.

(d) The parties agree to the following for the purpose of encouraging the success of new dramatic free television series produced for a network or for The CW. No residual compensation shall be due under Article 15.B.1.b.(2) nor Article 58 for the second run (which may be either on free television or basic cable) of two programs chosen by the Company from the pilot and first two episodes broadcast during the first production season, provided the second run occurs within a two month period following the initial exhibition of each program. If such second run is on free television, it shall not constitute a "run" for purposes of Article 15.B.1.b.(1). Company shall be obligated to report any such run to the Guild as required under this Article 15.B., notwithstanding the fact that no payment shall be due therefor.

The Company may not utilize this provision at any time after the series has been cancelled.

(3) The **"applicable minimum compensation"** is the minimum salary or amount required to be paid under the provisions of this Basic Agreement for the type of story or teleplay involved.

(a) For purposes of Article 15.B.1.b.(2)(c) with respect to a free television motion picture (other than a television motion picture covered by Appendix A), the credited writer(s) of which commenced writing services on or after May 2, 2020, the minimum compensation figures set forth below shall be the "applicable minimum compensation":

Story

HIGH BUDGET

Program Length in Minutes	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
15 or less	$ 3,310	$ 3,393	$ 3,469
30 or less (but more than 15)	6,057	6,208	6,348
60 or less (but more than 30)	11,007	11,282	11,536
75 or less (but more than 60)	15,671	16,063	16,424
90 or less (but more than 75)	16,543	16,957	17,339
120 or less (but more than 90)	21,678	22,220	22,720
For programs in excess of 120 minutes, each additional 30 minutes or less	5,134	5,262	5,380

LOW BUDGET

Program Length in Minutes	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
15 or less	$ 2,818	$ 2,888	$ 2,953
30 or less (but more than 15)	4,686	4,803	4,911
60 or less (but more than 30)	8,861	9,083	9,287
75 or less (but more than 60)	12,615	12,930	13,221
90 or less (but more than 75)	13,506	13,844	14,155
120 or less (but more than 90)	17,840	18,286	18,697
For programs in excess of 120 minutes, each additional 30 minutes or less	4,330	4,438	4,538

Teleplay

HIGH BUDGET

Program Length in Minutes	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
15 or less	$ 6,057	$ 6,208	$ 6,348
30 or less (but more than 15)	9,836	10,082	10,309
60 or less (but more than 30)	19,063	19,540	19,980
75 or less (but more than 60)	27,744	28,438	29,078
90 or less (but more than 75)	29,321	30,054	30,730
120 or less (but more than 90)	38,892	39,864	40,761
For programs in excess of 120 minutes, each additional 30 minutes or less	9,571	9,810	10,031

LOW BUDGET

Program Length in Minutes	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
15 or less	$ 4,411	$ 4,521	$ 4,623
30 or less (but more than 15)	7,582	7,772	7,947
60 or less (but more than 30)	14,458	14,819	15,152
75 or less (but more than 60)	20,862	21,384	21,865
90 or less (but more than 75)	22,136	22,689	23,200
120 or less (but more than 90)	29,291	30,023	30,699
For programs in excess of 120 minutes, each additional 30 minutes or less	7,134	7,312	7,477

Story and Teleplay

HIGH BUDGET

Program Length in Minutes	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
15 or less	$ 8,264	$ 8,471	$ 8,662
30 or less (but more than 15)	15,139	15,517	15,866
60 or less (but more than 30)	27,517	28,205	28,840
75 or less (but more than 60)	39,219	40,199	41,103
90 or less (but more than 75)	41,355	42,389	43,343
120 or less (but more than 90)	54,197	55,552	56,802
For programs in excess of 120 minutes, each additional 30 minutes or less	12,838	13,159	13,455

LOW BUDGET

Program Length in Minutes	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
15 or less	$ 7,018	$ 7,193	$ 7,355
30 or less (but more than 15)	11,700	11,993	12,263
60 or less (but more than 30)	22,158	22,712	23,223
75 or less (but more than 60)	32,101	32,904	33,644
90 or less (but more than 75)	33,769	34,613	35,392
120 or less (but more than 90)	44,608	45,723	46,752
For programs in excess of 120 minutes, each additional 30 minutes or less	10,842	11,113	11,363

When the writer has been employed to write a story with option for teleplay, the rate applicable to the story is the "applicable minimum compensation." The rate applicable to story and teleplay is the "applicable minimum compensation" only in the case of employment under a contract providing for a commitment for both the story and the teleplay.

(b) The minimum compensation figures which are set forth in Article 13.B.7.a., b., and c. shall be the "applicable minimum compensation" for purposes of Article 15.B.2.a. (Foreign Telecasting Formula) and Article 15.B.3. (Application of Excess), including for programs covered by Article 13.B.7.d.

When the writer has been employed to write a story with option for teleplay, the "applicable minimum compensation" for the story is the minimum set forth in Article 13.B.7.a. (p. 94). The rate applicable to story and teleplay under Article 13.B.7.c. (pp. 96-97) is the "applicable minimum compensation" only in the case of employment under a contract providing for a commitment for both the story and the teleplay.

(4) If a writer or writers are entitled to the applicable minimum payments per episode required to be made on account of exploitation of the television series sequel rights and/or MOW sequel rights (as provided in Article 16.B.2.a. or b.) or on account of exploitation of character rights (as provided in subparagraph h. of Article 15.B.14.), or on account of the production of programs entitling a writer to per episode payments pursuant to subparagraph l. of Article 15.B.14., and if an episode for which such a payment is required is telecast for more than one (1) run in any city in the United States or Canada, the writer or writers entitled to such payments shall be paid additional compensation calculated as provided in subparagraph (2) above, and for such purpose the "applicable minimum compensation" is such applicable minimum payment.

(5) The Company shall pay as provided herein for each respective rerun, not later than four (4) months after the first telecast of the respective rerun in any city in the United States or Canada. However, in the event any rerun is telecast on a television network (or on a regional television network) or, after September 20, 2006, on The CW, the Company shall make the appropriate rerun payment not later than thirty (30) days after the telecast of such rerun.

(6) The term “television network,” as used in this paragraph, shall mean the network facilities of ABC, CBS, FBC and NBC, or any other entity which qualifies as a “network” under Section 73.662(f) of the rules of the Federal

Communications Commission, unless the FCC determines that such entity is not a “network” for purposes of this Section, except in the case (a) when television motion pictures are telecast on any single regional network presently established, and (b) when television motion pictures are telecast on any single regional network which may hereafter be established and which does not include New York, Chicago or Los Angeles.

(7) [Deleted.]

c. (1) For broadcasts in the domestic market after March 1, 1981, in a language other than English, released other than as part of free television licensing, the credited writer(s) shall be paid an aggregate amount equal to two percent (2%) of the Company's "accountable receipts," as defined in Article 51, from the sale or license of such television motion picture for such broadcasts rather than the otherwise required rerun payment.

(2) The provisions of subparagraph (1) above will apply to all television motion pictures produced on or after July 1, 1971.

d. The use of a television motion picture, in whole or in substantial part, in an interactive program shall be governed by the provisions of Article 64.

e. Broadcast Syndication Sales of Dramatic Programs

If Company, on or after July 1, 2020, licenses a dramatic television motion picture or series made for free television (other than a program or series made for broadcast syndication, except for a program made for The CW when sold in broadcast syndication other than to The CW) for exhibition in broadcast syndication in the United States and/or Canada, Company shall pay to the credited writer(s) a percentage residual of two percent (2%) of the Company’s “accountable receipts,” as defined in Article 51.C.1.a. of the MBA, derived therefrom, in lieu of the payments required under any other provision of the MBA (or any prior MBA as applicable), including but not limited to Article 15.B.1.b.(2)(c) and to Article 15.B.1.b.(4) for any residual otherwise owed based on the exploitation of the television series sequel rights. It is understood that no payment shall be made to the writer with separated rights as an exploitation of the television sequel rights. The *pro rata* share

payable to each credited writer shall be the same as provided in Article 51.C.5. The provisions of this subparagraph e. apply to all television motion pictures produced on or after July 1, 1971 for which a fixed residual or higher percentage residual would otherwise be payable.

The foregoing does not apply to residuals for reruns of dramatic free television motion pictures in network prime time as provided in MBA Article 15.B.1.(b)(2)(a). In addition, the foregoing does not apply to a license agreement, including options, entered into prior to July 1, 2020. As an example, assume that a current license agreement covers the sale of the first and second seasons of a dramatic series to broadcast syndication and includes an option to license all subsequent seasons of the series also to broadcast syndication. Because the license agreement is in effect before July 1, 2020, the sale of all seasons of the series pursuant to the options under the license agreement would not be covered by this provision.

Company will prepare an annual statement of Company's gross receipts for dramatic television motion pictures and programs described in the first paragraph of this provision which have been licensed to domestic broadcast syndication pursuant to an agreement entered into on or after July 1, 2020. The annual statement will show cash, barter and any other consideration received by Company from the licensing to broadcast syndication of such motion pictures and programs and may be inspected by the Guild at the premises of Company upon notice by the Guild. The information provided by Company to the Guild, or made available for its inspection, will be treated by the Guild as confidential and appropriate arrangements will be made by the Guild to safeguard the confidentiality of that information.

2. Foreign Telecasting Formula

   a. In the event such television motion picture is telecast in any part of the world outside the United States and Canada, the writers referred to in Article 15.B.1.b.(2) and (4) above shall be paid additional compensation for such foreign telecasting as follows:

      (1) initial payment of not less than fifteen percent (15%) of their applicable minimum compensation payable not later than thirty (30) days after the Company obtains knowledge of the first foreign telecast, and in no event later than six (6) months after the first foreign telecast;

(2) Ten percent (10%) of the applicable minimum when the Distributor's Foreign Gross exceeds seven thousand dollars ($7,000.00) for one-half (½) hour pictures, thirteen thousand dollars ($13,000.00) for one (1) hour pictures, or eighteen thousand dollars ($18,000.00) for pictures in excess of one (1) hour in length. Such payment to be made no later than thirty (30) days after such gross has been so exceeded;

(3) a payment of ten percent (10%) of the applicable minimum compensation when the Distributor's Foreign Gross exceeds ten thousand dollars ($10,000.00) for one-half (½) hour pictures, eighteen thousand dollars ($18,000.00) for one (1) hour pictures, or twenty-four thousand dollars ($24,000.00) for pictures in excess of one (1) hour in length. Such payments to be made no later than thirty (30) days after such gross has been so exceeded; and

(4) After the writer has received a total of thirty-five percent (35%) of applicable minimum compensation with respect to any television film, all credited writer(s) in the aggregate shall be paid one and two-tenths percent (1.2%) of the Distributor's Foreign Gross in excess of:

(i) $365,000 in Distributor's Foreign Gross for one-half (½) hour programs;

(ii) $730,000 in Distributor's Foreign Gross for one (1) hour programs;

(iii) $1,860,000 in Distributor's Foreign Gross for programs more than one (1) hour in length but not more than two (2) hours in length;

(iv) $3,120,000 in Distributor's Foreign Gross for programs more than two (2) hours in length but not more than three (3) hours in length;

(v) $4,170,000 in Distributor's Foreign Gross for programs more than three (3) hours in length but not more than four (4) hours in length;

(vi) $5,210,000 in Distributor's Foreign Gross for programs more than four (4) hours in length but not more than five (5) hours in length;

(vii) $6,250,000 in Distributor's Foreign Gross for programs more than five (5) hours in length but not more than six (6) hours in length; and

(viii) for programs in excess of six (6) hours, the above applicable thresholds will increase proportionately.

For Appendix A programs, the one and two-tenths percent (1.2%) payment shall be triggered when the Distributor's Foreign Gross equals fifty percent (50%) of the amounts set forth in subparagraphs (i), (ii), (iii), (iv), (v), (vi), (vii) or (viii) above, as applicable.

For the purpose of this subparagraph (4), Distributor's Foreign Gross shall include absolute gross income realized by the distributor on account of foreign telecasting and exhibition on foreign basic cable.

In order to preserve the status quo in Article 58, payment of the thirty-five percent (35%) of applicable minimum under the foreign telecasting formula continues to constitute payment for foreign basic cable; provided, however, that foreign basic cable receipts shall apply to "Distributor's Foreign Gross" for purposes of reaching the thresholds in and determining the amount the credited writer(s) shall be paid pursuant to subparagraphs (i), (ii) (iii), (iv), (v), (vi), (vii) or (viii) above.

The writers shall receive such additional monies pursuant to the payment provisions of Article 51.C., except payment and reporting shall be due within sixty (60) days after the close of the second and fourth calendar quarters of each year in which the Company receives Distributor's Foreign Gross with respect to the television film.

aa. Notwithstanding the provisions of subparagraph a. above, the following shall apply to one-hour network prime time dramatic series covered under the sideletter waiving the provisions of Article 15.B.1.b.(2)(c):

(1) The fifteen percent (15%), ten percent (10%) and ten percent (10%) of applicable minimum compensation payments provided in Article 15.B.2.a.(1), (2) and (3), respectively, shall be collapsed into a single payment of thirty-five percent (35%) of applicable minimum compensation, payable not later than thirty (30) days

after the Company obtains knowledge of the first foreign telecast, and in no event later than six (6) months after the first foreign telecast.

(2) [Deleted.]

b. [Deleted.]

c. The term **"foreign telecasting,"** as used herein, shall mean any telecast (whether simultaneous or delayed) outside the United States, its territories and possessions, and Canada, other than a telecast on any of the following regularly affiliated stations of a United States television network as a part of the United States network television telecast: XH-TV, Mexico City; ZBM, Pembroke, Bermuda, for CBS; XEW-TV or XEQ-TV or XH-TV or XHGC, Mexico City, and ZBM, Pembroke, Bermuda for NBC; and XE-TV, Tijuana; and ZFB, Hamilton, Bermuda for ABC.

d. As used herein, the term **"Distributor's Foreign Gross"** shall mean, with respect to any television film, the absolute gross income realized by the distributor of Such Picture from the foreign telecasting thereof and including, in the case of a "foreign territorial sale" by any such distributor, the income realized from such sale by such distributor but not the income realized by the "purchaser" or "licensee." The phrase "absolute gross income" shall not include:

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

"[S]uch sums as are non-returnable" are to be included in the "Distributor's Foreign Gross" when such television motion picture is "available" and "identifiable" and the amount of the non-returnable sum is "ascertainable."

Such television motion picture is "available" when the first of the following occurs:

(a) The product first may be exhibited or otherwise exploited by a specified method of distribution and in a territory under the terms of the applicable license or distribution agreement, or

(b) It first may be sold or rented by a retailer under the terms of the applicable license or distribution agreement.

Such television motion picture is "identifiable" when the Company first knows or reasonably should have known that a given television motion picture is covered by a particular license or distribution agreement for its exploitation in the applicable market.

The amount of the non-returnable sum is "ascertainable" if:

(a) the non-returnable sum is for one (1) television motion picture, means of exhibition, and territory, or

(b) the total amount of the non-returnable sum is for more than one (1) motion picture, means of exhibition and/or territory, in which case the Company shall fairly and reasonably allocate such sum among the licensed motion pictures, exhibition markets and/or territorial markets. As each of these pictures becomes identifiable and available, the allocated portion of the non-returnable sum is to be included in Distributor's Foreign Gross for that quarter. The Company shall notify the Guild of its allocation when the report of Distributor's Foreign Gross, which includes the non-returnable sum, is to be filed. The Guild has the right to challenge in an MBA arbitration a failure to allocate or any allocation that it contends is not fair and reasonable.

If such television motion picture is available in any territory or by any means of exhibition, and is identifiable and the amount of the non-returnable sum is ascertainable, but the Company does not provide the WGA with the information required by the MBA and applicable law, then the non-returnable sum shall be deemed includable in Distributor's Foreign Gross no later than six (6) months after the Company receives it.

A non-returnable sum received by a Company's parent, subsidiary or any other related or affiliated entity or successor-in-interest, or by any other entity to which the payment is directed by the Company or license or distribution agreement, shall be considered as a non-returnable sum received by the Company.

(2) 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 the television film or on any monies to be remitted to or by the distributor, but there shall not be excluded from Distributor's Foreign Gross any net income, franchise tax or excess profit tax or similar tax payable by the distributor on its net income or for the privilege of doing business.

(3) Frozen foreign currency until the distributor shall have either the right to use such foreign currency in or to transmit such foreign currency from the country or territory where it is frozen. In the event such currency may be utilized or transmitted as aforesaid, it shall be deemed to have been converted to United States dollars at the prevailing free market rate of exchange at the time such right to use or transmit accrues.

Distributor's Foreign Gross realized in foreign currency in any reporting period required hereunder shall be deemed to be converted to United States dollars at the prevailing free market rate of exchange at the close of such reporting period.

e. If any transaction involving any television motion picture subject to a foreign telecast payment under this Basic Agreement shall also include motion pictures, broadcast time, broadcast facilities or material (including commercial or advertising material) which are not subject to such payment, there shall be a reasonable allocation between the television motion pictures which are subject to a foreign telecast payment and such other pictures, time, facilities or material, and only the sums properly allocable to pictures which are subject to a foreign telecast payment shall be included in Distributor's Foreign Gross.

3. Application of Excess. Company, at its option, may make any part or all of the additional payments for reruns and foreign telecasts provided herein at the time of employment of writer or at any time prior to the time the same is due (but only if the agreement between the Company and writer with respect thereto is set forth in writer's individual contract); provided that no part of writer's initial compensation which is at or less than twice the applicable minimum compensation (as defined in Article 15.B.1.b.(3)(b)) may be applied against such rerun and foreign telecast payments, or either.

4. All payments of additional compensation for reruns or foreign telecasts shall be made promptly by check, payable to the order of the writer entitled thereto, and if not initially paid to the writer, shall be

delivered to the Guild for forwarding to such writer and compliance herewith shall constitute payment to the writer. The Company shall accompany such checks with a statement of the title of the motion picture and the use for which such payment is made.[11] If Company fails to pay such additional compensation when due and payable, such delinquent payment shall bear interest at the rate of one and one-half percent (1.5%) per month commencing to accrue from the date of such delinquency.

5. The Company shall keep or have access to:

   a. complete records showing all cities in the United States and Canada in which all television motion pictures subject to this Basic Agreement have been telecast and the number of telecasts in each such city, the television stations on which telecast, and the dates thereof, and

   b. complete records showing Distributor's Foreign Gross for such television motion pictures to the extent that such records are pertinent to the computation of payments for foreign telecasting.

   Company shall also keep or have access to such records as are necessary for the computation of additional compensation for reruns and foreign telecasts for so long as such rerun or foreign telecast payments may be due or payable. The Guild shall have the right, at all reasonable times, to inspect such records. The undersigned shall give the Guild prompt written notice of the date on which each television motion picture covered hereby is first telecast in any city in the United States and Canada for the second run and for each subsequent run thereafter.

6. With respect to each television motion picture which is distributed for foreign telecasting, Company shall furnish reports to the Guild and the Alliance of Motion Picture and Television Producers, Inc., showing Distributor's Foreign Gross derived from such television motion picture until:

   a. such television motion picture has been withdrawn from distribution for foreign telecasting, or

   b. all of the credited writers of such television motion picture have received the full additional payments for such foreign telecasting to which they are entitled pursuant to subparagraph 2. above.

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[11] See Sideletter at page 738, which permits a Company to enter into an agreement with the Guild for payments via direct deposit in lieu of issuing checks.

Such reports shall be rendered to the Guild on a quarterly basis during the first three (3) years in which any such television motion picture is distributed for foreign telecasting, on a semi-annual basis for the next two (2) years and on an annual basis thereafter. Company agrees to cooperate in responding to reasonable requests from the Guild as to whether any television motion picture is currently being distributed for foreign telecasting.

An inadvertent failure on the part of the Company to comply with the reporting provisions of this subparagraph shall in no event constitute a default by the Company or a breach of this Basic Agreement, provided such failure is cured promptly after notice thereof from the Guild.

7. If a writer's individual employment contract contains a provision giving such writer a percentage or other participation in the receipts, revenues or profits of a television motion picture, such payment may be credited against the minimum additional compensation for reruns and foreign telecasts or either provided herein, but writer, in any event, shall be entitled to be paid not less than such minimum additional compensation for reruns, and foreign telecasts, or either, as the case may be, and any payment on account thereof shall likewise be credited against such participation; provided that amounts received by writer as a percentage or other participation in the receipts, revenues or profits of the television motion picture may not be credited against the minimum additional compensation for reruns or foreign telecasts until writer has received as compensation from all sources an amount equal to twice the applicable minimum compensation.

8. Literary Material Assumption Agreement (Television)

   If the Company shall sell, transfer, assign or otherwise dispose of its rights in any literary material (to which the provisions of Articles 15.B., 47 or 65 of this Basic Agreement apply, or may apply) prior to the production of a motion picture based thereon, to any person or company (hereinafter referred to as the "Buyer"), other than a person or company with headquarters outside the United States, the Company shall obtain from the Buyer a separate agreement in substantially the following form:

"LITERARY MATERIAL ASSUMPTION AGREEMENT (TELEVISION)"[12]

"The undersigned _____
(insert name of Buyer)
(hereinafter referred to as 'Buyer') agrees with _____

_____
(insert name of Company)
that all literary material being acquired and covered by this Assumption Agreement is subject to the 2020 Writers Guild of America Theatrical and Television Basic Agreement ('Basic Agreement'), and particularly to the provisions thereof pertaining to the payment of additional compensation to writers for reruns and foreign telecasting of television motion pictures based thereon (individually referred to as 'Such Picture'). The Buyer hereby agrees, expressly for the benefit of the Writers Guild of America, West, Inc., and Writers Guild of America, East, Inc. ('the Guild'), as representative of the writers involved, to abide by and perform the provisions of the Basic Agreement and make the additional compensation payments required thereby. For the purpose of applying such provisions of the Basic Agreement, the writer or writers of the literary material being acquired shall be treated in all respects as though such material were written by such writer or writers while in the employ of the Buyer.

"It is expressly understood and agreed that the rights of Buyer to telecast or license the telecasting of any Such Picture shall be subject to and conditioned upon the prompt payment to such writer or writers involved of additional compensation for reruns and foreign telecasting as provided in the Basic Agreement. It is agreed that the Guild shall be entitled to injunctive relief against Buyer in the event such payments are not made.

"If the Buyer shall sell, transfer, assign or otherwise dispose of its rights in such material to any person or company with headquarters in the United States, it may obtain from the party acquiring such rights a separate agreement in the same form (including this sentence) as this Assumption Agreement, and will notify the Guild thereof, together with the name and address

[12] The parties agree that all Assumption Agreements shall include the applicable credit obligations of the WGA collective bargaining agreement, if any, governing the writer's employment and/or the acquisition of the literary material which is the subject matter of the Assumption Agreement. The term "Assumption Agreements," as used in this paragraph, means those Assumption Agreements required by the Basic Agreement.

of the transferee, and deliver to the Guild a copy of such Assumption Agreement; it being the intent hereof that the obligations set forth in this Assumption Agreement shall be continuing obligations on the part of such subsequent owners of such material so headquartered in the United States.

_____
BUYER

Date: _____

By _____
(Please print name and title)

Address: _____ "

The Company agrees to give notice to the Guild of such sale, transfer or assignment of the nature above mentioned, with the name and address of the Buyer, and to deliver to the Guild an executed copy of such Assumption Agreement. An inadvertent failure on the part of the Company to comply with any of the provisions of this Article 15.B.8. shall in no event constitute a default by the Company hereunder or a breach of this Basic Agreement, provided that such failure is cured promptly after notice thereof from the Guild.

Upon delivery of such Assumption Agreement, Company, or any subsequent owner obtaining the execution of such an assumption agreement, shall not be further liable to the Guild or any writer for the keeping of any such records or the payment of such additional compensation, or for compliance with credit obligations insofar as they relate to reruns and foreign telecasting of Such Picture. The Guild agrees to look exclusively to the party last executing such an assumption agreement for the keeping of such records, payment and compliance with credit obligations. If a company with headquarters outside the United States is a subsidiary of the Company, or the Company is the distributor of Such Picture for such a company, then, for the purposes of this Article 15.B.8., such company shall be deemed to be headquartered only in the United States.

9. [Deleted.]

10. Use of excerpts

The use of an excerpt from a television motion picture shall be deemed a run or foreign telecast of such motion picture hereunder, except in the following circumstances:

a. When used for promotional, trailer, news or review purposes; provided, however, that the length of such excerpt(s) shall not exceed five (5) minutes in length for a program less than ninety (90) minutes in length, nor exceed ten (10) minutes in length for a program ninety (90) minutes or more in length. For purposes of this subparagraph, a **"promotional"** use of an excerpt shall be for the purpose of advertising or publicizing the specific program or serial or series from which the excerpt is taken.

b. When used as a so-called "stock shot" (as customarily understood in the industry - i.e., shots excluding dialogue or identifiable characters).

c. When used for purposes of recapping the story to date in the context of a serial, multi-part program, episodic series, unit series or anthology; provided, however, that if such recap shall exceed ninety (90) seconds in length when used on a program less than sixty (60) minutes in total length, or exceed three (3) minutes in length when used on a program sixty (60) minutes or longer in total length, Company shall pay to the credited writer(s) of the program(s) from which the excerpts in the recap were taken an aggregate one-time-only sum equal to $215.00 ($221.00 effective May 2, 2021 for each minute or portion thereof by which the recap exceeds such length limitation; and provided, further, that no such recap shall exceed (without being deemed a run or foreign telecast as set forth above) five (5) minutes in length for a program less than ninety (90) minutes in length nor exceed ten (10) minutes in length for a program ninety (90) minutes or more in length.

d. When used as a flashback in the context of multi-part series, episodic series, unit or anthology series or a one-time show or a prime time serial; provided, however, that if such flashback shall exceed thirty (30) seconds in length, Company shall pay to the credited writer(s) of the program(s) from which the excerpts in the flashback were taken an aggregate, one-time-only sum equal to $215.00 ($221.00 effective May 2, 2021) for each minute or portion thereof by which the flashback exceeds such length limitation; and provided, further, that no such flashback shall exceed (without being deemed a run or foreign telecast as set forth above), five (5) minutes. For purposes of this

subparagraph, a **"flashback"** use of an excerpt shall be for the purpose of informing viewers of past developments to explain or advance the current story being told.

dd. For any use on television of excerpts not within the exceptions provided for in subparagraphs a. through d. above nor subparagraph e. below, or if such excerpts are otherwise within subparagraphs c. and d., but the aggregate running time of such excerpts from a single program exceeds the maximum applicable footage lengths, the Company shall pay the following aggregate one-time-only sum to the writer or writers determined by the Guild to be entitled to such compensation and prorated as determined by the Guild:

		5/02/20 - 5/01/21	**5/02/21- 5/01/23**
(1)	Ten (10) seconds or less of excerpts	$ 382	$ 393
(2)	Over ten (10) seconds but not more than two (2) minutes of excerpts or the applicable rerun fee; whichever is less.	1,157	1,192
(3)	over two (2) minutes but not more than ten (10) minutes of excerpts: for the first two (2) minutes for each minute or portion thereof in excess of two (2) minutes or the applicable rerun fee; whichever is less.	1,157 192	1,192 198
(4)	Over ten (10) minutes of excerpts from such program	the applicable rerun fee	

In no event shall less than $382.00 ($393.00 effective May 2, 2021) be paid for the use of excerpts from a single program.

In addition, if ten percent (10%) (15% in the case of a thirty (30) minute program) or more but fifty percent (50%) or less of the running time of a program is comprised of excerpts from television motion pictures, or from theatrical and television motion pictures, and including excerpts used as flashbacks, Company shall pay for the use of such excerpts pursuant to Article 15.A.3.j. (if applicable) and this subparagraph dd. For

the purposes of this subparagraph and subparagraph e. below, the "running time" of a program excludes commercials, title sequences and a recap up to and including five (5) minutes.

e. For "compilation" television programs utilizing excerpts from television motion pictures, or from theatrical and television motion pictures, the Company will pay, for such use, to the credited writer(s) of the excerpted material, prorated as determined by the Guild, an aggregate one-time-only sum equal to two and one-half (2½) times the applicable thirty (30) minute minimum (and for this purpose, minimum is deemed to be the story and teleplay minimum set forth in Article 13.B.7.d. if the compilation is for network prime time) for each thirty (30) minutes of overall program length in which compilations are used. Exhibition of excerpts from television motion pictures in such compilation television programs shall not be deemed reruns or other use of the television motion pictures from which the excerpts are taken and the payments pursuant to this subparagraph relating to compilations shall not reduce or affect any other payments which may become due to the writer for the use of the television motion pictures from which such excerpts are taken. Payments pursuant to this subparagraph to the writers of theatrical excerpts shall be in lieu of the excerpt payments set forth in Article 15.A.3.j.

For purposes of this subparagraph, a **"compilation"** television program is a program the running time of which is comprised of more than fifty percent (50%) of excerpts, including excerpts used as flashbacks.

If such compilation television program includes excerpts which are not from "MBA-covered" programs, then the amount of time of the non-covered excerpts shall be subtracted from the running time of the entire program; and,

(1) If the MBA-covered excerpts are more than fifty percent (50%) of the remainder, the Company shall pay the compilation rate for such program pursuant to this Article 15.B.10.e. For purposes of calculating the appropriate compilation rate, the length of the program shall be determined based on the length of the remainder of the program utilizing the program lengths delineated in Article 13.B.7. In no event may the calculation be based on less than fifty percent (50%) of the length of the entire program; or,

(2) If fifty percent (50%) or less of the remainder of the program is MBA-covered excerpts, Articles 15.A.3.j. and 15.B.10.dd. will apply.

For the purposes of this subparagraph, the term "MBA-covered" includes excerpts from programs written pursuant to a WGA-PBS Agreement.

This compilation provision shall be applicable to excerpts derived from any television programs and any theatrical motion pictures utilizing literary material subject to any Guild collective bargaining agreement, prior or current, excluding only literary material the rights to which have reverted to the writer (for example, under the 1968 WGA Television Freelance MBA with the networks). Use of excerpts from programs to which such reversion of rights has occurred shall be subject to individual negotiation with the writers involved. When the Guild determines its allocation of payments for a compilation program, the allocation will be made as if the writers to whom rights had reverted were entitled to share in the allocation and, thereafter, funds to which those writers would have been entitled will be repaid to the Company by the Guild within thirty (30) days of the time within which the Company pays the Guild the lump sum allocation. If there is a dispute as to whether rights have reverted, the Guild, if it is aware of such dispute prior to making such payment, will hold the amount applicable to such dispute in escrow in a trust account pending the resolution of such dispute.

In the case of such dispute, the writer may elect to submit the matter to arbitration under the procedures set forth in Article 11.C. in lieu of any other remedy. The only parties to such arbitration shall be the writer and the Company. If the arbitrator rules that the rights in dispute have reverted, and if the excerpt is used, the writer will be entitled to a total of twice the amount he/she would have received (pursuant to the Guild's allocation) if the rights had not reverted. The foregoing shall be the sole damages or other relief available to the writer if arbitration is elected. Any amount paid from the escrow account referred to above shall be deducted from the amount due from the Company.

f. The production company which actually produces the program containing excerpts requiring payment shall be obligated to make such payment, but if such company is not signatory to this Basic Agreement, Company shall remain liable for payments due hereunder.

ff. If an excerpt from a free television motion picture is used on pay television or videodiscs/videocassettes, as such terms are used in Appendix B, or basic cable as defined in Appendix C, such use shall be treated in the same manner as though the excerpt were used on free television.

The use of an excerpt from a television motion picture in an interactive program shall be governed by the provisions of Article 64.

g. Except for payments required to be made pursuant to subparagraph e. above, no compensation shall be payable pursuant to this subparagraph 10. to a writer of a television motion picture from which an excerpt is derived if such writer writes material for and receives writing credit on the program into which such excerpt is inserted. If two (2) or more writers are entitled to share the additional compensation provided for in subparagraph c., d., or dd. above, the Guild shall determine the allocation among said writers.

h. If an excerpt is used in a local program and the program is broadcast in no more than one (1) market, the payment for such use shall be sixty percent (60%) of the amount provided in this Article 15.B.10. If the program is broadcast later in another market, the writer(s) shall be paid the remaining forty percent (40%).

i. If writers entitled to payments under Article 15.B.10. of this Basic Agreement cannot be identified by name, the Company shall pay the required amount in full to the Guild to be distributed by the Guild to all the credited writer(s) of the television motion picture(s) from which the excerpted material was taken. The Company shall use its best efforts to provide the Guild with sufficient information to insure that the number of credited writers to whom such payments are distributed is as low as possible.

11. [Deleted.]

12. Small Accountings. With regard to all residual payments required under this Article 15.B., the Company may accrue such payments until the aggregate is equal to one hundred fifty dollars ($150.00), at which time the payment provision of the appropriate paragraph shall be effective, except that in any event all accrued amounts of less than one hundred fifty dollars ($150.00) due to the writer shall be paid no later than thirty (30) days following the close of the calendar year in which accrued. Nothing herein shall relieve the Company of

its obligation to make the accounting reports required elsewhere herein.

13. Additional Compensation for Theatrical Exhibition

In the event a television motion picture, based upon literary material to which this Basic Agreement applies, is exhibited theatrically, the writer or writers employed thereon who receive story and teleplay screen credit therefor shall be paid additional compensation as follows:

a. If the television motion picture is exhibited theatrically outside of the United States, an amount which in the aggregate shall not be less than the total minimum compensation applicable to such literary material as specified in Article 13.B.7.a., b., c. and e. of the Basic Agreement, or not less than the total minimum compensation applicable to such literary material as specified in Article 13.A.1. hereof, whichever is greater;

b. If the television motion picture is exhibited theatrically in the United States, or both in the United States and in a foreign country or territory, an amount which in the aggregate is not less than one hundred fifty percent (150%) of the total minimum compensation applicable to such literary material as specified in Article 13.B.7.a., b., c. and e. of the Basic Agreement, or not less than the total minimum compensation applicable to such literary material as specified in Article 13.A.1. hereof, whichever is greater.

c. There is to be no duplication of the payments provided for in subparagraphs a. and b. above; *i.e.*, if the initial theatrical release of the television motion picture takes place outside of the United States and payment is made pursuant to subparagraph a. above, then, upon the subsequent theatrical release of the television motion picture in the United States, the amount payable to the writer will be the difference between the amount provided for in subparagraph a. above and the amount provided for in subparagraph b. above, and conversely, if the initial theatrical release of the television motion picture takes place in the United States and payment is made pursuant to subparagraph b. above, then no additional compensation will be payable if the television motion picture is subsequently released theatrically outside of the United States. For the purposes of subparagraphs a. and b. above, if two (2) or more television motion pictures are combined for theatrical release, the applicable minimum provided for in Article 13.A.1. shall be the minimum applicable to one (1) theatrical motion picture of the cost of the combined television motion pictures. Such

additional compensation shall be paid regardless of whether such motion picture is exhibited alone or as a part of or in combination with other motion pictures; and if such motion picture is combined with other television motion pictures, the additional compensation for such theatrical release shall be not less than the total minimum compensation applicable to the writing of all such television motion pictures or parts thereof which have been so combined. If more than one writer shares the story or teleplay credit, then all of the writers sharing each credit shall be considered a unit and shall participate equally and receive in the aggregate the theatrical exhibition payment applicable thereto, except that in the case of a comedy-variety program, the Guild shall determine the proportions in which such participating writers will share the theatrical exhibition payment, will notify the Company thereof and Company will make payments accordingly.

d. Such additional compensation for theatrical exhibition shall be payable whenever such television motion picture (in whole or in substantial part) is placed in any theatrical exhibition.

e. All payments of such additional compensation for theatrical exhibition shall be made promptly by check payable to the order of the writer entitled thereto, and if not paid to the writer at the time of employment shall be delivered to Guild for forwarding to such writer, and compliance herewith shall constitute payment to the writer.[13]

f. The Company, at its option, may make the additional payment for theatrical exhibition at the time of the employment of the writer or at any time prior to the time the same is due (but only if the agreement between the Company and the writer with respect thereto is set forth in the writer's individual contract); provided that only such part of the compensation initially paid to the writer as shall exceed twice the applicable minimum compensation may be applied in prepayment of additional compensation for theatrical exhibition.

g. Any exhibition of a motion picture, other than through the medium of free television or as covered by Article 51 (Supplemental Markets), shall constitute a theatrical exhibition and (subject to the provisions of Appendix C) payment for such theatrical exhibition shall be as herein provided, except that this

[13] See Sideletter at page 738, which permits a Company to enter into an agreement with the Guild for payments via direct deposit in lieu of issuing checks.

shall not apply to showings where no fee or admission charge is paid by the viewing audience.

If the Company licenses or grants to any third party the right to place in theatrical exhibition a television motion picture produced after March 1, 1981, which exhibition is to be before a viewing audience which pays no fee or admission charge to view the same, Company will pay to the writer(s) entitled to story and/or teleplay credit an amount equal in the aggregate to five percent (5%) of the gross amounts received by Company derived therefrom; provided, however, the sums paid to the writer(s) hereunder shall in no event exceed the applicable amount otherwise payable to such writer(s) under the provisions of subparagraph 13. had there been a fee or admission charge paid by the viewing audience. When Company licenses or grants any such right to a subsidiary or other related entity, the gross amounts referred to in the preceding sentence shall be the amounts specifically paid to the Company subject to there having been good faith bargaining between the Company and such subsidiary or related entity. Company shall account to the writer(s) entitled to payments hereunder on no less than an annual basis; provided that no accounting need be made for any twelve (12) month period following the twelve (12) month period during which the Company received no gross amounts with respect thereto. There shall be no duplication of the payments provided for in this subparagraph and the payments provided for in any other provision of subparagraph 13. That is, any payment made under this subparagraph shall be credited against any payment which may become due the writer(s) under all other provisions of subparagraph 13. Conversely, if a theatrical release payment is made to the writer(s) under the provisions of subparagraph 13. other than under this subparagraph, then no further sum shall be payable under this subparagraph.

If a television motion picture is exhibited at a film festival or a charitable event and an admission fee is charged, but no monies are paid to the Company or the Company's licensee in consideration of the use of the motion picture, no payment shall be due under the provisions of this Article 15.B.13.

h. With respect to a television motion picture or multi-part program whose aggregate length as initially broadcast on television is more than four (4) hours and which is exhibited theatrically in condensed form, for purposes of this subparagraph 13., the total minimum compensation applicable to such literary material as specified in Article 13.B.7.a., b., c., and e. shall be specially determined as follows:

(1) If said motion picture is exhibited theatrically outside of the United States, said minimum shall be based on the actual length of the motion picture in its condensed, theatrical-release form but not less than four (4) times the applicable sixty (60) minute minimum;

(2) If said motion picture is exhibited theatrically in the United States, or both in the United States and in a foreign country or territory, said minimum shall be based on the actual length of the motion picture in its condensed, theatrical-release form, but no less than the sum of (a) four (4) times the applicable sixty (60) minute minimum plus (b) one-half of the difference between (i) the minimum applicable to the program in its initially broadcast length and (ii) four (4) times the applicable sixty (60) minute minimum.

The provisions set forth above in subparagraph 13. relating to non-duplication of payments shall also apply to the foregoing special provisions.

i. If the Company shall sell, transfer, assign or otherwise dispose of its theatrical exhibition rights in any television motion picture, it shall obtain from the buyer a separate agreement in substantially the form prescribed with respect to reruns, requiring the buyer to comply with the provisions of this Basic Agreement with respect to additional compensation payable to the writer for theatrical exhibition of the motion picture. Upon obtaining such agreement, Company shall not be further liable to the Guild or writer for the payment of additional compensation for theatrical exhibition.

j. The excerpting of so-called "stock shots" by Company from a television motion picture for transposition to and use in an otherwise separately produced theatrical motion picture shall not be deemed to be an exercise of the theatrical exhibition rights by Company within the meaning of this subparagraph 13. For any other use of excerpts from a television motion picture in a theatrical motion picture, the Company shall pay the following aggregate one-time-only sum to the writer or writers determined by the Guild to be entitled to such compensation and prorated as determined by the Guild:

		5/02/20 - 5/01/21	5/02/21 - 5/01/23
(1)	Thirty (30) seconds or less of excerpts	$482	$496
(2)	Over thirty (30) seconds but not over two (2) minutes of excerpts	960	989
(3)	Over two (2) minutes of excerpts:		
	- for the first two (2) minutes	960	989
	- and, for each minute or portion thereof in excess of two (2) minutes	382	393

k. If Company shall produce a motion picture budgeted at $125,000.00 or more intended primarily for television release and it shall thereafter release such motion picture theatrically in any country in the world, Company shall pay to writer any amount by which the established flat deal theatrical motion picture minimum for such motion picture at the time of its production shall exceed the total of the minimum applicable compensation and minimum theatrical exhibition payments required to be made hereunder. The established flat deal theatrical motion picture minimum shall be the compensation set forth in Article 13.A. hereof.

14. Additional Compensation for Certain Use of Material to Which Separated Rights Do Not Apply

Except as hereinbelow specifically provided, the Company shall have the right to use the literary material written for a serial, episodic series, unit series, or one-time television program in any field or medium whatsoever without any obligation to pay to the writer(s) thereof additional compensation. Additional compensation shall be paid to the writer of a story or (subject to the next sentence hereof) teleplay or story and teleplay for an established serial or episodic series, or for a unit series or one-time television program to which separated rights do not apply (and when specific use is made of the writer's material, rather than, for example, the source material only), as provided in this subparagraph 14., provided that the terms of this Basic Agreement relating to rights in material apply to such story, teleplay or story and teleplay as provided in Article 2 of this Basic Agreement. If such a teleplay be based upon a story in the public domain or upon a story owned by the Company, the writer of such

teleplay shall not be entitled to any payments under the provisions of this subparagraph 14., except as provided in subparagraph l. below. A writer employed to rewrite or polish a teleplay written by another person shall not be entitled to any payments under this subparagraph 14. If more than one writer qualifies for additional compensation under this subparagraph 14., the Guild shall determine the division of such additional compensation among them.

Such additional compensation shall be as follows:

a. If Company produces a theatrical motion picture based upon such material, it will pay to the writer whichever is the greater of (1), (2) or (3) below:

(1)

Effective	
5/02/20 - 5/01/21	$10,883
5/02/21 - 5/01/22	11,155
5/02/22 - 5/01/23	11,406

(2) Two percent (2%) of the above-the-line costs (excluding all theatrical script writing costs and deducting from the above-the-line costs the following arbitrary amount representing the value of the underlying rights):

Effective	
5/02/20 - 5/01/21	$ 9,573
5/02/21 - 5/01/22	9,812
5/02/22 - 5/01/23	10,033

(3) the applicable minimum compensation for a screenplay under the then current Basic Agreement.

b. If Company licenses or grants to any third party the right to use the material as the basis for a theatrical motion picture, it shall require such third party to agree in writing to pay to the writer the greater of the amount set forth in subparagraph 14.a.(1) or (2) above, and such undertaking by the third party will relieve the Company of any obligations to the writer in connection with such license or grant.

c. If Company produces a radio program based upon such material, it will pay to the writer the following:

Effective	For Each National Radio Network Broadcast	For Each Regional Radio Network Broadcast	Unlimited Right to Use in Syndication Any Transcription Made of a Program
5/02/20 - 5/01/21	$545	$359	$359
5/02/21 - 5/01/22	559	368	368
5/02/22 - 5/01/23	572	376	376

d. If the Company licenses or grants to any third party the right to use the material as the basis for a radio program, Company will pay to the writer an amount equal to fifty percent (50%) of Company net receipts therefrom. The net receipts to the Company shall be computed by deducting from the gross amounts paid to the Company on account of such license or sale of the radio rights all royalties, license fees or participations which the Company is contractually obligated to pay by reason of the license or grant of the radio rights, together with agents' commissions, if any, on the license or grant of such radio rights.

e. If Company exercises the dramatic rights in such material by producing a play on the speaking stage, it will pay to the writer an amount equal to one percent (1%) of the gross box office receipts of the play.

f. If the Company licenses or grants to any third party the right to use the dramatic rights in the material, Company will pay to the writer an amount equal to twenty-five percent (25%) of the gross receipts derived by the Company from the license or sale of such rights.

g. If the Company licenses or grants to any third party or exercises itself the publication rights to such material (other than publication rights customarily granted for advertising or publicizing the exploitation of any other rights in the material), Company will pay to the writer an amount equal to twenty-five percent (25%) of the Company's net receipts derived therefrom.

If the Company licenses or grants to any third party, or exercises itself, the right to produce or reproduce such material on phonograph records, cartridges, compact devices or any other

devices which are audio only, Company will pay to the writer or writers as a group an amount equal to that fraction of twenty-five percent (25%) of the Company's net receipts derived from the licensing, grant or use of the literary material which is equal to the fraction of the overall material in the applicable audio device which such material constitutes. Notwithstanding the foregoing, if such material constitutes more than fifty percent (50%) of the overall material in the applicable audio device, the Company will pay the writer or writers as a group an amount equal to twenty-five percent (25%) of the Company's net receipts derived therefrom. For purposes of this subparagraph g., the Company's net receipts in each instance shall be computed by deducting from the gross amounts paid to the Company or its licensing agent, whether affiliated or otherwise, with respect to the licensing, grant or use of such material, all costs, expenses and charges incident thereto, including a distribution or servicing fee by the Company (which will include any and all subdistribution or subservicing fees), which fee shall be reasonably in accordance with customary distribution or servicing fees charged in the industry. When Company licenses or grants any such rights to a subsidiary or other related entity, the gross amounts referred to in the preceding sentence shall be the amounts specifically paid to the Company for such license, grant or use, subject to there having been good faith bargaining between the Company and such subsidiary or related entity. Company shall account to the writer(s) entitled to payments under this subparagraph g. on no less than an annual basis; provided that no accounting need be made for any twelve (12) month period following the twelve (12) month period during which the Company received no gross amounts with respect to the applicable audio device.

h. Character payments

(1) (a) If the writer introduces a new character in the serial or episodic series, and the characterization of such character is fully developed and fully described in the material written by the writer, and from such development and description the character appears to be unique and the principal creation of the writer, and if the Company uses such character as the central character with a continuing role in a new and different serial- or episodic-type free television series, the Company will pay to the writer the sum specified in the following table for each episode of such new and different series produced and broadcast, provided that such writer shall be entitled only to sixty percent (60%) of said amount for fifteen (15) minute episodes, but shall be entitled to one

hundred ninety percent (190%) of said amount for sixty (60) minute episodes and two hundred fifty percent (250%) of said amount for ninety (90) minute or longer episodes. Said applicable amount shall be paid in the same manner as provided in subparagraph 2. of Article 16.B. with respect to television series sequel rights and rerun payments will be made in accordance with Article 15.B., the "applicable minimum compensation" for such purpose being said applicable amount.

For such characters in literary material written hereunder by writer during

5/02/20 - 5/01/21	$2,259
5/02/21 - 5/01/22	2,315
5/02/22 - 5/01/23	2,367

The character payments provided by this subparagraph (1)(a) shall not apply if any writer, including the creator of the character, is entitled under Article 16.B. to separation of rights in the new and different serial or episodic series. However, if separation of rights does exist in the new and different serial or episodic series and the writer who previously introduced the central character is not a participant in such separated rights, said writer alternatively shall be paid, with respect to each episode of the new serial or series in which the character appears, the lesser character payment which now applies to a principal character used in subsequent episodes of the same series in which it is introduced.

(b) If the writer introduces a new character in the serial or episodic series, and the characterization of such character is fully developed and fully described in the material written by the writer, and from such development and description the character appears to be unique and the principal creation of the writer, and if the Company uses such character as the central character with a continuing role in a new and different serial- or episodic-type series produced pursuant to Appendix B of this Basic Agreement, the Company will pay to the writer the following amounts

as a one-time payment for each episode of such new and different series produced and broadcast:

Program Length	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
15 minutes or less	$1,324	$1,357	$1,388
30 minutes or less (but more than 15)	2,646	2,712	2,773
60 minutes or less (but more than 30)	3,971	4,070	4,162
90 minutes or longer	5,295	5,427	5,549

Said applicable amount shall satisfy all obligations of the Company to such writer, and no additional sum or sums shall be payable by reason of any use of such episodes.

The character payments provided by this subparagraph (1)(b) shall not apply if any writer, including the creator of the character, is entitled under Article 16.B. to separation of rights in the new and different serial or episodic series. However, if separation of rights does exist in the new and different serial or episodic series produced pursuant to Appendix B and if the writer who previously introduced the central character is not a participant in such separated rights, said writer alternatively shall be paid, with respect to each episode of the new serial or series in which the character appears, the lesser character payment which now applies to a principal character used in subsequent episodes of the same series in which it is introduced.

(2) If a writer for an established episodic series creates a principal character who is distinct and identifiable, and is fully developed and fully described in the material written by the writer, and from such development and description the character appears to be unique and other than generic and the principal creation of the writer, the Company will pay such writer the sum specified in the following table for each subsequent episode of such series in which the character appears.

For such characters in literary material written hereunder by writer during

5/02/20 - 5/01/21	$642
5/02/21 - 5/01/22	658
5/02/22 - 5/01/23	673

Commencing with the 2005-2006 television season, the foregoing payments shall be submitted to the Guild's Residuals Department no later than sixty (60) days following the completion of principal photography of the last episode of the season.

The character shall not be deemed unique, as required by the foregoing, if the character is played by an actor who plays himself or herself, or plays an established alter ego.

Company shall be liable for no more than four (4) such payments (or no more than an amount equal to four (4) such payments) for characters on any one (1) episode, unit or program and the writer(s) of the pilot script for any such series shall not be eligible for such payments at all with respect to characters in such pilot script subsequently used in episodes of the series.

Uses of a character in separate episodes of a multi-part closed-end series shall not constitute the use of the character in a new and different episode for the purposes of this Agreement, if the writer who created the character is a participating writer on the subsequent episode.

The character payments provided for by this subparagraph (2) are not subject to rerun payments.

(3) Payments for use of a character which meets the criteria of this Article 15.B.14.h., but which is introduced in a unit of a unit series or a one-time free television program to which separation of rights does not apply, shall also be made as follows:

(a) If used as the central character with a continuing role in a new and different serial or episodic series to which separation of rights does not apply, the same character payment as provided in the applicable table in subparagraph (1) above; or

(b) If used as a principal character in a new and different unit of a unit series or in a new and different one-time television program, to which separation of rights does not apply, the same character payment as provided in the table in subparagraph (2) above.

(3.1) Payments for use of a character which meets the criteria of Article 15.B.14.h. but which is introduced in a unit of a unit series or a one-time program produced pursuant to Appendix B of this Basic Agreement, to which program or series separation of rights does not apply, also shall be made as follows:

(a) If used as the central character with a continuing role in a new and different serial or episodic series produced pursuant to Appendix B, to which separation of rights does not apply, the same character payment as provided in the table in subparagraph (1)(b), above, or

(b) If used as a principal character in a new and different unit of a unit series or in a new and different one-time program produced pursuant to Appendix B to which separation of rights does not apply, the same character payment as provided in the table in subparagraph (2) above.

(3.2) If a writer introduces a new character in a serial or episodic series, and the characterization of such character is fully developed and fully described in the material written by the writer, and from such development and description the character appears to be unique and the principal creation of the writer, and if the Company uses such character as a principal character in a theatrical motion picture, the Company will make the following one-time-only payment to such writer for each theatrical motion picture in which such character is used:

5/02/20 - 5/01/21	$11,539
5/02/21 - 5/01/22	11,827
5/02/22 - 5/01/23	12,093

The character payments provided by this subparagraph (3.2) shall not apply:

(a) if the creator of the character is also the writer of the screenplay containing such character; or

(b) if the creator of the character is entitled to separation of rights under Article 16.B. in the serial or episodic series from which the character was taken.

The foregoing payment shall be made within thirty (30) days after release of such theatrical motion picture.

(4) A dispute between writers as to who created such a character shall be determined by the Guild in accordance with its credit arbitration proceedings.

(5) If the Company licenses or grants to any third party the right to use such a new character in the manner described in this subparagraph h., the Company will require such third party to agree in writing to pay to the writer the amounts hereinabove provided, and such undertaking by the third party will relieve the Company of any obligations to the writer in connection with such license or grant.

i. In the event that such a teleplay is used for a live television broadcast, and no writer is employed to rewrite, adapt or revise such teleplay for the live broadcast, the provisions of Article 13.B.7.o. shall apply.

j. In the event that a writer is employed to rewrite, adapt or revise such material for a live television broadcast, and such rewritten, adapted or revised material shall be used for a live television broadcast, the provisions of Article 13.B.7.o. shall apply.

k. [Deleted.]

l. The writer of a teleplay based upon a story in the public domain shall be entitled to payments under the foregoing provisions of this subparagraph 14. if such teleplay is substantially used by Company in any field or medium referred to in said provisions and such public domain story was suggested by the writer in a written proposal made to Company by the writer and the use in question otherwise meets the conditions set forth in this subparagraph 14. In addition:

(1) If such a teleplay is used for the production of a free television motion picture which is the pilot of an episodic series or serial which is an established series or serial by virtue of being based upon such public domain story, the writer thereof shall be entitled to a payment in the amount

specified in the following table for each episode in such series or serial which is thereafter produced and broadcast substantially utilizing the writer's creative treatment embodied in such teleplay; provided, however, that said writer shall be entitled only to sixty percent (60%) of said amount for fifteen (15) minute television motion pictures, but shall be entitled to one hundred ninety percent (190%) of said amount for sixty (60) minute television motion pictures and two hundred fifty percent (250%) of said amount for ninety (90) minute or longer television motion pictures.

For such teleplay written hereunder by writer during

5/02/20 - 5/01/21	$2,259
5/02/21 - 5/01/22	2,315
5/02/22 - 5/01/23	2,367

Except as provided in subparagraphs 1. and 2. of this Article 15.B., the applicable payment referred to in the preceding sentence shall satisfy all obligations of the Company to the writer, and no additional sum or sums shall be payable by reason of any use of such episode; or

(2) If such teleplay is used for the production pursuant to Appendix B of this Basic Agreement of a program which is the pilot of an episodic series or serial which is an established series or serial by virtue of being based upon such public domain story, the writer thereof shall be entitled to a one-time payment of the following for each episode in such series or serial which is thereafter produced pursuant to Appendix B and broadcast and which substantially utilizes the writer's creative treatment embodied in such teleplay:

Program Length	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
15 minutes or less	$1,324	$1,357	$1,388
30 minutes or less (but more than 15)	2,646	2,712	2,773
60 minutes or less (but more than 30)	3,971	4,070	4,162
90 minutes or longer	5,295	5,427	5,549

The applicable payment referred to in the preceding sentence shall satisfy all obligations of the Company to the writer and no additional sum or sums shall be payable by reason of any use of such episode.

Nothing in subparagraphs (1) or (2) above shall give to the writer any rights to payment under this subparagraph 14. with respect to any use by the Company of the public domain material itself as distinct from the use of the writer's teleplay based thereon, nor impair the Company's right to deal with such public domain material freely without obligation to the writer or anyone. The question of whether the writer suggested and furnished such public domain story and the question of whether the Company substantially used the writer's said creative treatment in subsequent episodes or in another field or medium entitling the writer to a payment hereunder shall be subject to the grievance and arbitration provisions of Articles 10, 11, and 12 herein. A decision under such procedures as provided in said Articles 10, 11, and 12 shall be binding upon the Company, the Guild and the individual writer or writers involved. The only and maximum remedy under such procedures shall be the applicable minimum additional payment as provided in these subparagraphs (1) and (2).

m. If the Company licenses or grants to any third party the merchandising rights to such material (as described in Article 1), Company will pay to writer an amount equal to five percent (5%) of Company's net receipts (as net receipts are defined in subparagraph g. of this subparagraph 14.) derived from such merchandising rights. Comic books, magazine publications, comic strips, cut-outs, and other activity books shall be deemed to be included as merchandising rights.

n. Notwithstanding any other provision of this Agreement, if the writer

(1) first describes in literary material an object or thing which is fully described in such literary material and by such description appears to be unique and original; and/or,

(2) introduces a character and the characterization of such character is fully developed and fully described in the material written by the writer and from such development and description the character appears to be unique and the principal creation of the writer,

and an interactive program is based upon such object, thing or character, the writer will be paid as provided in Article 64.

o.[14] Company shall give notice to Guild on completion of arrangement for uses under this subparagraph 14.

15. Radio Simulcasts

When a television motion picture to which the provisions of this Basic Agreement apply is simulcast via radio, the Company shall pay the credited writer or writers aggregate compensation of one and two-tenths percent (1.2%) of the Company's accountable receipts, as that term is defined in Article 51.C., derived from licensing the right to radio simulcast the television motion picture.

16. Basic Cable

a. and b. (See Appendix C, page 559.)

c. [Inserted as unnumbered paragraph immediately preceding Article 1, DEFINITIONS.]

17. Company shall notify the Guild in writing of any English language change(s) made by the Company in the title(s) of episode(s) and/or series of which reruns are shown on the network, in syndication or in foreign markets. Company will deliver such written notice to the Guild not later than thirty (30) days after Company changes the title(s).

[14] The text of subparagraph o. in this Agreement was contained in subparagraph n. in the 1988 MBA, as modified by the 1992 Extension Agreement, and in predecessor Basic Agreements.

ARTICLE 16 - SEPARATION OF RIGHTS

A. THEATRICAL

1. Definitions

For the purpose of this Section A., Theatrical, the following terms or words used herein shall have the following meanings:

a. The term "***dramatic rights***" means the right of presentation in dramatic form on the speaking stage with living actors appearing and performing in the immediate presence of an audience, without any recordation, transmission or broadcast thereof intended for or permitting concurrent or future aural, or visual and aural, reception or reproduction at places away from the auditorium or other place of performance.

b. The term "***publication rights***" includes the right of publication in all writing forms and all writing media, excluding only comic books, comic strips and newspaper comics.

The provisions of this paragraph shall apply only to material subject to this Basic Agreement and acquired after the effective date hereof under contracts subject to and entered into after the effective date of this Basic Agreement.

c. The term "***sequel***," as used with reference to a particular motion picture, means a new theatrical motion picture in which the principal characters of the first theatrical motion picture participate in an entirely new and different story.

d. The term "***assigned material***" means all material in writing or any other fixed form, of every nature that the Company has furnished the writer (or to which the Company has directed the writer) upon which material the Company intends the story (or story and screenplay) to be based or from which it is to be, in whole or in part, adapted. The term "***assigned material***" may include public domain material or a character or characters proposed for use in the story (or story and screenplay).

2. **Initial Qualification**

The Company agrees that if a writer, while in the employ of the Company, writes an original story (or original story and screenplay), including a complete and developed plot and character development, he/she shall be initially qualified for separation of rights hereunder. A writer shall be deemed to have written a complete and developed plot and character development if he/she does so himself/herself or if the product of the work of such writer and writers previously (but after June 13, 1960) employed hereunder together constitute such a complete and developed plot and character development. Company also agrees that if it purchases from a professional writer such a story (or story and screenplay) written by such person, such person shall be initially qualified for separation of rights hereunder. If at the time of the transfer of rights to the material so purchased there is in existence a valid agreement for the publication or dramatic production of such material, then, for the purpose of this Article 16.A., such material shall be deemed to have been published or exploited.

With respect to a writer employed by the Company, if there is assigned material then:

a. If the employment agreement (or written assignment delivered by the Company to the writer, in the case of a term contract, week-to-week contract, or multiple picture type employment) designates as the assigned material upon which the motion picture is to be based, or from which it is to be adapted, a story contained in a book, magazine, screenplay, play or other dramatic composition, treatment or story in any other form, then the writer, or any other writer working thereon, shall not be qualified for separation of rights unless:

(1) With the knowledge and prior or subsequent consent of the Company the writer departed from the story contained in such assigned material and created an original story (or original story and screenplay) of the nature first described in this subparagraph 2., to the extent that there is no longer any substantial similarity between such story written by the writer and such story contained in the assigned material; or

(2) The assigned material designated in the employment agreement or written assignment was not actually

available to the writer, and the writer creates a story (or story and screenplay) of the nature first described in this subparagraph 2.

If the writer makes either of such contentions and the Company and writer cannot agree thereon, either the writer or the Company may submit the issue to arbitration and if it is determined by arbitration that the facts were as described in subparagraphs (1) or (2) above, then such writer shall be initially qualified for separation of rights hereunder.

b. If a character or characters furnished by the Company is intended by the Company to be a principal character in the motion picture, and if such character was taken from material of any nature theretofore published or exploited in any manner or by any medium, and if such character is used in the screenplay as a principal character, then the writer shall not be qualified for separation of rights hereunder. If, however, any such character furnished by the Company as aforesaid was a minor character in previously published or otherwise exploited material, and with the prior or subsequent consent of the Company was converted by the writer into a principal character in the story (or story and screenplay) of the nature above described in this subparagraph 2., written by the writer, and if no minor character as furnished by the Company (as distinguished from such character or characters as developed by the writer) constitutes a substantial contribution to the final screenplay, and if no principal character furnished by the Company remains a principal character in the motion picture, then such writer shall be initially qualified for separation of rights hereunder. If such character or characters furnished by the Company were not taken from material theretofore published or exploited in any manner or by any medium, and if the writer were otherwise qualified for separation of rights hereunder, the writer shall not be deprived of such separation of rights, unless such character or characters furnished by the Company constitute a substantial contribution to the final screenplay, in which latter event such writer shall not be qualified for separation of rights hereunder.

3. **Final Qualification**

If it is determined, in the manner provided in Theatrical Schedule A attached hereto, that the writer of the story (or story and screenplay), initially qualified for separation of rights as above provided, is entitled

to receive "Story by" or "Written by" or "Screen Story by" credit, he/she shall be entitled to separation of rights in the following areas:

a. **Publication Rights.** Publication rights throughout the world in the "separable material," as hereinafter defined, shall be licensed exclusively to the writer on a royalty-free basis both for the original term of copyright and for any extensions and renewals thereof, without the necessity for the execution by the Company of any further instrument, except as expressly provided below and subject to the provisions of subparagraph 7.e. and 10. hereof and to the following:

(1) No publication rights may be exercised by the writer prior to the expiration of three (3) years from the date of the employment contract (or the date of the assignment of the writer in the case of a term contract, week-to-week contract or multiple picture type employment) or three (3) years from the date of acquisition in case the material is purchased, or prior to the expiration of six (6) months following the general release of the motion picture, whichever is earlier. However, if principal photography of the motion picture commences during the third year of the period specified above, then no publication rights may be exercised by the writer prior to the expiration of six (6) months following the general release of the motion picture or one (1) year following commencement of principal photography, whichever shall first occur. Notwithstanding the foregoing provisions of this subparagraph (1), the time restrictions on the exercise by the writer of hardcover publication rights shall not extend beyond the commencement of the general release of the motion picture.

(2) The Company shall be entitled to and shall own the exclusive right to make, publish and copyright or cause to be made, published and copyrighted in the name of the Company or its nominee, serially or otherwise, in any and all languages and throughout the world, synopses, summaries, resumes, adaptations, stories and fictionalized versions of and excerpts from any screenplay or photoplay, in any form and in any publication media (with or without illustrations) for the purpose of advertising, publicity or exploitation, of the motion picture based on such material, provided that any single photo-novel publication may not exceed 5,000

words in length or 7,500 words in length for any other single publication.

(3) If a Company desires to publish, or cause to be published, a "paperback" type of novelization for the purpose of publicizing or exploiting such motion picture, the Company shall have the right to do so (and without being subject to any limitation on the number of words) if it follows either of the following procedures:

(a) Regular Procedure

(i) Publication shall not take place earlier than six (6) months prior to the initial scheduled release date of the motion picture. The Company shall give written notice to the Guild and to the writer(s) entitled to separation of rights, specifying Company's desire for such publication and the names of at least three (3) publishers (not more than one (1) of which may be affiliated with Company) who are acceptable to the Company.

(ii) The Company may also submit to such writer(s) a proposed arrangement for publication which may include the right to publish, novelization by any person, and the use of the "art work" referred to below ("a package proposal").

(iii) If the qualifying "Story by," "Screen Story by" or "Written by" credit is shared by more than one (1) writer, said writers shall determine which writer shall have the right to negotiate with the publisher for the right to publish and for the services of one (1) of said writers for novelization. If the writers cannot reach agreement, the Guild will determine which of such writers shall have the right to negotiate the right to publish and which of such writers is to write the novelization.

(iv) In any event, the Company shall be notified by the Guild within ten (10) days of the Company's giving notice of the name of the writer(s) who shall negotiate (the "negotiating writer") and the name of the writer(s) who will write the novelization. If the negotiating writer(s) approves the package proposal, publication may proceed on that basis.

(v) In the event that an agreement reached by the negotiating writer(s) shall result in a deal for both rights and services, two-thirds (⅔) of all monies payable shall be for the right to publish and one-third (⅓) shall be for services.

(vi) A publication agreement entered into by the negotiating writer(s) shall provide that the Company shall control the time of publication and the time and locale of release. The Company shall retain the exclusive right to arrange for and to keep, as its sole property, payment for any legends, advertising material, stills and any other elements furnished by the Company (hereinafter "art work"), but not title and logo.

(vii) The publisher selected by the writer shall have the right to use the title and logo (but not including the likeness of characters except as provided below) of the motion picture for use in connection with or on the novelization and the Company shall be paid for such use twenty-five percent (25%) of the monies paid for publication rights. Except as provided in the preceding sentence, all payments for the right to publish shall be made to and retained by the writer(s). The publisher shall have the right, in connection with or on the novelization, to use the likeness of a character or characters appearing in the motion picture only when all of the following conditions are present: (A) such likeness is an inextricable part of the logo; (B) the Company has the right to

authorize such use; and (C) no additional payments will be required of Company as a result of such use.

(viii) If the Guild does not give the notice referred to in subparagraph (iv) above within the aforementioned ten (10) day period, or if the writer(s) does not elect to write the novelization or if the writer does not consummate a publication agreement with a publisher within thirty (30) days after the notice referred to in subparagraph (a)(i) above, then the Company shall have the right, on such terms as it may elect, to cause the novelization to be published by such publisher as it may elect. If the compensation to be paid the person writing such novelization exceeds that offered by a publishing company for the services of a writer(s) with separated rights who was selected to write such novelization pursuant to this subparagraph, then such writer will be given an opportunity to write the novelization for such increased compensation.

(ix) Copyright in any novelization written pursuant to this subparagraph (3) shall be taken and remain in the name of the Company or its nominee.

(b) Expedited Procedure

(i) The Company may request the Guild at any time to specify the "negotiating writer" and the writer(s) who will write the novelization. If at the time of the Company's request the credits are not determined and there has been more than one (1) participating writer, the Guild will expeditiously determine the writer entitled to "preliminary separation of rights" in accordance with the provisions of Theatrical Schedule A.

If at the time of the Company's request there is only one (1) participating writer, then such writer will be named by the Guild as the negotiating writer and the writer who will write the novelization.

(ii) The negotiating writer will have the right to negotiate with the publisher(s) named by the Company for publication of the novelization.

If the Company names only a publisher which is an affiliate or subsidiary of the Company, such publisher will promptly make a proposal to the writer for the publication of the novelization. The writer will have a period of thirty (30) days to negotiate with another publisher of commensurate status in the publishing industry. If writer obtains a better proposal from the other publisher, he/she will offer it to the Company-named publisher on a first refusal basis. If the Company-named publisher does not meet the terms within five (5) business days, the writer may proceed with a publication agreement with the other publisher.

(iii) If the negotiating writer enters into a publication agreement and thereafter the Guild determines that any other writer has an interest in the separation of rights, the negotiating writer shall be required to share the proceeds of such publication in such proportion as determined by the Guild and all the participating writers shall be bound by the Guild's determination.

(iv) If the negotiating writer does not enter into a publication agreement within the thirty (30) day period, the Company may cause the novelization to be published and the payments which would be due the negotiating writer will be paid to the Guild for the account of the writer or writers ultimately determined by the Guild to be entitled to separated rights.

(v) At Company's election, the publication may take place earlier than six (6) months prior to the initial scheduled release date of the motion picture; provided, however, that such publication must be for the purpose of publicizing or exploiting the motion picture and, provided further, that principal photography of the motion picture must be commenced prior to the actual publication date.

If Company elects the expedited procedure in subparagraph (b) above, and the negotiating writer enters into a publication agreement pursuant thereto, in all other respects the provisions of the regular procedure in subparagraph (a) above shall apply, including Company's sole control of licensing of the "art work," except for title and logo.

If the negotiating writer does not enter into the publication agreement within the applicable aforementioned period, the Company will nevertheless pay or cause to be paid to the writer, if any, entitled to separation of rights, a $3,500.00 advance against an amount equal to thirty-five percent (35%) of the Company's adjusted gross receipts from the publisher with respect to such publication. Adjusted gross receipts are the total receipts received by the Company from the publisher with respect to such publication less only (A) the actual monies paid for the writing of such novelization (but for the purpose hereof, deduction of such monies shall not be greater than an amount reasonably in accordance with customary amounts paid by the established publishing companies for the paperback novelization of motion picture screenplays), and (B) the sum of $7,000.00 which shall be deemed to be, for this purpose only, the cost of the art work. The term "novelization," as used in the preceding sentence, means a novelization which is based upon the separable material and utilizing the separable material in a manner which would constitute a copyright infringement of such separable material of the writer if the writer were the sole copyright owner thereof. At the request of Company, in case of conflict between the time periods delineated hereinabove and the release schedule of the picture, the

Guild will give reasonable waivers to reduce the applicable period for negotiation by the negotiating writer.

(4) If the writer exercises any of the publication rights, and on each occasion that the writer exercises the publication rights licensed to him/her hereunder, copyright in the published work shall be taken and remain in the name of the Company or its nominee; writer shall cause the publisher to comply with all necessary copyright formalities; and the Company shall have, and is hereby granted all rights of every nature in and to the published work, including the right to extend or renew the copyright, except for such rights, if any, as may have been expressly reserved by the writer under and pursuant to his/her employment agreement or in the agreement for the purchase of unpublished and unexploited material from a Guild member, and excepting also the publication rights and dramatic rights therein, to the extent that publication and dramatic rights are licensed to and permitted to be used by the writer under all the terms and provisions of this Article 16.A. If the writer arranges for the publication of a novel or short story, as permitted hereunder, all royalties and other monies received by such writer under the publication agreement between the publisher and the writer shall be the sole property of the writer.

(5) If the writer exercises any publication rights licensed him/her hereunder, the writer shall have the right to make his/her own arrangements for publication of the novel or short story, as permitted hereunder, and shall have exclusive control of all matters relating to such publication, except as expressly provided in subparagraph (4) above and this subparagraph (5) in connection with such exercise. As soon as practical after the writer has the same, but in any event within a reasonable period prior to the publication thereof, the writer will submit to the Company a copy or proof of the work in the form in which it is to be published together with a reasonably detailed statement of the manner in which the publication will be made. The writer will not use the title of the motion picture as the title of his/her published work without the prior written consent of the Company; and if the Company requests the writer to use the title of the motion picture as the title of his/her

published work, the writer agrees to do so. If, prior to the release of the motion picture by the Company, it is determined that the writer is entitled to separation of rights in the manner hereinafter provided and, if, prior to such release, the writer exercises any publication rights licensed hereunder, the Company may, but shall not be required to, use the title of the published work or any translation or adaptation thereof as the title of the motion picture.

(6) The term "***publication rights***," for purposes of this Article 16.A. only, includes the right to publish a script in whole or in substantial part. The Company and, subsequent to the time periods set forth in Article 16.A.3.a.(1), the writer, each shall have the non-exclusive right to publish less than a substantial portion or portions of a script.

b. **Dramatic Rights.**

(1) If the Company or its licensee has commenced active development, as defined in subparagraph (8) below, of a *bona fide* dramatic stage production intended to exploit the dramatic rights in the story, screenplay or motion picture within three (3) years following the general release of the motion picture, but the Company or its licensee fails to stage a *bona fide* dramatic production within five (5) years following the general release of the motion picture, or

(2) if the Company or its licensee does not exploit or cause to be exploited, as defined in subparagraph (1) above, such dramatic rights at any time prior to three (3) years following the general release of the motion picture, or

(3) if the Company does not commence the principal photography of the motion picture within five (5) years (plus the aggregate of periods, not to exceed six (6) months, that commencement of photography is postponed by "force majeure" type contingencies occurring within the last six (6) months of the five (5) year period) following the date of the employment contract (or the date of the written assignment in the case of a term contract, week-to-week contract or multiple picture type

employment) or the date of acquisition if the material is purchased,

then, in any of such events, the Company shall lose its rights to exploit the dramatic rights and, thereafter, the dramatic rights throughout the world in the separable material shall be licensed exclusively to the writer on a royalty-free basis both for the original term of copyright and any extension or renewals thereof without the necessity for the execution by the Company of any further instrument, except as expressly provided below and subject to the provisions of subparagraph 7.e. hereof and to the following:

(4) If the writer exercises the dramatic rights licensed to him/her hereunder, the Company shall be the copyright proprietor of the dramatic work and, if the dramatic work is registered for statutory copyright, copyright therein shall be taken and remain in the name of the Company or its nominee. Whether or not writer registers the dramatic work for statutory copyright, the Company shall acquire all rights of every nature in and to the dramatic work, including the right to extend and renew the copyright, except for such rights, if any, as may have been expressly reserved by the writer under and pursuant to his/her employment agreement or in the agreement for the purchase of unpublished and unexploited material from a Guild member and except for the publication rights and dramatic rights therein (but only to the extent that such publication rights and dramatic rights are licensed to and permitted to be used by the writer under all of the terms and provisions of this Article 16.A.) and except for such musical compositions interpolated in the dramatic work (but not contained in whole or in part in the story, screenplay, or motion picture nor acquired in whole or in part from the Company), which neither contributes to nor forms a part of the story line of the dramatic work. With respect to the musical compositions in which the Company acquires rights under the preceding sentence, nothing contained in such sentence shall be construed to grant to Company any rights in any such musical compositions which are greater than the maximum rights therein at any time acquired or controlled by the writer.

(5) If the Company, within the period above mentioned, exploits the dramatic rights, the Company will pay or cause to be paid to the writer sums equal to fifty percent (50%) of the minimum amounts payable to an "Author" under the terms of the Minimum Basic Production Contract recommended by the Dramatists Guild of the Authors League of America, Inc., in effect upon the commencement of the dramatic performance, unless the writer is the "Author" of the dramatic work, in which case the writer shall only be entitled to the minimum amounts payable pursuant to such Minimum Basic Production Contract in effect when the writing services as such "Author" of the dramatic work are performed. Subject to the provisions hereinafter contained in this subparagraph (5), "minimum amounts," as used in this subparagraph (5), means and includes only the minimum percentages of gross box office receipts payable to an "Author" by a "Producer" under such Minimum Basic Production Contract for a non-musical play or a musical play, as the case may be. The payments to be made under this subparagraph (5) to the writer shall be made when, as and if percentages of gross box office receipts are paid to the "Author" by the "Producer" under such Minimum Basic Production Contract, or would otherwise be payable to such "Author," as aforesaid, except by reason of the deferment thereof because of prepayment against such percentages. For purposes of this subparagraph (5), there shall not be offset against the minimum percentages of such gross box office receipts otherwise payable to such "Author" by such "Producer" under such Minimum Basic Production Contract payments set forth in "THIRD (a)" or "FOURTH (a)" of the Minimum Basic Production Contract now in effect (or comparable payments set forth in any Minimum Basic Production Contract hereafter in effect) which such "Producer" may have made thereunder to such "Author," nor shall any percentages of any such payments be payable hereunder to the writer. When, under such Minimum Basic Production Contract, the "Producer" elects to pay to the "Author" (as an alternative to the payment of the percentage of the gross weekly box office receipts) monies under "THIRD (c)(i)" or "THIRD (d)(i)" of such Minimum Basic Production Contract for non-musical plays now in effect or under "THIRD (c)(i)" of such Minimum Basic Production Contract for musicals now in

effect, or elects to make comparable alternative payments under any Minimum Basic Production Contract hereafter in effect, then, for purposes of this subparagraph (5), "minimum amounts" shall mean and include only such alternative payments at the minimum rates therefor set forth in such Minimum Basic Production Contract to the extent that such alternative payments are made thereunder in lieu of such percentage of the gross weekly box office receipts. In the case of a musical play for which the person who has written the book therefor has not also written the music and lyrics, such "minimum amounts" means and includes only a fraction of such minimum percentages of such gross box office receipts or such alternative payments at such minimum rates therefor, as the case may be. Such fraction shall be the same as the fraction of gross box office receipts or alternative payments, as the case may be, to which the person who has written such book is entitled under such person's agreement with such one (1) or more persons who has or have written the music and lyrics for such musical play.

(6) If the writer exercises the dramatic rights licensed to him/her hereunder, he/she will, prior to the first performance of the dramatic work, submit to the Company a copy thereof, and the writer will not, without the consent of the Company, use the title of the motion picture or the story or screenplay, as the case may be, as the title of the dramatic work. If the Company requests the writer to do so, the writer agrees to use the title of the motion picture as the title of the dramatic work. If, prior to the release of the motion picture by the Company, it is determined that the writer is entitled to separation of rights in the manner hereinafter provided and, if, prior to such release, the writer exercises any dramatic rights licensed hereunder, the Company may, but shall not be required to, use the title of the dramatic work or any translation or adaptation thereof as the title of the motion picture.

(7) If the writer shall exploit the dramatic rights licensed to him/her hereunder, and shall require financing from any source, the writer shall first offer the Company the opportunity to provide such financing by a written notice to the Company, setting forth in detail the terms and

conditions upon which the writer proposes to obtain such financing. Within thirty (30) days after receipt of such notice, the Company may notify the writer that it elects to provide all or any part of such required financing upon the terms set forth in the writer's notice. If, within such period, the Company notifies the writer that it does not elect to provide such financing, or fails within the thirty (30) day period to respond to the writer's notice, then the writer may obtain the required financing elsewhere, but the writer agrees that he/she will not offer to any lender or investor terms or conditions more favorable in any respect to such lender or investor than those set forth in writer's notice to the Company, without again notifying the Company of such more favorable terms or conditions, and permitting the Company a period of thirty (30) days within which to accept or reject the writer's proposal in the manner above provided. The provisions of this subparagraph shall apply in each instance in which the writer makes any change in any term or condition of his/her financing offer more favorable to the lender or investor than those set forth in the writer's last notice to the Company.

(8) The Company shall be deemed to have commenced "active development" of a *bona fide* dramatic stage production for purposes of this Article 16.A.3.b. if the Company or its licensee has expended significant financial resources to mount such a production. Examples of significant financial expenditures are:

(a) a writer has been engaged to write the book or score for the dramatic stage production;

(b) a production designer or design team has been engaged, or is in active preparation, for the dramatic stage production; or

(c) a director has been engaged for the dramatic stage production.

If the Company or its licensee later ceases to actively develop the material for a *bona fide* dramatic stage production, it shall notify the Guild and the writer promptly in writing that the material is no longer in active development for a stage production.

c. With respect to a screenplay sold or licensed to Company by a professional writer (as defined in Article 1.B.1.b.) to which separation of rights applies, the Company shall offer the first writer the opportunity to perform the first rewrite services at not less than the applicable minimum compensation for a rewrite. (If such writer is unable to perform such services or waives his/her right, the Company may engage another writer.) If the writer performs the rewrite and Company thereafter contemplates replacing the original writer, a senior production executive who has read the material shall discuss with the writer the Company's view and give the writer a reasonable opportunity to discuss continuing to perform services on the project.

In addition, the Company shall offer such writer the opportunity to perform one (1) additional set of revisions, if any are required by the Company, because of a changed or new element (*e.g.*, director or principal performer) assigned to the development or production of the writer's screenplay. The Company's obligation to make such an offer shall exist for a period of three (3) years after delivery of the writer's first or final set of revisions, whichever occurs later. However, this obligation does not arise if the Company engaged another writer to make revisions to the screenplay before the first changed or new element was assigned to the project. If the first writer is unable to perform such services or waives his/her right, the Company may engage another writer.

With respect to a screenplay written under employment by a writer who has separation of rights therein, if the Company contemplates replacing such writer, a senior production executive who has read the material shall discuss with the writer the Company's view and give the writer a reasonable opportunity to discuss continuing to perform services on the project.

Disputes as to whether Company has complied with the discussion requirements in the first and/or third unnumbered paragraphs of this subparagraph c. may be submitted to the "Hot Line" dispute resolution procedure in Article 48.

d. With respect to an option of a screenplay written by a professional writer (as defined in Article 1.B.1.b.) to which separation of rights applies, the writer of the optioned material shall be entitled, during the option period, to perform the first

rewrite of such material, unless such writer is unavailable or waives this requirement in writing in a separate document or in the writer's deal letter/memorandum. If such writer performs such rewrite, the provisions of Article 16.A.3.c. shall be deemed satisfied.

e. The Producer or a creative executive will consult with the writer regarding each set of revisions requested of the writer by the Company.

4. **Separable Material**

Separable material, in which a writer or writers entitled thereto shall have separation of rights hereunder, refers to those portions or elements of the story (or story and screenplay) which are the original creation of such writer or writers. Separable material shall not include any assigned material or source material, and nothing herein contained shall be interpreted or construed as granting to the writer any rights of any nature in or to such material. The writer agrees that he/she will not make, or permit to be made, any use of any separable material that would infringe upon the copyright (either common law or statutory) or any other rights of the copyright proprietor or other proprietor of any literary, dramatic or musical material. With respect to public domain material incorporated in the writer's story (or story and screenplay), nothing herein contained shall impair the Company's right to use or deal in or with such material at any time, in any manner or to any extent, without the necessity for the writer's consent, and without any obligation to the writer. A writer who writes or contributes to the writing of a screenplay based upon or adapted from an original story created by another person, which person is entitled to separation of rights hereunder, and which writer would otherwise be entitled hereunder to separation of rights in such story and screenplay had he/she written such story, shall not be entitled to any separation of rights, but, under such circumstances, such other person who has created such story shall have the same rights in such story and screenplay as though such screenplay were originated and created by him/her. The writer employed to rewrite or polish a screenplay written by another person shall not have any separation of rights hereunder, and material originated or created by such writer shall be separable material available to the writer entitled to separation of rights with respect to such screenplay.

Only if the writer is employed, subject to this Agreement, to write a story and such writer becomes entitled to separation of rights hereunder, then if a person other than such writer is employed

subject to this Agreement to write a screenplay based on such story, the Guild shall have the right to determine the screenplay writer's proportionate participation, if any, in the distribution of the proceeds or payments, if any, from the separated rights provided for in this Article, including sequel payments (as distinguished from any compensation for additional services to be rendered). However, such distribution shall not entitle such screenplay writer to any separation of rights. Provided the Company has complied with the relevant provisions of this Basic Agreement relating to such payments, payments made by Company to a writer in reliance on such a determination made by the Guild shall be deemed to have been made to the writer entitled thereto, insofar as the Company is concerned and, as to such payments, Company shall have no liability to any other writer under this provision. The Guild shall notify the Company in writing of any rules, standards or formula utilized by the Guild in determining participation, if any, in the distribution of such proceeds, and also shall advise the Company in writing of the screenplay writer's proportionate participation, if any, in such distribution of such proceeds. Neither the contracts with the writers nor the names of the writers shall be disclosed to the Guild Arbitration Committee, if any, making such determination.

5. **Sequel and Interactive Payments**

a. Notwithstanding the fact that the writer is entitled to separation of rights hereunder, he/she shall have no sequel rights in or to the motion picture or the separable material; however, on each occasion that the Company produces a theatrical motion picture which is a sequel to a theatrical motion picture as to which a writer has been granted separation of rights hereunder, the Company will pay to the writer an amount equal to twenty-five percent (25%) of the fixed compensation paid to the writer under employment for his/her writing services in the writing of the story (or story and screenplay) involved or of the fixed payment initially made to such writer at the time of acquisition. For such purposes, the compensation of a term contract writer will be apportioned in accordance with the Company's normal accounting procedure, but in no event shall the payment made to any term writer on account of the production of a motion picture sequel exceed the sum of $20,000.00.

b. If the writer is entitled to separation of rights under this Article and if the separable material contained a character or characters which are used as the basis for a television series or a one-time television program produced primarily for broadcast

over "free" television, the Company will pay to the writer an amount equal to applicable sequel payments as provided in Article 16.B.2.a. or b. for each episode of such television series or the one-time television program so produced and broadcast, either live or by film. All of the foregoing is subject to the following conditions:

(1) If the writer's contract provides for any television royalties and residuals or any payment based on profits or any other revenue derived from the television series or one-time television program, the payments to be made under this subparagraph 5.b. can be recouped from or offset against such payments based on such royalties, residuals, profits or other revenue.

(2) Rerun payments shall be payable under this subparagraph b. only as to separable material acquired by Company from a writer pursuant to an agreement with Company entered into on or after December 13, 1966. Such rerun payments shall be equal in amount to those applicable payments specified in Article 15.B.1.b.(4).

(3) As to any television series or one-time television program for which a television sequel payment is otherwise payable to a writer under the Basic Agreement, or any other collective bargaining agreement to which this Basic Agreement is a successor, no payment shall be payable under this subparagraph 5.b.

(4) If more than one (1) writer is entitled to payment under this subparagraph 5.b. with respect to the television series or one-time television program involved, then all such writers shall be considered as a unit and shall share equally in such payment.

(5) The provisions of this subparagraph 5.b. shall apply only to material subject to this Basic Agreement and acquired after the effective date hereof under contracts subject to and entered into after the effective date of this Basic Agreement.

c. If the writer is entitled to separation of rights under this Article and if the separable material contained a character or characters which are used as the basis for a program produced pursuant to Appendix B of this Basic Agreement (other than a

program made principally for the videodisc/videocassette market as described below), the Company will pay to the writer a one-time payment for each program so produced and broadcast as follows:

Program Length in Minutes	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
15 minutes or less	$1,324	$1,357	$1,388
30 minutes or less, but more than 15	2,646	2,712	2,773
60 minutes or less, but more than 30	3,971	4,070	4,162
90 minutes or longer	5,295	5,427	5,549

If the writer is entitled to separation of rights under this Article and if the separable material contained a character or characters which are used as the basis for a 60-minute or longer program made principally for the videodisc/videocassette market, the Company will pay to the writer a one-time payment of $12,003 for each program so produced and distributed.

All of the foregoing is subject to the following conditions:

(1) If the writer's contract provides for any royalties or residuals or any payment based on profits or any other revenue derived from such Appendix B program, the payments to be made under this subparagraph 5.c. can be recouped from or offset against such payments based on such royalties, residuals, profits or other revenue.

(2) As to any such Appendix B program for which a sequel payment is otherwise payable to a writer pursuant to this Agreement or its successor, no payment shall be payable under this subparagraph 5.c.

(3) If more than one writer is entitled to payment under this subparagraph 5.c. with respect to the Appendix B program involved, then all such writers shall be considered as a unit and shall share equally in such payment.

(4) The provisions of this subparagraph 5.c. shall apply only to material subject to this Basic Agreement and acquired

after the effective date hereof under contracts subject to and entered into after the effective date of this Basic Agreement.

d. Notwithstanding the fact that the writer is entitled to separation of rights hereunder, he/she shall have no interactive rights in or to the motion picture or the separable material; however, on each occasion that the Company produces an interactive program based upon the theatrical motion picture as to which a writer has been granted separation of rights hereunder, the Company will pay the writer as provided in Article 64.

6. **Arbitration**

a. If the writer who receives "Story by" or "Written by" or "Screen Story by" credit pursuant to Theatrical Schedule A hereof shall contend that he/she is qualified for separation of rights under one (1) of the exceptions stated in subparagraphs 2.a. and b. of this Article 16.A., the Guild shall, within ninety (90) days after the determination of "Story by" or "Written by" or "Screen Story by" credit pursuant to such Schedule A hereof, serve written notice of such writer's contention on the Company together with a list of the credits as finally determined. If the Guild fails to give timely notice of any such writer's contention as set forth above, the Guild and such writer shall be deemed to have waived any and all claims with respect to separation of rights in the material which was the subject of such credit determination.

Company may dispute such contention by giving the Guild written notice to such effect no later than twenty (20) days after the actual receipt by Company of the notice referred to in the preceding sentence. Company's notice shall be accompanied by a copy of the assigned material and shall set forth in reasonable detail the basis of Company's contention. If Company does not so timely dispute such contention, then the writer shall be conclusively deemed to have separation of rights in the separable material as defined in subparagraph 4. of this Article 16.A. If the Company does so timely dispute such contention, the Guild may, within sixty (60) days thereafter, give written notice to Company that it disputes Company's contention (setting forth the basis of its position in reasonable detail) or institute arbitration proceedings for the settlement of the dispute under the provisions of Articles 10, 11 and 12 hereof.
If the Guild fails to so notify the Company or to institute arbitration proceedings within the periods above mentioned,

such writer shall be deemed to have waived, and shall not be entitled to, any separation of rights with respect to the story (or story and screenplay) involved; provided, however, that if there is such an arbitration proceeding, as above provided, involving a situation in which more than one (1) writer receives credit as aforesaid, and if, in such arbitration proceedings, it is determined that a writer is entitled to separation of rights under this Article 16.A., the provisions of subparagraph 7.b. below shall be applicable and no writer who is to be regarded as a tenant in common thereunder shall be deemed to have made any waiver under this sentence. If the writer and the Company agree, in writing, that the writer is entitled to separation of rights, then the writer shall be entitled to such separation of rights, as so agreed upon, subject to the provisions of subparagraph 7.b. below. Any action or waiver by the Guild under this provision shall also bind the writer or writers involved. These provisions shall apply only where the screen credits are determined on or after June 16, 1970.

b. If, prior to the commencement of principal photography of any motion picture and prior to the determination of credits as provided in subparagraph 3. hereof, a writer shall contend that he/she is the author of separable material and would, at the time such contention is made, be entitled to exercise publication or dramatic rights, but for the fact that there has been no determination of credits, such writer may obtain a determination that he/she is entitled to separation of rights by following the procedure set forth in this subparagraph 6.b. The writer shall notify the Company in writing of his/her contention and, in such written notice, the writer shall designate the particular right or rights intended to be exercised and shall further set forth, in reasonable detail, a description of those portions or elements of the story (or story and screenplay) claimed to be separable material pursuant to the provisions of this Article 16.A. If the writer and the Company are unable to agree thereon within ten (10) days after receipt by the Company of the aforesaid notice from the writer, then the writer may, within seven (7) days after the expiration of said ten (10) day period, institute arbitration proceedings for the settlement of the dispute under the provisions of Articles 10, 11 and 12 hereof.

If the writer institutes such arbitration proceedings, the issue to be determined by arbitration shall be whether the material designated in writer's notice is separable material and whether the writer is entitled to separation of rights therein. The

arbitrator shall be guided in such determination by the provisions of this Article 16.A. and the standards set forth in Theatrical Schedule A hereof for the proper use of the credits *"Written by," "Story by"* and *"Screen Story by."* If the motion picture is thereafter produced, such determination in arbitration shall not affect any determination of credits made pursuant to the provisions of such Schedule A attached hereto. After such an arbitration is instituted and upon request of the Guild, Company shall furnish or make available to the Guild the names of all participating writers and the material contributed by such participating writers in connection with the story or story and screenplay in issue.

A determination, by agreement or arbitration under the provisions of this subparagraph 6.b., that any writer or writers are entitled to separation of rights with respect to any material shall be binding upon all other writers theretofore contributing to the writing of such material, and such determination shall supersede the provisions of the first paragraph of subparagraph 3. and subparagraph 7.b. hereof with respect to material, but such determination shall not affect the rights, if any, under the provisions of subparagraphs 3. and 7.b. hereof, of any other writer subsequently contributing to the writing of such material.

c. If, at any time, Company desires to determine whether any person (hereinafter at times referred to as the "claimant") claims separation of rights hereunder, Company may, by written notice to the claimant, request from such person a statement as to whether or not such claimant claims such separation of rights in respect of a designated story (or story and screenplay). If Company sends such a written notice to the claimant, then Company shall also send a copy of such notice to the Guild. Within twenty (20) days after receipt by the Guild of such notice, such claimant and the Guild shall each notify the Company in writing either that it is the position of such claimant and the Guild, respectively, that such claimant is not entitled to separation of rights or that it is the position of such claimant and the Guild, respectively, that such claimant is entitled to separation of rights, in which latter case claimant or the Guild shall further set forth, in such detail as is reasonably possible, a description of those portions or elements of the story (or story and screenplay) claimed to be separable material pursuant to the provisions of this Article 16.A. Such claimant shall be deemed to have waived, and shall not be entitled to any separation of rights with respect to the story (or story and

screenplay) involved, if any one of the following occurs:

(1) If both such claimant and the Guild notify the Company in writing that such claimant is not entitled to separation of rights; or

(2) If the Guild notifies the Company in writing that such claimant is not entitled to separation of rights and such claimant does not, within such twenty (20) day period after receipt of such notice by the Guild from Company, serve written notice on the Company that such claimant is entitled to separation of rights, which notice contains the above-mentioned descriptions; or

(3) If, within such twenty (20) day period, neither the Guild nor such claimant serves such written notice upon the Company that such claimant is entitled to separation of rights, which notice contains the above-mentioned description.

If separation of rights has not been waived as aforesaid, then at any time after the Company has made such request, but no later than twenty (20) days after the Company receives such notice claiming separation of rights as aforesaid from such claimant or the Guild, whichever is last received, the Company may institute arbitration proceedings under the provisions of Articles 10, 11 and 12 hereof for the determination of whether, and the extent to which, such claimant is entitled to separation of rights. If the Company institutes such arbitration proceedings and if such claimant does not, within five (5) days after the receipt of written notice from the Company of the name of the arbitrator, who shall be selected by mutual agreement within three (3) business days or, if no mutual agreement is reached within such time, through use of the striking procedures within two (2) business days thereafter, serve written notice on the Company that such claimant claims separation of rights and setting forth in such notice, in such detail as is reasonably possible, a description of those portions or elements of the story (or story and screenplay) claimed to be separable material pursuant to the provisions of this Article 16.A., such claimant shall be deemed to have waived, and shall not be entitled to any separation of rights with respect to the story (or story and screenplay) involved. If at the time of such submission to arbitration there has been no determination of credits as provided in subparagraph 3. above, then the issue to be

determined by arbitration shall be, and with the same effect, as set forth in subparagraph 6.b. above. The Company may make any request under this subparagraph 6.c. or institute arbitration proceedings under this subparagraph 6.c. against one (1) or more persons either at the same time or at different times, as Company may from time to time determine. If separation of rights has not been waived as aforesaid, the contents of any notice served or sent under this subparagraph 6.c. by the Company, the Guild or such claimant, shall not preclude any party to such arbitration proceeding from raising therein any matter relevant to such determination of separation of rights.

d. No grievance under Articles 10, 11 and 12 hereof shall be required either as a condition precedent to any arbitration proceedings under this subparagraph 6. or otherwise under this subparagraph 6.

7. **Miscellaneous**

a. **Acquisition of Rights by Company.** If at any time prior to the disposition or exploitation by the writer of publication or dramatic rights in separable material, as permitted herein, and either before or after the Company has acquired or employed the writer to write such material, Company shall wish to acquire either or both of such rights, it shall so notify the writer and the Guild. The Guild agrees that within fourteen (14) days after such notice, a paid negotiator, whose fees and expenses shall be paid by the Guild, shall meet with the Company for the purpose of negotiating a purchase price for the rights sought to be acquired by the Company. It is agreed that the negotiator will promptly thereafter quote a price at which the desired rights may be acquired by the Company. Company shall have the right to acquire the rights in question for the quoted price within thirty (30) days after Company receives such quotation. If the Company shall fail to purchase the rights in question at the price quoted by such negotiator, the writer may thereafter sell such rights to any other person, firm or corporation at any price; provided that, if the Company has acquired, or employed the writer to write, such material, the writer shall first give the Company fourteen (14) days written notice thereof, within which time Company may acquire such rights at such price as has been offered to writer in good faith by such other person, firm or corporation. If a negotiator is not made available within the fourteen (14) day period first above mentioned, the Company may negotiate directly with the writer or his representatives.

b. **More Than One Writer.** If two (2) or more writers collaborate in or separately contribute to the writing of a story (or story and screenplay) which satisfies the requirements for separation of rights under the provisions of subparagraph 2. hereof, and it is determined that such writers are entitled to share a credit specified in subparagraph 3. hereof, then all such writers shall be regarded as equal tenants in common in the rights herein granted with respect to the separable material, and the separable material written by each of such writers shall be included in the separable material so owned in common by all of such writers.

c. **Application to Contracts.** If any employment contract, or any contract for the acquisition of literary material, was entered into prior to the date of the commencement of the term of this Basic Agreement, then the writer or writers that were parties to any such contract shall not be entitled to any separation of rights under the provisions of this Article 16.A.

d. **Execution of Instruments.** The Company and the writer will, upon request of the other, duly execute, acknowledge and deliver to the other any and all assignments or other instruments which may be reasonably necessary or desirable to effectuate the intent and purposes of this Basic Agreement or to evidence and establish the rights herein agreed to be licensed or granted; provided that such obligation on the part of the Company shall be deemed satisfied if any such assignment or other instrument is in the form of a license by the Company to the writer without warranties.

e. **Successors and Assigns.** The provisions of this Article 16.A. shall be binding upon and shall inure to the benefit of the successors, assigns, heirs, executors, administrators and legal representatives of the Company and the writers entitled to separation of rights hereunder. The writer will not cause, allow or sanction any publication or dramatization of the separable material, or any part thereof, or any arrangement, translation or revision thereof to be made in any part of the world or in any language without first granting to, reserving or securing for the Company, without further consideration, all of the rights, licenses and privileges reserved to the Company pursuant to subparagraphs 3.a.(2), (3), (4) and (5) or subparagraphs 3.b.(1), (3) and (4). In any grants, assignments or licenses hereafter made or entered into by writer concerning the separable material, the writer will expressly except and reserve such rights

to the Company. The writer will deliver to the Company an executed copy of any such grant, assignment or license promptly following the execution thereof.

f. **Notices.** All notices which the Company is required or may desire to serve upon a writer, a claimant, or the Guild, under the provisions of this Article 16.A., shall be addressed to such writer, claimant or the Guild, at the Guild's office in either Los Angeles, California or New York, New York; all notices which a writer, a claimant or the Guild is required or may desire to serve upon the Company under the provisions of this Article 16.A. shall be addressed to the Company at its headquarters for the production of theatrical films in California, as provided in the last paragraph of Article 41 or, if the Company has no such headquarters in California, at the address it has designated for service of process pursuant to Article 41. Such notices may be served by registered mail or telegram. Any notice so mailed, postage prepaid, shall be conclusively deemed to have been received on the second day following deposit if posted within the State of California, or on the fifth day following such deposit if posted from a place outside the State of California but within the continental United States, or on the tenth day following such deposit if posted from a place outside the continental United States. Any notice delivered to a telegraph office, toll prepaid, shall be conclusively deemed to have been received upon the day following such delivery. Notwithstanding the foregoing, there shall be no presumption of receipt during the period of any strike or work stoppage in the United States mail system.

8. **Writer's Right to Reacquire Literary Material**

The provisions of this subparagraph 8. apply only to literary material (i) which is original, *i.e.*, not based on any pre-existing material, and (ii) which has not been exploited in any medium.

a. With respect to literary material acquired by Company subject to the terms of the 1970 or 1973 WGA agreement, if the writer who has written the same desires to purchase Company's right, title and interest therein, the Guild, on behalf of such writer, may notify Company in writing of such desire. Within ninety (90) days following receipt of such written notice, Company shall notify the Guild of the terms and conditions, including the price at which it will sell its right, title and interest in such literary material; provided, however, that Company may instead notify the Guild that the literary material does not meet one or more of

the conditions precedent specified in the first sentence of this subparagraph 8. or that the literary material is in active development at the time of the Company's notification to the Guild. If the Company proceeds in accordance with the foregoing proviso and the Guild disputes the factual basis upon which the Company relies for so proceeding, such dispute shall be subject to the grievance and arbitration provisions of this Agreement. However, the Company's decision regarding the terms and conditions of the sale shall not be subject to challenge by the Guild or by the writer on any grounds whatsoever whether in arbitration or otherwise.

The purchase price designated by Company shall not be in excess of the total direct costs previously incurred by Company in relation only to such literary material, including payments for the acquisition of the literary material and for writing services connected therewith (including writing services in relation to treatments and screenplays based thereon), and fringe benefit costs in relation thereto, such as pension and health fund payments and social security payments, but exclusive of overhead and exclusive of costs of any other kind (*e.g.*, costs relating to proposed production other than writing costs).

Within thirty (30) days following notice from the Company of the terms and conditions on which it will sell its right, title and interest in such literary material, including the purchase price, the Guild, on behalf of the writer, may serve written notice of acceptance of such terms and conditions and, immediately following service of such notice, the parties shall proceed to close the transaction. Failure to effect such purchase in accordance with the procedure specified by the foregoing provisions shall result in the forfeiture of writer's right to purchase such material. At any time before receipt of notice of acceptance of the terms and conditions of sale, Company may dispose of such literary material or of any rights therein or with respect thereto or may itself commence active development of such material and, in either such event, the writer shall no longer have the right to acquire Company's right, title or interest in such material.

b. In addition to the foregoing, but with respect only to literary material acquired by a Company on and after March 2, 1977 but prior to March 2, 1981, the writer may reacquire such literary material in accordance with the procedures set forth below if production of a theatrical or television motion picture based on

the literary material has not commenced upon expiration of the following applicable time period:

(1) If, during the five (5) year period after (a) the Company's purchase or license of the literary material (if written by a professional writer), or (b) completion of the writer's services rendered in connection with the literary material, the Company has not had additional writing services rendered thereon or otherwise actively developed the literary material, and if, further, upon expiration of said five (5) year period, the Company is not engaged in negotiations for the sale or license of the literary material to a third party, then upon expiration of said five (5) year period; or

(2) If, upon expiration of the five (5) year period referred to in subparagraph (1) above, the Company is engaged in negotiations for the sale or license of the literary material to a third party, but has not also had additional writing services rendered thereon or otherwise actively developed the literary material, and if said negotiations do not result in a sale or license thereof, then upon the conclusion of said negotiations; or

(3) If neither subparagraph (1) or (2) above applies, then upon expiration of the seven (7) year period after (a) the Company's purchase or license of the literary material (if written by a professional writer), or (b) completion of the writer's services rendered in connection with the literary material.

If the writer does reacquire such literary material, such reacquisition is subject to all existing commitments, such as security interests, participations, options, turnaround rights, employment rights, etc.

At any time during the two (2) year period immediately following expiration of the applicable time period set forth above, the Guild may give the written notice provided in the first sentence of subparagraph 8.a. (hereafter "Guild's notice") and, within ninety (90) days thereafter, Company shall give the written notice provided in the second sentence of subparagraph 8.a. (hereafter "Company's notice"), stating the terms and conditions on which it will sell its right, title and interest in such literary material, including the purchase price. Upon the giving of

Company's notice, the literary property shall be deemed literary material which the Company has decided it will not exploit in any medium in the future. The purchase price designated by Company shall not be in excess of the total direct costs previously incurred by Company in relation only to such literary material as set forth in the second paragraph of subparagraph 8.a. above. Within one hundred twenty (120) days of the giving of the Company's notice (during which period the Company shall not exploit, produce, sell or dispose of said material to any third person), the Guild, on behalf of the writer, may serve written notice of acceptance of such terms and conditions and, immediately following service of such notice, the parties shall proceed to close the transaction. Failure to effect such purchase in accordance with the procedure specified by the foregoing provisions by the end of such two (2) year period (*i.e.*, the years commencing after the expiration of the applicable time period set forth above) shall result in the forfeiture of writer's right to purchase such material any time thereafter under any provision of this subparagraph 8. Within said two (2) year period, the Guild, on behalf of the writer, may repeat the Guild's notice one (1) or more times. All of the procedures and rights above described with respect to the first giving of the Guild's notice shall apply to the first such repeat notice. All of said procedures and rights shall also apply to the second and any subsequent repeat notices except that the Company shall not exploit, produce, sell or dispose of said material to any third person during any period between the giving of the Guild's second (or subsequent) repeat notice and the expiration of one hundred twenty (120) days following the giving of the Company's respective notice.

Furthermore, if Company had previously granted some other person or company the right or option to acquire such material or any rights therein, the writer of such literary material shall not have the right to purchase the same so long as such other right remains outstanding. In the event that more than one (1) writer is involved in the writing of such literary material, the Guild shall have the sole responsibility to determine which of such writers has the right to purchase as provided herein and all interested writers shall be bound by the decision of the Guild.

c. In addition to the foregoing, but with respect only to literary material acquired by Company on or after March 2, 1981 but prior to March 8, 1988, the writer may reacquire such literary material on the terms set forth below upon expiration of the five (5) year period following the later of (i) the Company's purchase or license of the covered literary material, or (ii) completion of the writer's services rendered in connection with the literary material. The writer may reacquire such literary material pursuant to this paragraph only if it is not in active development at the time that the procedures for reacquiring the literary material are instituted.

Examples of active development for the purpose of this paragraph are:

(1) Employment of a writer to rewrite the literary material;

(2) Employment of a director, major actor or other key above-the-line element on a pay-or-play basis for a motion picture based upon the literary material;

(3) A production designer, production manager or other supervisor is in active preparation for the production of the motion picture;

(4) A unit production manager or other person is engaged to prepare a budget for the motion picture; or

(5) Production has commenced upon a theatrical or television motion picture based on the literary material.

If the writer does reacquire such literary material, such reacquisition is subject to all existing commitments, such as security interests, participations, options, turnaround rights, employment rights, etc.

Furthermore, if Company had previously granted some other person or company the right or option to acquire such material or any rights therein, the writer of such literary material shall not have the right to purchase the same so long as such other right remains outstanding. In the event that more than one (1) writer is involved in the writing of such literary material, the Guild shall have the sole responsibility to determine which of such writers has the right to purchase as provided herein and all interested

writers shall be bound by the decision of the Guild.
The writer shall reacquire the literary material pursuant to the foregoing paragraphs upon payment to the Company of all compensation actually paid by the Company to the writer for services in connection with the literary material, or for the purchase or license of the literary material in the case of a professional writer. The writer shall obligate the acquiring company to reimburse the Company for any other direct cost previously incurred by the Company in relation to such literary material (as described in the second paragraph of subparagraph 8.a.) out of the first revenue after production costs have been recovered. The document by which the writer reacquires the literary material shall contain a provision setting forth the obligations referred to in the preceding sentence.

d. **Reacquisition under the 1988 Basic Agreement, the 1992 Extension Agreement, the 1995 Basic Agreement, the 1998 Basic Agreement, the 2001 Basic Agreement, the 2004 Basic Agreement, the 2008 Basic Agreement, the 2011 Basic Agreement, the 2014 Basic Agreement, the 2017 Basic Agreement, and the 2020 Basic Agreement.**

With respect only to literary material acquired by Company on or after August 8, 1988, the writer may reacquire such literary material pursuant to the terms set forth below upon expiration of the five (5) year period following the later of (i) the Company's purchase or license of the covered literary material, or (ii) completion of the writer's services rendered in connection with the literary material, if such literary material is not in active development. Examples of active development for the purpose of this paragraph are included in subparagraph c. above. If the writer does reacquire such literary material, such reacquisition is subject to existing commitments, such as security interests, participations, turnaround rights and employment rights.

(1) **Procedures for Reacquisition**

(a) At any time during the two (2) year period immediately following expiration of the Company's five (5) year period within which to actively develop the material, the writer may notify the Company in writing of the writer's intent to reacquire the material. With respect only to

literary material written on or after May 2, 2001, the writer's two (2) year period to reacquire the material shall commence upon written notice from the writer to the Company of the writer's intent to reacquire. Such notice may be given at any time during the five (5) years immediately following the expiration of the Company's five (5) year period within which to actively develop the material. The writer shall include in such notice the address(es) where further correspondence and notices relating to reacquisition of the material shall be sent.

(b) If the material is not in active development at the time Company receives writer's notice of intent to reacquire, then, within sixty (60) days following receipt of such notice, Company shall have the right to place the material into active development. However, during such sixty (60) day period, the material will be deemed to be placed into active development only if, during such period, Company employs a writer to rewrite the literary material or Company employs a director or major actor on a pay-or-play basis for a motion picture based upon the literary material.

(c) Within sixty (60) days following receipt of writer's notice of intent to reacquire, Company shall give the writer and the Guild written notice of the terms and conditions (which shall not include a so-called "changed elements" clause, *i.e.*, a right of first and/or last refusal or provisions which have the same effect) upon which it will sell its right, title and interest in the literary material, and the price of the material as set forth in this subparagraph d., and the encumbrances and/or commitments, if any (such as security interests, participations, employment rights, future options and/or future turnaround rights) that were attached to the literary material at the time the Company received the writer's notice of intent to reacquire the literary material.

(d) In the alternative, the Company may notify the writer and the Guild that the literary material does not meet one or more of the conditions precedent specified in the first sentence of this subparagraph 8. or that the literary material is in active development at the time of the Company's notification to the writer or that the literary material has been sold or is under option or is in turnaround to a third party. If the Company advises the writer that the literary material has been sold to a third party, the Company shall include in its written notice the identity of the third party and the date of such sale. If the Company advises the writer that the literary material is in active development, or is under option, or is in turnaround, at the time of the Company's notification to the writer, the two (2) year period for reacquisition, or any time remaining on it, shall be tolled during the period of such active development, option or turnaround and until the writer receives notice from the Company that the script is no longer in active development, or under option or in turnaround. In such event, the Company shall include in its written notice the expiration date of any option or turnaround right. Should any such option or turnaround right be exercised by a third party, the Company shall promptly notify the writer and the Guild.

(e) In the event the literary material is in active development at the time of the Company's receipt of the writer's notice of intent to reacquire and the Company later ceases to actively develop the material, and/or if the Company places the material into active development within the sixty (60) day period following writer's notice of intent to reacquire the material, and the Company later ceases to actively develop the material, Company shall notify the writer and the Guild promptly in writing that the material is no longer in active development. If, within thirty (30) days after receipt of such written notice from the Company, the writer advises the Company in writing that he/she desires to reacquire the material in

accordance with his/her earlier notice, then the Company shall give the writer and the Guild the written notice of the terms and conditions, purchase price, encumbrances and/or commitments as described above within sixty (60) days after receipt of the writer's most recent notice to reacquire. In such event, Company shall have no right to place the material into active development during this latter sixty (60) day period, or thereafter during the writer's period for reacquisition. If the writer provides written notice of intent to reacquire more than thirty (30) days after writer's receipt of Company's notice that active development of the material has ceased, then the procedures contained within the first four subparagraphs of this "Procedures for Reacquisition" section shall apply for the remainder of the writer's period for reacquisition.

(f) If the Company proceeds in accordance with subparagraph (d) of this "Procedures for Reacquisition" section and the Guild or the writer disputes the factual basis upon which the Company relies for so proceeding, such dispute shall be subject to the grievance and arbitration provisions of Articles 10, 11 and 12 of this Agreement. However, the Company's decision regarding the terms and conditions of the sale, as distinguished from the purchase price, shall not be subject to challenge by the Guild or the writer on any grounds whatsoever, whether in arbitration or otherwise. Notwithstanding the preceding sentence, disputes as to whether the terms and conditions of the reacquisition sale conform to the express provisions of this Article 16.A.8.d. shall be subject to the grievance and arbitration provisions of Articles 10, 11 and 12 of this Agreement.

(g) The writer shall reacquire such literary material if writer tenders the purchase price within six (6) months after writer's receipt of the Company's notice. The Company shall not further encumber the literary material during such six (6) month

period by entering into new agreements or commitments, such as options, turnarounds, security interests, participations and employment rights, or actively develop or sell the literary material. In the event the writer fails to make the payment within such six (6) month period, the writer may reinstitute the procedure for reacquisition at any time within the time remaining in the two (2) year period referred to above, it being understood that such procedures need only be commenced, and not completed, within the two (2) year period.

(2) **Rights and Procedures for Reacquisition of Material That Has Been Sold or Optioned**

If the Company sells or options the literary material prior to the expiration of the writer's period to reacquire such material from the Company, then such writer's rights to reacquire shall be extended on the following basis and the Company, the writer and the buyer, as applicable, shall be subject to the following procedures in regard thereto:

(a) If the Company sells the literary material to another person or company, it shall obligate the acquiring person or company (hereinafter referred to as "the buyer") in a written agreement to comply with the provisions of this subparagraph 8.d. Said written agreement shall further obligate the buyer(s) in subsequent sales transactions to comply with the provisions of this subparagraph 8.d. The buyer(s) shall have five (5) years from the date of its/their agreement with the Company for such sale to place the material into active development (as described in subparagraph 8.c. above). The writer shall have the right to reacquire the literary material from the buyer upon the expiration of such five (5) year period in accordance with the procedures set forth in this subparagraph 8.d.

(b) If the literary material or any rights therein are placed under option or into turnaround during the period when the Company may actively develop the material, the Company's active development period shall be tolled while such material is under option or in turnaround or for eighteen (18) months, whichever is shorter. Only the first such option or turnaround granted by the Company shall toll the Company's active development period.

(c) If an option is exercised, the buyer shall have five (5) years from the effective date of the option agreement to put the literary material into active development (as described in subparagraph 8.c. above). Thereafter, the writer shall have the right to reacquire the literary material from the buyer in accordance with the procedures set forth in this subparagraph 8.d.

(d) If an option is not exercised and the Company's period of active development, as provided in this subparagraph 8.d., has ended, and the writer's notice of intent to reacquire was received during the time the literary material was under option, the writer may, without further notice to Company, reacquire such material in accordance with the provisions of this subparagraph 8.d. In such event, Company will be deemed to have received the writer's notice of reacquisition on the date of expiration of the option period, irrespective of the date it was actually received.

(3) **Payment**

(a) The writer shall reacquire the literary material pursuant to this subparagraph 8.d. upon payment to the Company (or the buyer, if applicable) of all compensation actually paid by the Company (or the buyer, if applicable) to the writer for services in connection with the literary material and/or for the purchase or license of the literary material from the writer or Company. It is understood that the

purchase price, as set forth in the preceding sentence, is the sole monetary consideration due from the writer to the Company to reacquire the literary material. In no event will the writer be obligated to pay more than the amount specified in the first sentence of this subparagraph (3)(a) (*e.g.*, in the form of profit participations to the Company).

(b) If the writer reacquires the literary material from the Company (or buyer, if applicable) and the writer thereafter sells or licenses the literary material to a third party, the writer shall obligate such third party to reimburse the Company (or buyer, if applicable), upon the commencement of principal photography, for any other direct cost previously incurred by the Company (or buyer, if applicable) in relation to such literary material (as described in the second paragraph of subparagraph 8.a.) plus interest thereon. The document by which the writer reacquires the literary material shall contain a provision setting forth the obligations referred to in the preceding sentence.

(4) **Procedure if More Than One Writer Desires to Reacquire the Literary Material**

In the event that more than one writer is involved in the writing of such literary material, the Guild shall have the sole responsibility to determine which of such writers has the right to purchase as provided herein and all interested writers shall be bound by the decision of the Guild.

(5) **Special Notice and Receipt Provisions Applicable to Reacquisition**

All notices which the Company is required or may desire to serve upon a writer pursuant to the provisions of this Article 16.A.8.d. shall be addressed to such writer at the address(es) specified by the writer in his or her first notice to the Company, as provided in subparagraph (a)

under "Procedures for Reacquisition" above. Company shall direct correspondence and notices hereunder to the writer at such address(es), notwithstanding any contrary provisions for the giving of notice in the writer's deal memorandum or personal service agreement and, by so doing, shall be deemed to have fulfilled the notice requirements hereunder, as provided herein, notwithstanding any contrary notice provisions in the writer's deal memorandum or personal service agreement. The writer may, by notice to the Company, amend such address(es) and, after receipt of an amendment, the Company shall use such amended address(es) for purposes of this Article 16.A.8.d.

All notices which the Company is required or may desire to serve upon the Guild pursuant to the provisions of this Article 16.A.8.d. shall be addressed to the Guild, either at its principal office in Los Angeles County, California, or New York, New York.

All notices which a writer or the Guild is required or may desire to serve upon the Company (or the buyer(s)) pursuant to the provisions of this Article 16.A.8.d. shall be addressed to the Company at its headquarters for the production of motion pictures in California or to the buyer at its headquarters in Los Angeles County or to such other address provided by the buyer to the writer and the Guild.

Such notices may be served by registered mail or telegram. Any notice so mailed, postage prepaid, shall be conclusively deemed to have been received (a) on the fifth day following deposit if mailed within the State of California to an addressee within the State of California; or (b) on the tenth day following such deposit in the continental United States if mailed to an addressee in a state within the continental United States different from the state of deposit; or (c) on the twentieth day following deposit if mailed in the continental United States to an addressee outside of the continental United States or if mailed outside of the continental United States to an addressee within the continental United States. Any notice delivered to a telegraph office, toll prepaid, shall

be conclusively deemed to have been received upon the day following such delivery. Notwithstanding the foregoing, there shall be no presumption of receipt by mail during the period of any strike or work stoppage in the United States mail system.

For purposes of the foregoing, time computations relating to notices to or from the writer shall be determined by the address of the writer, not the Guild, regardless of the fact that the Guild may be required to be copied on notices to the writer and that the Guild may be copied on notices given by the writer.

e. The following shall apply to original literary material which is optioned by the Company from a professional writer on or after May 2, 2020. The writer of the optioned literary material may reacquire revisions of such material, pursuant to the terms and conditions set forth in Article 16.A.8.d. above, within a two (2) year period commencing upon written notice from the writer to the Company of the writer's intent to reacquire. Such notice may be given not earlier than one (1) year after the date of expiration of the option and no later than six (6) years after the date of the expiration of the option.

f. It is understood that when a writer reacquires rights in literary material as provided in this Article 16.A.8., and at such time as the writer sells or licenses the literary material to a third party and obligates such third party to reimburse the Company (or buyer, if applicable), upon commencement of principal photography, for the direct costs, as described in Article 16.A.8.d.(3)(b), Company shall not be further liable to the Guild or any writer for the keeping of any records or for the payment of additional compensation, or for compliance with credit obligations under the MBA. Upon such sale or purchase, the Guild agrees instead to look exclusively to the third party purchaser or licensee for the keeping of such records, payment and compliance with credit obligations. The foregoing supersedes any other agreement with Company to the contrary, including but not limited to any Letter of Adherence. This provision shall not release the Company from any obligation related to an encumbrance or commitment the Company has failed to disclose to the writer and the Guild pursuant to Article 16.A.8.d.(1)(c).

9. **Hot Line Dispute Resolution**

In disputes concerning separation of rights under Article 16, the WGA or the Company may elect to initiate the Hot Line Dispute Resolution procedure under Article 48.E., but shall not be required to do so unless the provisions of Article 16 otherwise specifically obligate the parties to do so. If the WGA or the Company elects to initiate the Hot Line procedure, the WGA (or the Company) will not be precluded from filing a grievance or arbitration claim if use of the Hot Line procedure does not resolve the dispute within seven (7) days after the initial contact with the other party's designated representative.

10. **Publication Fee**

The Company shall have the right to publish the screenplay on videodiscs/videocassettes, and to make the screenplay available on any new media platform now known or hereafter developed to accompany the theatrical motion picture when it is made available for exhibition on such new media platform, whether or not the writer(s) of a theatrical motion picture qualifies for separated rights. A one-time fee of $12,500 shall be paid in the aggregate to the credited writer(s) of the motion picture as compensation for such exploitation right ("Publication Fee"). The Publication Fee shall be due whether or not the Company chooses to exploit such right.

Such Publication Fee shall be paid through the Guild's Residual Department within thirty (30) days after (but not before) the final determination of writing credit on the motion picture. The Publication Fee may not be prepaid nor may it be offset or credited against any other compensation.

The payment of the Publication Fee and any exercise of this right as described above shall not otherwise affect the writer's publication rights under this Article 16.

The foregoing provisions of this subparagraph 10. are applicable to any theatrical motion picture, whether written under this Agreement or a prior MBA, provided that the credits for such theatrical motion picture are determined on or after May 2, 2001. If the writer was paid the Publication Fee pursuant to the 2001 MBA or any subsequent MBA, the Company shall have the right at any time hereafter to make the screenplay available on any new media platform now known or

hereafter developed, without payment of any additional compensation, to accompany the theatrical motion picture when it is made available for exhibition on such new media platform.

B. TELEVISION

1. General Qualifications

a. Company agrees that separation of rights as provided in subparagraphs 2. and 3. inclusive of this Article 16.B. shall be accorded to the writer of a format, story, or story and teleplay for any television motion picture (other than one of an established serial or episodic series) provided that the terms of this Agreement relating to rights in material apply to such format, story or story and teleplay as provided in Article 2 hereof. If, at the time of the transfer of rights to the material so purchased, there is in existence a valid agreement for the publication or dramatic production of such material, then, for the purpose of this Article 16.B., such material shall be deemed to have been published or exploited. It is agreed as to an established serial or episodic series the Company shall own all of the rights in the material of any nature or description whatsoever including, but not limited to, the right to use the same in any field or medium whatever without obligation to the writer except as provided in subparagraph 14. of Article 15.B. with respect to additional payments to be made for specific uses. The Guild shall determine which of the writers (considered as a single entity) shall have separation of rights or the proportion in which each shall share in such separation of rights. In that regard, the Guild shall establish a set of rules for the determination of the separation of rights as between such writers. The Company is to be supplied with a copy of such rules. Neither the contracts with the writers nor the names of the writers shall be disclosed to the Guild Arbitration Committee.

b. A writer who contributes to the writing of a teleplay based upon or adapted from a story or format created and written by another person shall not have any separation of rights and shall retain no interest of any character whatsoever in the teleplay. If such a teleplay be based upon a story in the public domain, or upon a story owned by the Company, the Company shall own all rights in the material of every nature and description whatsoever, and the writer shall retain no interest of any

character in such material; provided, however, that if such teleplay is based upon a story in the public domain which was suggested and furnished by the writer of such teleplay, then: (1) if such teleplay was written for a television motion picture of an established serial or episodic series, the writer shall be entitled to the payments referred to in subparagraph l. of Article 15.B.14.; or (2) if such teleplay was written for a television motion picture (other than one of an established serial or episodic series) and such teleplay otherwise meets the conditions set forth in said subparagraph l., the writer thereof shall be entitled to the payments referred to in said subparagraph l. in the same manner as if said television motion picture were one of an established serial or episodic series. It is agreed, however, that if Company shall employ a writer to write a teleplay based upon or adapted from a story to which the provisions of this Agreement (including the separation of rights provisions) apply, the writer of such teleplay shall retain no interest of any character in such teleplay, the writer of the story shall have the same rights in the teleplay as he/she reserved with respect to the story, and the Company shall have the same rights in the teleplay as were granted to it in the story for the same period of time for which the Company has been granted rights in the story, as herein provided. A writer employed to rewrite or polish a teleplay written by another person shall not have any separation of rights hereunder.

c. Notwithstanding the fact that the Company shall own all rights in literary material included in episodic series or serial type television motion pictures to which the provisions of this Basic Agreement apply, the Company agrees that it will not, without the prior consent of the Guild, use any such literary material in the production of a theatrical motion picture or a live television or radio broadcast prior to use of such material in the production of a television motion picture; and the Guild agrees that it will not unreasonably withhold such consent.

d. If a serial or episodic series (herein called "new serial or new episodic series") is based upon an episode which is a "spin-off" from an existing serial or episodic series, the writer(s) of the format and/or the story or story and teleplay of such spin-off episode may be entitled to separation of rights in the new serial or new episodic series, subject to the provisions of Article 1.C.17.

2. **Television Rights.**[15] Company shall own the exclusive television rights, which shall include new media rights, in the literary material to which the provisions of this Article 16.B. apply for a period of thirty (30) months from the date of delivery of the material or after date of acquisition if such material is not in active development, except that a four (4) year period shall apply (i) to material in active development (which includes pitches to buyers, *e.g.*, networks), and (ii) to non-topical material intended for a program of more than sixty (60) minutes in length. Thereafter, Company and writer shall each have a non-exclusive right to utilize and exploit the television rights in the material. Such non-exclusive rights on the part of the Company shall be deemed to include the right to continue to exploit and exhibit forever the television motion picture or the production made for new media and to remake the television motion picture or the production made for new media without additional compensation, except to the extent required under the provisions hereof relating to additional compensation for reruns on television, foreign telecast and theatrical exhibition or relating to residual compensation for productions made for new media. Such exclusive television rights shall not include television series sequel rights and movie-of-the-week ("MOW") sequel rights, except as otherwise hereinafter provided.

   a. Company shall have the exclusive right to commence the exploitation of the series sequel rights within the following period:

      (1) within thirty (30) months from the delivery of the story or story and teleplay (to which the separation of rights provisions of this Article 16.B. apply) if the material is not in active development, or within four (4) years from the delivery of the story or story and teleplay (to which the separation of rights provisions of this Article 16.B. apply) if the material is in active development or if it is non-topical material intended for a program of more than sixty (60) minutes in length; or

[15] During the 2020 negotiations, the parties confirmed that television rights, series sequel rights and MOW sequel rights in Article 16.B.2. include new media rights for all programs, the literary material for which was written this or under any predecessor MBA.

(2) if a motion picture based thereon is exhibited on television or a new media platform within the thirty (30) month period specified in subparagraph (1) above, then within three (3) years from the date of exhibition; or

(3) if a second pilot is made, then within four (4) years from the delivery of the story or story and teleplay (to which the separation of rights provisions of this Article 16.B. apply), or within three (3) years from the release of said pilot, whichever shall be earlier.

If Company shall so exploit such rights, it shall pay to the writer for each episode produced the following sum:

For such literary material written by or purchased from writer hereunder, during

5/02/20 - 5/01/21	$2,259
5/02/21 - 5/01/22	2,315
5/02/22 - 5/01/23	2,367

provided that such writer shall be entitled only to sixty percent (60%) of said amount for fifteen (15) minute episodes, but shall be entitled to one hundred ninety percent (190%) of said amount for sixty (60) minute episodes and two hundred fifty percent (250%) of said amount for ninety (90) minute or longer episodes. For the purpose of this provision, an episode shall be deemed "produced" when production (including post-production) of such episode has been completed. Except as provided in Article 15.B.1.b. and Article 15.B.2.a.(1), (2) and (3) hereof, the payment of said applicable amount shall satisfy all obligations of the Company to the writer, and no additional sum or sums shall be payable by reason of any use of such episodes. If the story or story and teleplay was written by more than one (1) writer, all such writers shall be considered as a unit and shall share equally such sequel payments.

In the event and only in such event that Company does not commence such exploitation within said period of time, such series sequel rights in the story or story and teleplay and in the format, if any, shall revert to the writer or writers entitled to

separation of rights, and Company will have no further interest therein.

The Company shall be deemed to have commenced the exploitation of the series sequel rights when it has obtained a firm commitment for the production, exhibition or distribution in syndication or new media of a program involving the exploitation of such series sequel rights.

Nothing in this subparagraph 2.a. shall be construed to preclude the Company from producing a second pilot during the exclusive period provided for therein or from exhibiting such additional pilot during or after said period, provided that a deal is made with the writer of the first pilot to write a story and teleplay for the second pilot at a compensation not less than that paid him/her for the first pilot. The production and release of a second pilot shall not constitute exploitation of the series sequel rights within the meaning of this subparagraph 2.a.

Rights acquired in a format revert to the writer(s) unless, within eighteen (18) months after delivery of the format, the Company engages the writer or another writer to write a story and teleplay based on said format. Rights acquired in a bible revert to the writer unless, within twenty-four (24) months after delivery of the bible, the Company engages the writer or another writer to write a story and teleplay based on such bible. If either reversion occurs, only the material supplied by the writer reverts. It does not include anything furnished by Company.

When there is such a reversion and thereafter the writer sells such format and a series is produced from such format, then, after the time the format is exploited, the Company shall be reimbursed by the writer (to the extent that the writer has received payment on such resale for such format) for the amount paid by Company to such writer for the format in excess of minimum.

In those instances in which, at the time of the writer's request hereunder, Company has not produced a television motion picture or a production made for new media based on the writer's separated rights material and the series sequel rights and MOW sequel rights, as described in Article 16.B.2.b. below, have reverted to the writer, such writer may reacquire from the Company the Company's non-exclusive television rights in

accordance with the following: Writer shall have the right to reacquire such material upon payment to the Company of all compensation actually paid by the Company to the writer for services in connection with the literary material and/or for the purchase or license of the literary material in the case of a professional writer. The writer shall obligate the acquiring company to reimburse the Company for any other direct cost previously incurred by the Company in relation to such literary material out of the first revenue after production costs have been recovered. The document by which the writer reacquires the literary material shall contain a provision setting forth the obligations referred to in the preceding sentence. For purposes of this provision, "any other direct cost" shall include payments for literary material and writing services connected therewith (including writing services in relation to formats and stories and teleplays based thereon), and fringe benefit costs in relation thereto, such as pension and health fund payments and social security payments, but exclusive of overhead and exclusive of costs of any other kind (*e.g.*, costs relating to proposed production other than writing costs). If the writer does reacquire such literary material, such reacquisition is subject to all existing commitments, such as network agreements, security interests, participations, options, turnaround rights, etc. Transfers of the literary material to third parties shall not cut off the writer's right to reacquire the literary material, and the writer may reacquire the literary material from the acquiring company if the literary material is not in active development (as described in Article 16.A.8.c.) eighteen (18) months following the acquiring company's purchase or option of the literary material.

If the Company grants an option in the literary material, the optionee shall have a maximum of eighteen (18) months from commencement of the option to exercise such option.

In the event that more than one (1) writer is involved in the writing of such literary material, the Guild shall have the sole responsibility to determine which of such writers has the right to purchase as provided herein and all interested writers shall be bound by the decision of the Guild.

b. The "***first MOW***," for purposes of this Section, is a television motion picture, ninety (90) minutes or longer, to which the separation of rights provisions of this Article 16.B. apply. "***MOW***

sequels" are programs, ninety (90) minutes or longer, which are ordered subsequent to the broadcast of the first MOW and are other than an exploitation of the series sequel rights.

The Company shall have the exclusive right to commence the exploitation of the television MOW sequel rights within the following period:

(1) within thirty (30) months from the delivery of the story or story and teleplay (to which the separation of rights provisions of this Article 16.B. apply) if the material is not in active development, or within four (4) years from the delivery of the story or story and teleplay (to which the separation of rights provisions of this Article 16.B. apply) if the material is in active development or if it is non-topical material; or,

(2) if a motion picture based thereon is broadcast within the thirty (30) month period specified in subparagraph b.(1) above, then within three (3) years from the date of broadcast.

In no event shall the exploitation of the MOW sequel rights be deemed the exploitation of the television series sequel rights (as described in Article 16.B.2.a., above).

In the event the Company, prior to the exploitation of the series sequel rights of the first MOW,

(i) obtains a firm commitment for the production, broadcasting or distribution in syndication of an MOW sequel within the period of exclusivity provided in subparagraph b.(1) or (2), above, and such MOW sequel is broadcast within six (6) months after the end of the exclusivity period, or

(ii) broadcasts an MOW sequel within the period of exclusivity provided in subparagraph b.(1) or (2), above, and less than eighteen (18) months is left in the period of exclusivity at the time of the broadcast of such MOW sequel

the period of exclusivity for the commencement of the exploitation of the series sequel rights and/or the further exploitation of the MOW sequel rights will be extended to eighteen (18) months from the date of broadcast of the MOW sequel. If an additional MOW sequel is broadcast within the period of exclusivity (including extensions), the Company will have an additional eighteen (18) months from the date of broadcast of the subsequent MOW sequel during which time it may produce and broadcast yet another MOW sequel and/or commence exploitation of the series sequel rights. Such extensions shall continue under the same terms as described herein. If an MOW sequel is produced but not broadcast prior to the expiration of the six (6) month period referred to above or any other period of exclusivity, the Company will nevertheless have the exclusive right to broadcast such MOW sequel; however, both the series sequel rights and subsequent MOW sequel rights will revert to the writer.

Upon exploitation, within the time periods set forth above, of the series sequel rights of the first MOW, the Company shall have the right to exploit thereafter in perpetuity such series sequel rights (including MOWs ninety (90) minutes or longer).

The writer(s) of the first MOW must be offered the opportunity to write the first MOW sequel at no less than he/she was paid to write the first MOW, subject to the writer's availability within a period reasonably proximate to the date on which writing services are to commence. As to any MOW sequel beyond the first sequel, the writer(s) of the first MOW must be offered the opportunity to write such MOW sequel at not less than the amount he/she was paid to write the immediately preceding MOW sequel unless the writer(s) did not receive sole teleplay credit (pursuant to Television Schedule A) on the immediately preceding MOW sequel. The requirement set forth in the preceding sentence is also subject to the writer's availability within a period reasonably proximate to the date on which writing services are to commence.

For the right to produce each MOW sequel, the Company shall pay the writer(s) four (4) times the television series sequel payment provided in Article 16.B.2.a., above. As to any MOW sequel after the first sequel, if the writer(s) is not employed by the Company due to the fact that he/she did not receive sole teleplay credit on the immediately preceding MOW sequel, and

was not offered the opportunity to write such MOW sequel, the writer(s) will be paid, for that MOW sequel only, an amount not less than two (2) times the MOW sequel payment otherwise due. Payment of the amount provided in the preceding sentences shall be due when production of the MOW sequel (including post-production) is completed. Except as provided in Articles 15.B.1.b., 15.B.2., 51 and 58, the payment of said applicable amount shall satisfy all obligations of the Company to the writer(s), and no additional sum or sums shall be payable by reason of any use of such MOW sequel. Article 15.B.1.b. and 15.B.2. payments shall be based on the applicable sequel payments as provided in this Agreement. Article 51 and 58 residuals will be payable to the writer(s) entitled to such sequel residual payments at an additional twenty-five percent (25%) of the applicable minimum residual payable to the credited writer(s) of the MOW sequel. If the story or story and teleplay was written by more than one (1) writer, all such writers shall be considered as a unit and shall share equally in such sequel payments and sequel residual payments.

In the event and only in the event that the Company does not commence exploitation of the MOW or series sequel rights within said period of time, such MOW sequel rights shall revert to the writer or writers entitled to separation of rights, and Company will have no further interest therein.

The Company shall be deemed to have commenced the exploitation of the television MOW sequel rights when it has obtained a firm commitment for the production, broadcasting or distribution in syndication of a television motion picture involving the exploitation of the MOW sequel rights.

In the event that more than one (1) writer is involved in the writing of such literary material, the Guild shall have the sole responsibility to determine which of such writers has the MOW sequel rights and all interested writers shall be bound by the decision of the Guild.

3. **Other Rights**

a. Writer shall retain all other rights (hereinafter referred to as the "**reserved rights**") not expressly referred to in subparagraph 2. of this Article 16.B., including, but not limited to, dramatic,

theatrical motion picture, publication, merchandising rights, radio rights, live television rights, interactive rights as provided in Article 1.C.19.c.(2) and television sequel rights (other than the sequel rights mentioned in subparagraph 2. of this Article 16.B.), and Company shall only have the limited interest in such rights as hereinafter described.

b. With reference to certain reserved rights in a format, story or story and teleplay, the writer shall have no right to and will not use, or grant, license or otherwise dispose of to any third party or parties the right to use the following rights:

(1) The live television rights until a date three and one-half (3½) years after the first broadcast of the television motion picture, or a date five (5) years after the delivery of the story and teleplay, whichever shall be earlier.

(2) The right to broadcast directly by television a live dramatic presentation of the material, in the exercise of the reserved dramatic rights, until a date three and one-half (3½) years after the first broadcast of the television motion picture, or a date five (5) years after the delivery of the story or story and teleplay, whichever shall be earlier.

(3) The right to release a theatrical motion picture based upon the format, story or story and teleplay until one (1) year after the first broadcast of the television motion picture or a date two (2) years after the delivery of the story or story and teleplay, whichever shall be earlier; provided, however, if the Company is actively engaged in a *bona fide* production of a pilot based on the material during the Company's period of exclusivity in Article 16.B.2., the writer shall forbear from disposing of or exploiting the theatrical motion picture rights until the Company has either received a production commitment for a series from the network or other licensee or has been informed a production commitment is not forthcoming, but no more than one (1) year following completion of principal photography of the pilot. In either event, the Company will notify the writer of such decision and whether the Company is interested in negotiating to secure protection against a competitive use of such

theatrical rights. The writer will contact the Company prior to exercising any rights hereunder to determine if forbearance is required.

(4) The right to broadcast by radio any program based upon or adapted from the format, story or story and teleplay until three (3) years after the first broadcast of the television motion picture or a date four (4) years after the delivery of the story or story and teleplay, whichever shall be earlier.

(5) The right to use the leading character or characters in a substantially different story in an "interactive program," other than in the nature of a game, until after the expiration of the Company's exclusive right to commence the exploitation of the television sequel rights as set forth in Article 16.B.2. or until six (6) months after the date of the last broadcast of the series, if such rights have been exploited.

c. If, during the four (4) year period mentioned in subparagraph 2. above, or at any time with respect to theatrical rights, the writer desires to sell, license or otherwise dispose of any of the reserved rights, other than dramatic or publication rights, the Company shall have a right of first refusal thereof as follows: At such time as writer shall receive from a third party a *bona fide* offer, and the writer desires to sell, license or otherwise dispose of the rights involved on the terms of such offer, writer will, by written notice to the Company, advise the Company of the rights involved and of such terms. Within seven (7) days (excluding non-business days as provided in Article 43) after receipt of such notice, Company may, by written notice to the writer, elect to purchase, license or otherwise acquire the rights involved on the terms set forth in writer's notice, in which case Company and writer will enter into an agreement upon such terms. If, within the seven (7) day period, Company notifies the writer that it does not elect to exercise its right of first refusal, or fails to give writer any written notice, the writer shall be free to enter into an agreement with such third party, but may not do so on terms more favorable to the third party than those set forth in the notice to the Company without again submitting the more favorable terms to the Company for first refusal, as herein provided. The right of first refusal herein granted shall apply to series sequel rights and MOW sequel rights if the same shall

revert to the writer prior to the expiration of said four (4) year period.

d. If, at any time prior to the disposition or exploitation of such rights (as permitted herein) by writer, Company shall wish to acquire any of the reserved rights (including dramatic or publication rights), Guild shall meet with Company for the purpose of negotiating a purchase price for the rights sought to be acquired by Company. It is agreed that the Guild will quote a price at which the rights desired to be acquired by the Company may be purchased. Company shall then have the right to acquire the rights in question for the price agreed upon as a result of such negotiations within thirty (30) days from the completion thereof. If Company shall fail to purchase at the lowest price offered by Guild, writer may thereafter sell such rights to any other person, firm or corporation at any price; provided, however, that he/she first give Company fourteen (14) days written notice thereof within which time Company may acquire such rights at such price as has been offered to writer in good faith by such other person, firm or corporation.

If at any time the Company wishes (1) to secure protection against a competitive use for which no period of non-competitive use is prescribed in subparagraph 3.b. above, or (2) to extend any period of non-competitive use prescribed in subparagraph 3.b. above, or (3) to extend the four (4) year period of the right of first refusal prescribed in subparagraph 3.c. above, or (4) to secure a right of first refusal on reserved dramatic or publication rights, it will negotiate therefor through the Guild.

It is understood that in acquiring any reserved right the Company may designate related or subsidiary rights that it wishes to acquire and negative covenants concerning the use of competing rights that it wishes to secure. The Guild will include such related and subsidiary rights and negative covenants in the price quoted for the reserved right acquired. For example, if the Company desires to acquire the dramatic rights, it may include limited publication, radio and television rights for advertising and publicizing the play, and may also require the writer to agree that he/she will not use or license or grant to others the right to use his/her reserved live and film television rights. In such case, the Guild shall have the right to grant the

subsidiary rights and impose the negative covenants requested, and will quote a price to the Company which shall include such subsidiary rights and negative covenants.

e. Company has the right to negotiate directly with the writer to acquire the theatrical rights, publication rights, merchandising rights and interactive rights as provided in Article 1.C.19.c.(2), and each of them, notwithstanding any provisions of subparagraphs d. and f. of this Article 16.B.3. or either of them, pertaining to negotiation with the Guild for compensation on no less than the following basis:

(1) Theatrical Rights - The Company shall pay two and one-half percent (2.5%) of the *bona fide* budgeted direct cost (and overhead or other indirect cost shall be excluded except to the extent it exceeds twenty-five percent (25%) of direct cost), or $20,000.00, whichever is greater, for theatrical rights. The above shall apply to each theatrical remake and sequel. If such two and one-half percent (2.5%) is greater than $20,000.00, the excess shall be paid not later than sixty (60) days from the delivery of the answer print.

(2) (a) Publication and Merchandising Rights and each of them - The Company shall pay six percent (6%) of absolute gross (that is, monies remitted by the manufacturer or the publisher, as the case may be), as derived from licensing, for the publication and merchandising rights. Comic books, magazine publications, comic strips, cutouts, and other activity books shall be deemed to be included as merchandising rights.

(b) Interactive Rights - The Company shall pay the appropriate percentage of "Applicable Gross," as provided in Article 64.C. or 64.D. of this Agreement, for the interactive program rights described in Article 1.C.19.c.(2).

(3) In the event the Company fails to commence exploitation of any of the four (4) rights stated in subparagraphs (1) and (2) above within four (4) years from the date of delivery of literary material or three (3) years from the exhibition of the first motion picture of the series or serial

in which separation of rights obtains, whichever is shorter, then any rights as to which Company has failed to commence exploitation shall revert to the writer. The payment of the above-described $20,000.00 payment for the theatrical rights shall constitute exploitation of such right. Nevertheless, the Company has the right of first refusal as provided in this Article 16.B.3.d. There shall be no crediting of any initial compensation against the above-described payments.

f. In regard to the reserved theatrical motion picture rights in any material to which the separation of rights provisions of this Article 16.B. apply, if the writer commences the production of a theatrical motion picture based thereon, or has sold, licensed or otherwise disposed of the theatrical motion picture rights in such material (as permitted herein) and shall notify the Company thereof in writing, then, unless prior to receipt of such notice Company has commenced the production of a television motion picture or a production made for new media which is a remake of the motion picture initially based upon such material, the Company will not thereafter exercise or sell, license or otherwise dispose of the remake rights in such material. If the Company acquires the theatrical motion picture rights in such material prior to the time the writer has commenced the production of a television motion picture or a production made for new media based thereon, or has sold, licensed or otherwise disposed of his/her non-exclusive television rights in such material, the writer will not thereafter exercise or sell, license or otherwise dispose of his/her non-exclusive television rights in such material. For the purpose of determining whether the Company has commenced the production of a remake or the writer has commenced the production of a theatrical or television motion picture or a production made for new media, the party shall be deemed to have commenced the production of the motion picture involved if such party has expended a substantial sum or has undertaken a binding contractual commitment requiring such party to expend a substantial sum for any item of production cost customarily incurred in connection with the production of a motion picture of the type involved; provided, however, that if principal photography of such motion picture shall not be commenced within one (1) year after such item of production cost has been incurred, then, for the purpose of determining the rights of such parties hereunder,

the commencement of production of such motion picture shall be deemed not to have occurred. A dispute as to whether a substantial sum has been expended or committed, or as to abandonment, may be submitted to arbitration hereunder.

It is acknowledged that the reserved theatrical motion picture rights in material to which the separation of rights provisions of this Article 16.B. apply include the right to use the story or teleplay as the basis for a motion picture produced primarily for exhibition by pay television and, accordingly, unless the Company has acquired the theatrical motion picture rights, it may not make such use of the story or teleplay.

g. Company will inform the writer of the name of the person from whom the Company acquired rights with respect to the underlying property and Company, without limiting its right to do the same, agrees that the writer has the right to make a separate agreement with the owner of the underlying property as to such rights in such property as are reserved by the owner in his/her dealings with the Company.

h. With respect to a teleplay for a ninety (90) minute or longer television motion picture sold or licensed to the Company by a professional writer (as defined in Article 1.C.1.b.) who has separation of rights therein, Company shall offer to such writer the opportunity to perform the first rewrite at not less than the applicable minimum compensation for a rewrite, unless time constraints render such assignment impractical (*e.g.*, the start date of principal photography precludes compliance). If the writer is unable to perform such services or waives his/her right, the Company may engage another writer. Disputes as to whether time constraints render such assignment impractical may be submitted to the "Hot Line" dispute resolution procedure in Article 48.

With respect to a teleplay for a ninety (90) minute or longer television motion picture written under employment by a writer who has separation of rights therein, if the Company desires to engage another writer to rewrite such teleplay, it will discuss with the first writer its reason(s) for not continuing that writer on the project after his or her first draft.

i. With respect to an option of a story and teleplay written by a professional writer (as defined in Article 1.C.1.b.) to which

separation of rights applies, the writer of the optioned material shall be entitled, during the option period, to perform the first rewrite of such material, unless such writer is unavailable or waives this requirement in writing in a separate document or in the writer's deal letter/memorandum. If such writer performs such rewrite, the provisions of Article 16.B.3.h. shall be deemed satisfied.

j. The Producer or a creative executive will consult with the writer regarding each set of revisions requested of the writer by the Company.

4. **Sketches and Routines**

Notwithstanding the foregoing provisions of this Article 16.B., but subject to the rights to buyout as specified in subparagraph 3.e. above, with respect to any sketch or routine included in a comedy-variety type television motion picture, Company shall receive only the right to use and exploit the television motion picture in any manner, and in perpetuity, and to remake the motion picture (but only if the motion picture is remade substantially in its entirety); provided that the writer or writers of such sketches or routines shall have no right to, and will not use or grant, license or otherwise dispose of the right to use the television rights in such sketches or routines until a date one (1) year after the first broadcast of Company's television motion picture or a date two (2) years after delivery of the script of such material, whichever shall be earlier; and provided, further, that notwithstanding anything herein contained to the contrary, Company shall be free to use, in any manner, all or any part of any routine or sketch written by a writer hereunder so long as such use, if it were made by another without authorization from the writer, would not violate any rights of the writer.

Notwithstanding the restrictions hereinabove set forth in this Article 16.B.4., if a writer creates a segment of a comedy-variety program consisting of a self-contained dramatic plot, and characters and characterizations which are distinctive and identifiable and the principal creation of the writer, and when such segment is fully developed and fully described in the material written by the writer, then such writer shall be entitled to a sequel payment equal to fifty percent (50%) [seventy-five percent (75%) in the case of a network, prime time, once a week or less program] of the episodic sequel payment for a thirty (30) minute episode for each program of the

series in which such segment is used after the termination of the writer's employment on such series, it being understood that such sequel payments are not due for programs written during such writer's employment. A dispute between writers as to who created such a segment shall be determined by the Guild in accordance with its credit arbitration procedures.

5. **Upset Price**

Notwithstanding any of these provisions of this Article 16.B. or of any other provisions of this Basic Agreement, in the event Company pays not less than the following "upset price" to each writer or team of two (2) writers entitled to separated rights for the writing or acquisition of a format or a format, story and teleplay or a story and teleplay as to which separation of rights applies, the Company may bargain freely with the writers concerned with respect to separation of rights subject to the payment of minimum sequel payments. Company shall have the same right to bargain freely with respect to a team of three (3) writers, except that the “upset price” shall be set at two hundred percent (200%) of the applicable amount set forth below, unless all three (3) writers are employed pursuant to Article 14 of this Basic Agreement, in which event the “upset price” shall be set at one hundred fifty percent (150%) of the applicable amount set forth below. Such upset price shall be as follows for each writer or team of two (2) writers as defined in Article 13:

UPSET PRICE Initial Compensation of At Least		
	Effective	
	5/02/20 - 5/01/21	5/02/21- 5/01/23
Format only (if by a writer other than the writer of story and teleplay)	$ 29,694	$ 30,585
Story only (other than by the writer of the teleplay)		
15 minutes or less	10,329	10,639
30 minutes or less (more than 15)	18,381	18,932
45 minutes or less (more than 30)	26,123	26,907
60 minutes or less (more than 45)	32,362	33,333
90 minutes or less (more than 60)	44,534	45,870
More than 90 minutes	44,534	45,870
Story & Teleplay (other than by the writer of the format)		
15 minutes or less	31,034	31,965
30 minutes or less (more than 15)	55,157	56,812
45 minutes or less (more than 30)	65,476	67,440
60 minutes or less (more than 45)	81,109	83,542
90 minutes or less (more than 60)	117,539	121,065
More than 90 minutes	117,539	121,065
Format, Story & Teleplay by one Writer		
15 minutes or less	31,034	31,965
30 minutes or less (more than 15)	55,157	56,812
45 minutes or less (more than 30)	65,476	67,440
60 minutes or less (more than 45)	81,109	83,542
Format, Story & Teleplay by one Writer (continued)		
90 minutes or less (more than 60)	117,539	121,065
More than 90 minutes	117,539	121,065
Bible	75,059	77,311

When the upset price has been paid, the rights acquired after negotiation, permitted by payment of the upset price, shall be set forth in a separate contract. The separate agreement for acquisition

of the reserved rights shall state a separate consideration (other than the consideration for the original employment or purchase). Only the amount of initial compensation shall be used in determining whether the upset price has been reached, and with respect to week-to-week or term writers, compensation may be allocated toward the upset price if the writer receives in excess of $4,272 ($4,400 per week effective May 2, 2021).

6. **Adapter's Royalty**

The credited writer or writers of a pilot story (if applicable) and teleplay to which separation of rights does not attach, which teleplay is the basis of a serial or episodic series, shall receive as a group a royalty equal to seventy-five percent (75%) of the corresponding sequel payment for each episode produced of said serial or episodic series, but no residuals.

7. **Extricable Material**

With regard to an episodic series program, other than the initial program or the pilot of such series, the story writer shall have a non-exclusive right to the television use of the extricable material commencing one (1) year after production of the series is discontinued. The writer shall further have similar rights to use extricable material in a theatrical motion picture, provided that, after production of the series is discontinued, he/she gives the Company eighteen (18) months written notice of such intention and, provided further, that prior to completion of such eighteen (18) month period, the Company does not use such material in a theatrical motion picture, or sell, license or otherwise dispose of theatrical motion picture rights in such material.

8. **Continuing Rights and Obligations**

The provisions of this Article 16.B. shall be binding upon and shall inure to the benefit of the heirs, next of kin, executors, administrators, legal representatives, successors and assigns of the Company and the writer.

9. **Hot Line Dispute Resolution**

In disputes concerning separation of rights under Article 16, the WGA or the Company may elect to initiate the Hot Line Dispute

Resolution procedure under Article 48.E., but shall not be required to do so unless the provisions of Article 16 otherwise specifically obligate the parties to do so. If the WGA or the Company elects to initiate the Hot Line procedure, the WGA (or the Company) will not be precluded from filing a grievance or arbitration claim if use of the Hot Line procedure does not resolve the dispute within seven (7) days after the initial contact with the other party's designated representative.

ARTICLE 17 - PENSION PLAN AND HEALTH FUND

A. GENERAL PROVISIONS

The parties adopt and are bound by the Trust Agreements and amendments thereto of the Writers' Guild-Industry Health Fund and the Producer-Writers Guild of America Pension Plan, and by all actions of the Trustees pursuant to those Agreements. With respect to pension and health contributions, the following shall apply if the Company borrows a writer's services from a loan-out company:

1. In its agreement with the loan-out company, the Company shall separately state the compensation applicable to services covered by this Basic Agreement.

2. Contributions shall be based on the gross compensation the Company pays to the loan-out company for covered writing services.

3. Agreements with loan-out companies for covered services of the loaned-out writer shall provide that Company shall make pension and health contributions directly to the Plans on behalf of the loan-out company.

4. [Deleted]

5. [Deleted]

The provisions of Article 14.E.2. shall supersede subparagraphs 1. and 2. above.

This provision shall not apply to a head writer-packager.

B. PENSION PLAN

The Pension Plan, established and known as the "Producer-Writers Guild of America Pension Plan," is funded and administered as follows:

1. Except as otherwise provided in the next paragraph, Company agrees to contribute to the Plan amounts equal in the aggregate to ten percent (10%) effective May 2, 2020, (ten and one-half percent (10.5%) effective May 2, 2021, and eleven and one-quarter percent (11.25%) effective May 2, 2022)[16] of all "gross compensation" earned and paid or due to writers for services covered by and subject to this Agreement performed after the effective date hereof, in an employment capacity (to which employment the provisions of this Basic Agreement apply). In connection with the purchase of literary material from a professional writer, if the Company also employs the writer under this Basic Agreement for at least one (1) rewrite or polish (as required in Articles 16.A.3.c. and 16.B.3.h., or otherwise), the Company shall contribute to the Pension Plan for such rewrite or polish an amount equal to ten percent (10%) effective May 2, 2020, (ten and one-half percent (10.5%) effective May 2, 2021, and eleven and one-quarter percent (11.25%) effective May 2, 2022) of the sum of the purchase price, up to the Internal Revenue Code Section 401(a)(17) limit, plus the amount paid for such rewrite or polish, but in no event shall the Company be required to make such contributions on sums in excess of the ceiling set forth in Article 17.B.1.a. or 17.B.1.e. below. Such amounts shall be contributed as and when the compensation is paid to the writer.

   For writing services on pilots and the first season of any one-hour series, the Company agrees to contribute to the Plan amounts equal in the aggregate to eight and one-half percent (8.5%) effective May 2, 2020, (nine percent (9%) effective May 2, 2021, and nine and three-quarters percent (9.75%) effective May 2, 2022) of all "gross compensation" earned and paid or due to writers for such services covered by and subject to this Agreement performed after the effective date hereof, in an employment capacity (to which employment the provisions of this Basic Agreement apply). In

[16] During the 2020 negotiations, the parties agreed that the Guild had the authority, in its sole discretion, to elect to increase the pension contribution rates in Article 17.B.1. by one-half of one percent (0.5%) effective May 2, 2021, and by three-quarters of one percent (0.75%) effective May 2, 2022. The Guild elected to do so in both years and the increases in certain minimum rates were reduced by amounts specified in the 2020 Memorandum of Agreement. The contribution rates noted in this Article 17.B.1. and the affected minimum rates throughout the 2020 MBA reflect the Guild's election.

connection with the purchase of literary material from a professional writer, and if such literary material so purchased is for a pilot or the first season of a one-hour series, if the Company also employs the writer under this Basic Agreement for at least one (1) rewrite or polish (as required in Article 16.B.3.h. or otherwise), the Company shall contribute to the Pension Plan for such rewrite or polish an amount equal to eight and one half percent (8.5%) effective May 2, 2020, (nine percent (9%) effective May 2, 2021, and nine and three-quarters percent (9.75%) effective May 2, 2022) of the sum of the purchase price, up to the Internal Revenue Code Section 401(a)(17) limit, plus the amount paid for such rewrite or polish, but in no event shall the Company be required to make such contributions on sums in excess of the ceiling set forth in Article 17.B.1.a. or 17.B.1.e. below. Such amounts shall be contributed as and when the compensation is paid to the writer.

All of the foregoing pension contribution rate increases in this Article 17.B.1. are contingent on the Pension Plan Trust Agreement providing, and continuing to provide, that pension contribution rates in excess of six percent (6%) are decoupled from the calculation of the writer's pension benefit or any benefit (including, without limitation, death benefits) paid on account of the writer's participation in the Pension Plan.

The term "gross compensation," as used herein, shall include amounts paid to an employee as compensation with respect to such services as a writer (including compensation paid as salary settlements and under Article 15.B.1.b.(2), Article 15.B.2., Article 58 and subparagraphs 2.b.(2)-(6) of Appendix C, and under the Sideletter re License of Free Television, Basic Cable or Pay Television Motion Pictures to Secondary Digital Channels and the Sideletter re Syndication Licenses for Canada only, and including the full compensation paid for services both as a writer and as a story editor when the writer is also employed in the additional capacity of a story editor pursuant to Article 14) whether or not any services are performed, but shall not include:

a. Compensation in excess of $225,000, or $450,000 in the case of a team of three (3) writers, in connection with any single theatrical motion picture; it being understood that any percentage shall be paid only on the first $225,000 of a writer's

gross compensation, or the first $450,000 in the case of a team of three (3) writers, in connection with any such motion picture.[17]

b. Any amounts payable to a writer under the provisions of Articles 15.A. and 51 of this Basic Agreement.

c. The cost of transportation or living expenses paid to, or on behalf of, the writer.

d. The value of any rights arising or acquired by the writer, and any payments made to the writer for the acquisition or exercise of rights under Article 16 hereof entitled "Separation of Rights."

e. In connection with any television motion picture, gross compensation in excess of the greater of the following: (1) the aggregate of two and one-half (2½) times the applicable minimum initial compensation (at one hundred fifty percent (150%) or two hundred percent (200%), whichever is applicable for a team of three (3) writers) under this Basic Agreement; or (2) the initial compensation agreed upon in the individual employment contract; provided, however, in no event will compensation in excess of one hundred seventy thousand dollars ($170,000), or in excess of three hundred forty thousand dollars ($340,000) in the case of a team of three (3) writers, be included in gross compensation with respect to pilots thirty (30) minutes or less in length; and, provided further, in no event will compensation in excess of two hundred twenty-five thousand dollars ($225,000), or in excess of four hundred fifty thousand dollars ($450,000) in the case of a team of (3) writers, be included in gross compensation with respect to a pilot more than thirty (30) minutes in length or with respect to non-episodic, non-serial television motion pictures or multi-part, closed-end series, which motion pictures or series are 120 minutes or more in length; and, provided further, in no event will compensation in excess of three hundred fifty thousand dollars ($350,000) per Company per calendar year, or in excess of seven hundred thousand dollars ($700,000) per Company per calendar year in the case of a team of three (3) writers, be included in gross

[17] For Health Fund ceilings, see Article 17.C.1.

compensation with respect to serials covered under Article 13.B.5 of Appendix A.[18]

For the purpose of subparagraph e.(1) above, the minimum compensation figures which are set forth in Article 13.B.7.a., b. and c. shall be the "applicable minimum compensation" for programs covered by Article 13.B.7.d. For the purpose of subparagraph e.(2) above, "initial compensation" means the initial compensation agreed to be paid by the Company to the writer for the writer's services on a television motion picture, but shall not include any compensation received by the writer pursuant to Article 15.B. of this Basic Agreement, nor shall it include the cost of transportation or living expenses paid to or on behalf of the writer, nor shall it include any payments made to the writer for the acquisition or exercise of rights in and to any literary property or properties pursuant to Article 16.B. of this Basic Agreement.

2. The Plan shall be administered by at least thirty-six (36) Directors, twelve (12) appointed by the Alliance of Motion Picture and Television Producers, Inc. (hereinafter referred to as the "Alliance"), six (6) appointed by ABC, CBS and NBC (Network Group) and eighteen (18) appointed by the Guild. The Alliance, the Network Group and the Guild shall also have the right at any time to remove any Director appointed by it and to substitute another Director. In no event shall there be more than eighteen (18) Company and eighteen (18) Guild Directors.

   The number of Directors to be allocated to the respective employer associations shall be subject to review every three (3) years following the establishment of the respective Plan. At such times, the Directors to be allocated to each employer association or Network Group for the ensuing three (3) year period shall be determined, as nearly as practicable, in accordance with the proportion which the aggregate contributions to the Plan, for the preceding three (3) year period, made by the members of each such employer association, bears to the total contributions to the Plan made by members of all such employer associations, or such Network Group, during such period.

[18] For Health Fund ceilings, see Article 17.C.1.

The references in these Pension Plan provisions to any employer association shall also apply to any employer association which may be or become a successor thereto.

The Pension Plan shall be industry-wide and open to all Companies signatory to any of the Guild's collective bargaining contracts which provide for payments to the Plan, as above set forth. By signing a letter of adherence to the Plan (herein described), and upon acceptance by the Directors, such other Companies shall be deemed to be parties to the Plan and to have appointed the Company Directors previously appointed and then serving.

The funds contributed under the Pension Plan shall constitute a separate Trust Fund created by the Trust Agreement executed by the parties to this Basic Agreement and adopted by the Directors. This Trust Fund shall be used solely for the purpose of providing pension and death benefits for employees covered by the Guild's collective bargaining contracts in the motion picture industry who are eligible for such benefits under the Plan, and for expenses in connection with the establishment and administration of the Plan.

The Directors of the Plan have determined the form, nature and amount of pension benefits, the rules of eligibility for such benefits, and the effective dates of such benefits.

3. The Plan, including the plan of benefits thereunder, are each contingent upon and subject to obtaining and retaining such approvals from the Internal Revenue Service, the State Franchise Tax Board, and any other appropriate authority, as may be necessary:

   a. To establish the Plan as a qualified Plan under the Internal Revenue Code, and the California Revenue and Taxation Code;

   b. To establish the deductibility for federal income tax and franchise tax purposes of any and all contributions made by the Companies to the Fund;

   c. To establish that the Plan satisfies the requirements imposed by Sec. 7(d)(4) of the Fair Labor Standards Act, in order that contributions by Companies are excluded from employee's Regular Rate for overtime purposes.

   The Guild and the Companies agree that Article 17.B.3.b. requires that the Directors of the Plan take steps to ensure the deductibility of

contributions for tax purposes. Consistent with the provisions of Article 17.B.3.b., the Directors of the Plan shall consult the bargaining parties for guidance with respect to use of contributions in the event of a question with respect to the deductibility of contributions. The parties further agree to recommend that the Directors, consistent with their fiduciary duties, maintain a withdrawal liability margin of not less than ten percent (10%).

Whenever reference in these Pension Plan provisions is made to the "Plan," such reference shall include any trust established and maintained pursuant to or incorporated in the Plan. Reference herein made to particular laws shall include all rules and regulations promulgated thereunder. If any part of the Plan is not so approved or does not comply with, or conform to, the foregoing or any other applicable law, the Plan shall be modified by the Directors in such manner and to such extent as may be necessary in order that the Plan will comply with, and conform to, all legal requirements, and that the necessary approvals may be obtained.

The Plan and Declaration of Trust shall provide that no portion of the contributions thereunder may be paid or revert to the Company.

4. Company shall furnish the Directors of the Plan upon request with the required information pertaining to the names, job classification, social security numbers and wage information for all writers covered by this Basic Agreement, together with such information as may be reasonably required for the proper and efficient administration of the Plan. Upon the written request of the Guild to the Company, such information shall be made available to the Guild.

5. No part of the Company's contributions to the Plan may be credited against the writer's overscale compensation or against any other remuneration that the writer may be entitled to, no matter what form such remuneration may take; nor shall such contributions constitute or be deemed to be wages due to the individual employee subject to this Basic Agreement, nor in any manner be liable for or subject to the debts, contracts, liabilities or torts of such employees.

6. The Guild, at its option, by a sixty (60) day advance written notice to Company during the term of this Basic Agreement, may elect to convert this Plan to a contributory Plan by providing for contributions to the Plan by the writers in addition to the contributions by Company as above provided. Such notice shall be accompanied by a

certification by the Guild that its membership has approved such an election. Within thirty (30) days after receipt of such notice by Company, the parties shall meet, negotiate and mutually agree upon the rate, conditions, method of computation, method of collection, and the effective date for the commencement of such writer contributions to the Plan, and when agreed upon, such terms and provisions shall become a part of this Basic Agreement in all respects as though fully set forth herein.

C. HEALTH FUND

The health fund, established and known as the "Writers Guild-Industry Health Fund," is funded and administered as follows:

1. Company agrees to contribute to the Health Fund amounts equal in the aggregate to eleven and one-half percent (11.5%) of all "gross compensation" earned and paid or due to writers for services covered by and subject to this Agreement performed on or after the effective date hereof, in an employment capacity (to which employment the provisions of this Basic Agreement apply).

   In connection with the purchase of literary material from a professional writer, if the Company also employs the writer under this Basic Agreement for at least one rewrite or polish (as required in Articles 16.A.3.c. and 16.B.3.h., or otherwise), the Company shall contribute to the Health Fund for such rewrite or polish an amount equal to eleven and one-half percent (11.5%) of the sum of the purchase price, up to the [Internal Revenue Code] Section 401(a)(17) limit, plus the amount paid for such rewrite or polish, but in no event shall the Company be required to make such contributions on sums in excess of the ceiling set forth in Article 17.B.1.e. or this Article 17.C.1.

   Such amounts shall be contributed as and when the compensation is paid to the writer. The term “gross compensation” is used in Article 17.C. as defined in Article 17.B. and is subject to the same ceilings and exceptions provided for in said Article 17.B., except that for purposes of Health Fund contribution ceilings, “gross compensation” shall not include compensation in excess of $250,000, or $500,000 in the case of a team of three (3) writers, in connection with any single theatrical motion picture or non-episodic, non-serial television motion pictures or multi-part closed-end series, which motion pictures or series are 120 minutes or more in length; it being understood that

any percentage for Health Fund contributions shall be paid only on the first $250,000 of a writer's gross compensation, or the first $500,000 in the case of a team of three (3) writers, in connection with any such motion picture.

2. The Fund shall be administered by at least thirty-six (36) Trustees, twelve (12) appointed by the Alliance of Motion Picture and Television Producers, Inc. (hereinafter referred to as the "Alliance"), six (6) appointed by ABC, CBS and NBC (Network Group) and eighteen (18) appointed by the Guild. The Alliance, the Network Group and the Guild shall also have the right at any time to remove any Trustee appointed by it, and to substitute another Trustee. In no event shall there be more than eighteen (18) Company and eighteen (18) Guild Trustees.

   The Health Fund shall be industry-wide and open to all Companies signatory to any of the Guild's collective bargaining contracts which provide for payments to the Fund, as above set forth. By signing a letter of adherence to the Health Fund (herein described), and upon acceptance by the Trustees, such other Companies shall be deemed to be parties to the Health Fund and to have appointed the Company Trustees previously appointed and then serving.

   The funds contributed under the Health Fund shall constitute a separate Trust Fund created by the Trust Agreement executed by the parties to this Basic Agreement and adopted by the Trustees. This Trust Fund shall be used solely for the purpose of providing health and welfare benefits for employees covered by the Guild's collective bargaining contracts in the motion picture industry who are eligible for such benefits under the Health Fund, and for expenses in connection with the establishment and administration of the Health Fund.

   The Trustees of the Health Fund have determined the form, nature and amount of health and welfare benefits, the rules of eligibility for such benefits, and the effective dates of such benefits.

3. The Health Fund, including the plan of benefits thereunder, are each contingent upon and subject to obtaining and retaining such approvals from the Internal Revenue Service, the State Franchise Tax Board, and any other appropriate authority, as may be necessary.

Whenever reference in these Health Fund provisions is made to the Fund, such reference shall include any trust established and maintained pursuant to or incorporated in the Fund. Reference herein made to particular laws shall include all rules and regulations promulgated thereunder. If any part of the Health Fund is not so approved or does not comply with, or conform to, the foregoing or any other applicable law, the Health Fund shall be modified by the Trustees in such manner and to such extent as may be necessary in order that the Health Fund will comply with, and conform to, all legal requirements, and that the necessary approvals may be obtained.

The Health Fund and Declaration of Trust shall provide that no portion of the contributions thereunder may be paid or revert to the Company.

4. Company shall furnish the Trustees of the Health Fund upon request with the required information pertaining to the names, job classification, social security numbers and wage information for all writers covered by this Basic Agreement, together with such information as may be reasonably required for the proper and efficient administration of the Plan. Upon the written request of the Guild to the Company, such information shall be made available to the Guild.

5. No part of the Company's contributions to the Health Fund shall constitute or be deemed to be wages due to the individual employee subject to this Basic Agreement, nor in any manner be liable for or subject to the debts, contracts, liabilities or torts of such employees.

D. SUPPLEMENTAL HEALTH INSURANCE PLAN

[Deleted.]

E. AUDITS

1. If, under any WGA Agreement prior to the 1988 WGA Agreement, a loan-out company, as defined in Article 3.A.3. of the 1988 WGA Agreement, failed to make the applicable pension and health contributions on behalf of a loaned-out writer, Company shall not be liable for such contributions if such contributions were due more than six (6) years prior to the date of commencement of the audit that gives rise to the claim (whether or not it is of the loan-out company's records or the borrowing Company's records). The date of

commencement of the audit shall be deemed to be the date of actual audit entry, but in no event later than ninety (90) days after the date of the Plans' notice of intent to audit. In the event that the Plan(s) conclude, based on an audit of a loan-out company's records, that there exists a claim for unpaid contributions, the Plan(s) or the Guild must give the borrowing Company written notification of any such claim for unpaid contributions at the time that the loan-out company is notified of such claim. In no event will the borrowing Company be liable for any such unpaid contributions which were due from the loan-out company more than six (6) years prior to the date that the borrowing Company was notified of the loan-out company's failure to make the contribution.

2. In addition, Company shall not be liable for pension and health contributions on behalf of:

   a. writers employed directly by the Company with respect to services performed under a WGA Agreement prior to the 1988 WGA Agreement, and

   b. writers borrowed from a loan-out company with respect to services performed under an agreement which is subject to a WGA Agreement prior to the 1988 WGA Agreement which provides that the Company shall make pension and health contributions directly to the Plan(s)

   if the claim against Company for such pension and health contributions is not brought within six (6) years after the date of filing of the compensation remittance report covering such writer or loan-out company.

3. In the event that the auditors find a consistent pattern of delinquencies with respect to a particular writer or loan-out company employed on a particular project, then the six (6) year periods referred to in subparagraphs 1. and 2. above shall be extended to allow for the assertion of additional claims with respect to the employment of such writer or loan-out company on such project.

4. If, under the 1988 Agreement, a loan-out company, as defined in Article 3.A.3. of the 1988 WGA Agreement, has failed to make the applicable pension and health contributions on behalf of a loaned-out writer pursuant to Article 17.A. thereof, Company shall not be liable for such contributions if such contributions were due more than four (4) years prior to the date of commencement of the audit that gives

rise to the claim (whether or not it is of the loan-out company's records or the borrowing Company's records). The date of commencement of the audit shall be deemed to be the date of actual audit entry, but in no event later than ninety (90) days after the date of the Plans' notice of intent to audit. The foregoing limitation shall apply to claims for contributions on behalf of loaned-out writers arising under the 1988 Agreement, provided that the notice requirements set forth in Article 17.A.(iii) of the 1988 WGA Agreement, when applicable, have been met. In the event that the Plan(s) conclude, based on an audit of a loan-out company's records, that there exists a claim for unpaid contributions, the Plan(s) or the Guild must give the borrowing Company written notification of any such claim for unpaid contributions at the time that the loan-out company is notified of such claim. In no event will the borrowing Company be liable for any such unpaid contributions which were due from the loan-out company more than four (4) years prior to the date that the borrowing Company was notified of the loan-out company's failure to make the contribution.

5. In addition, Company shall not be liable for pension and health contributions on behalf of:

   a. writers employed directly by the Company with respect to services performed under the 1988 Agreement, the 1992 Extension Agreement, the 1995 Agreement, the 1998 Agreement, the 2001 Agreement, the 2004 Agreement, the 2008 Agreement, 2011 Agreement, 2014 Agreement, 2017 Agreement, or this Agreement, and

   b. writers borrowed from a loan-out company with respect to services performed under an agreement which is subject to the 1988 Agreement, the 1992 Extension Agreement, the 1995 Agreement, the 1998 Agreement, the 2001 Agreement, the 2004 Agreement, the 2008 Agreement, 2011 Agreement, 2014 Agreement, 2017 Agreement, or this Agreement which provides that the Company shall make pension and health contributions directly to the Plans

   if the claim against Company for such pension and health contributions is not brought within four (4) years after the date of filing of the compensation remittance report covering such writer or loan-out company.

6. In the event that the auditors find a consistent pattern of delinquencies with respect to a particular writer or loan-out company employed on a particular project, then the four (4) year periods referred to in subparagraphs 4. and 5. above shall be extended to allow for the assertion of additional claims with respect to the employment of such writer or loan-out company on such project.

7. The foregoing limitations periods referred to in subparagraphs 1., 2., 4. and 5. above shall not apply when underpayment or a lack of payment was actively concealed by the Company or the loan-out company.

F. COMMITTEE ON PENSION AND HEALTH

The Guild and the Companies shall establish a joint committee known as the "Committee on Pension and Health" to address issues concerning contributions to the Pension Plan and Health Fund. The Committee is to be composed of representatives of the Guild, the AMPTP and/or ABC, CBS and NBC, each of which commits to an active and expeditious use of this Committee.

The Committee will hold its first meeting within thirty (30) days following ratification of this Agreement, or other mutually agreed upon date, and will meet thereafter at the call of either the Guild or the AMPTP. The Committee will make recommendations to the Guild and the AMPTP within one (1) year following ratification of this Agreement. Among the matters to be reviewed by the Committee are contributions on behalf of writers employed under Article 14 of the Basic Agreement, and contributions on behalf of professional writers whose literary material is acquired subject to the terms of the Basic Agreement. Agreements reached in the Committee may be referred to the Contract Adjustment Committee established under Article 62.

ARTICLE 18 - NOTICE TO WRITERS EMPLOYED ON SAME MATERIAL

A. GENERAL

The Company will notify a writer (1) at the time a writer is assigned to any material, if he/she already is employed by the Company, and (2) before a writer is employed to work on any material, of the names of all other writers then or previously employed by the Company on the same material, or from whom the Company purchased the material on which the

writer is employed. Promptly on assigning a writer to any material, the Company will notify all other writers who are then employed on such material of the name of the writer so assigned. With respect to theatrical motion pictures, at the written request of any participating writer, the Company will, until issuance of the Notice of Tentative Writing Credits, notify the writer in writing of the name(s) of any writer(s) employed subsequent to such writer. With respect to television motion pictures ninety (90) minutes or longer, Company will notify all participating writers in writing of the name(s) of any subsequent writer(s); such notice(s) shall be issued within a reasonable time after employment of each subsequent writer. The provisions of this Article are limited to the best knowledge of the Company. In the case of writers of pilots, or of projects on which there are competing stories, teleplays or screenplays to be considered for the same production, the notice of the names of all other writers then or previously employed by the Company on the same material or projects, or from whom the Company purchased material (including source material and formats) on which the writer is employed, shall be given to the writer before the deal for his/her services has been concluded, without the writer requesting same.

For the purpose of the preceding sentence, "same material or projects" shall include any television project assigned by the Company during the preceding twelve (12) months which featured or proposed to feature the same performer, regardless of subject matter. If the performer is a performer in a continuing series, the foregoing provisions do not require notice to be given to all the writers on that series, nor do they require that notice be given to a new writer of the identity of all of the writers of the series.

In the case of a remake, the Company shall furnish the names of the credited writers of the prior photoplay.

In addition, Company shall include in the writer's individual employment agreement, to the best of the Company's knowledge, the names of all other writers then or previously employed by the Company on the same material, or from whom the Company purchased the material on which the writer is employed (including, in the case of a remake, the names of the credited writers of the prior photoplay). The Company shall also indicate in the writer's individual employment agreement whether the material is in turnaround from another company and, if so, the name of such company.

If more than one (1) writer or writing team has submitted material to the Company for the same project, the Company will send to the Guild, upon the commencement of principal photography, a title page which shall include, to the extent that such information is reasonably available to the Company at that time, the name of each writer and the delivery date of the writer's last submission to the Company.

B. THEATRICAL

A writer invited to pitch or to be interviewed concerning possible employment on a specific project(s) may inquire of the Company whether an invitation has been extended to any other writer(s) and the Company will answer the writer's inquiry. If requested by the writer, the Company shall also inform the writer of the approximate number of writers invited to pitch or to be interviewed.

The provisions of the foregoing paragraph are subject to the Article 48.E. "Hot Line Dispute Resolution" mechanism, but are not subject to grievance or arbitration.

C. TELEVISION

At the time a writer is invited to pitch or to be interviewed concerning possible employment on a long-form television motion picture, the Company shall make its best effort to inform that writer of the approximate number of other writers invited to pitch or be interviewed on that project. In any event, if the writer inquires as to whether such invitation has been extended to any other writer(s), the Company will inform that writer of the approximate number of other writers invited to pitch or be interviewed on that long-form television motion picture. The provisions of this paragraph are subject to the Article 48.E. "Hot Line Dispute Resolution" mechanism, but are not subject to grievance or arbitration.

ARTICLE 19 - USE AND DELIVERY OF STANDARD FORM CONTRACTS

A. GENERAL

If the Company borrows a writer from a loan-out company (as defined in Article 3 hereof), the Company will provide to the Guild a copy of its contract with the loan-out company for such services. The Guild agrees that the contract and information so furnished shall be deemed

confidential and shall not be furnished or communicated to any person, firm or corporation not directly concerned.

When the writer utilizes an office in his/her home in connection with an employment agreement with the Company, such utilization by the writer shall be deemed to be at the request of and for the convenience of the employer.

B. THEATRICAL

1. The Company agrees that from and after the effective date hereof, Company will submit to the writer or his/her agent a written contract setting forth the terms of the writer's employment in the following cases:

    a. In a simple week-to-week contract, the contract will be submitted to the writer or his/her agent within two (2) weeks after his/her employment; or

    b. In a simple deal contract, the contract will be submitted to the writer or his/her agent within three (3) weeks after his/her employment.

    c. A simple contract is defined as a one (1) picture contract or a week-to-week contract in which there are no provisions for percentages, participation or deferments and in which there are no options for additional pictures.

2. It is understood that there may be other provisions or factors with respect to which the submission of a complete and definite contract within the time periods specified in subparagraphs 1.a. and b. above may be impractical. In any such case, the Company may request a waiver from the Guild of the requirements of this Article 19.B.1.a. or b., and the Guild will not unreasonably withhold the granting of such waiver.

    The fact that a deal contract provides for writing to be done in stages, for example, first draft screenplay followed by final draft screenplay, does not prevent it from being a simple contract.

3. As to all other contracts, the Company agrees that from and after the effective date hereof, upon the employment of any writer, such writer

shall be tendered, within a reasonable length of time, a written contract setting forth the terms of the employment. Employment contracts shall contain nothing contradictory to any of the provisions of this Basic Agreement.

4. Upon the full execution of a written contract, not less than two (2) copies thereof shall be delivered to the writer or his/her agent and either or both of such copies shall be executed by the Company, and if both of such copies are not executed by the Company, the copy not so executed shall be accurately conformed by an officer or employee of the Company who shall place upon any such conformed copy his/her signature or initials in form sufficient to identify such officer or employee.

5. Within one (1) week after the final execution of an employment contract between a Company and writer, then if such contract is subject to this Basic Agreement, the Company will deliver to the Guild a properly conformed copy of such employment contract.

   Within one (1) week after receipt by Company of the executed contract referred to below, Company will also send to the Guild: (a) excerpts from contracts of employment with persons employed primarily in non-writing capacities (*i.e.*, producers, directors, etc.) if such contracts contain a right to require writing services subject to this Basic Agreement, which excerpts shall include all of the provisions therein relating to such writing services, and (b) copies of separate contracts for such writing services which are entered into with persons employed in non-writing capacities together with such portions of their contracts for non-writing services which relate to their compensation for such writing services.

6. In an acquisition contract with a professional writer, Company will include a statement that such contract is subject to the provisions of this Basic Agreement to the extent provided in Article 3.B.2. of this Basic Agreement to the extent the same are applicable. Company will tender such acquisition contract to the professional writer within thirty (30) days (or forty (40) days if contract is to be executed outside the State of California) after agreement with respect to the acquisition of the material has been reached, and will send a copy thereof to the Guild within one (1) week after execution thereof by the professional writer.

An inadvertent failure by the Company to furnish a copy of an acquisition contract with a professional writer executed outside of California or a copy of a contract referred to above shall not constitute a breach of this Basic Agreement.

C. TELEVISION

1. Company agrees that from and after the effective date hereof, upon the employment of any writer under the television provisions of this Basic Agreement, it shall tender the writer a contract setting forth all of the terms of the writer's employment, including all of the provisions set forth in Television Schedule B attached hereto and made part hereof (except that in the case of writers on term employment or under week-to-week contracts, said terms shall reflect that the agreement is not a freelance television writer's contract and shall be changed accordingly). None of the terms or conditions of any employment contract shall be less favorable to the writer than, or inconsistent with, or violative of, the applicable terms and conditions contained in this Basic Agreement. Company agrees to tender such contract to the writer within ten (10) days following the commencement of his/her employment, and agrees to send to Guild a copy of the executed contract of employment within one (1) week after receipt by Company of such executed contract. The Company further agrees that if a copy shall not be so sent to the Guild, the Guild shall have the right to require the writer to refuse to continue rendering services for the Company until a copy shall be so sent to the Guild and the writer's compliance with such directive from the Guild shall not constitute a breach of his/her individual contract with the Company. In the event that the Guild gives notice in writing to the Company that such contract contains provision(s) less favorable to the writer, or inconsistent with, or violative of, the applicable terms and conditions contained in this Basic Agreement and in the further event that Company fails to make the change so requested within a period of fifteen (15) days from and after receipt of Guild's written notice, the difference or controversy may be submitted by either Company or Guild to grievance and arbitration and the finding of the arbitrator shall be final and conclusive upon the parties hereto.

2. If Company purchases from a non-professional writer literary material which would otherwise be subject to this Basic Agreement, as provided in Article 3.C.2. hereof, it will notify the Guild of the name of such non-professional writer from whom such material is purchased.

3. If Company acquires from a professional writer literary material subject to this Basic Agreement, to the extent provided in Article 3.C.2. hereof, it will include in the acquisition agreement a statement that such agreement is subject to the provisions of this Basic Agreement to the extent provided in Article 3.C.2. Company will tender such acquisition contract to the writer within ten (10) days (or twenty (20) days if contract is to be executed outside the State of California) after agreement with respect to the acquisition of the material has been reached, and will send a copy thereof to the Guild within one (1) week after execution thereof by the writer.

   An inadvertent failure by the Company to furnish a copy of an acquisition contract with a professional writer executed outside of California or a copy of a contract referred to immediately above or the name of a non-professional writer referred to above shall not constitute a breach of this Basic Agreement.[19]

ARTICLE 20 - SPECULATIVE WRITING

A. THEATRICAL

1. The Company and the Guild agree that there shall be no speculative writing, nor shall either party condone it as a practice. As used herein, the term "speculative writing" has reference to any agreement covered hereunder which is entered into between the Company and any writer whereby the writer shall write material, payment for which is contingent upon the acceptance or approval of the Company or upon the occurrence of any other event such as obtaining financing, or whereby the writer shall, at the request of the Company, engage in rewriting or revising any material submitted under the terms of this Basic Agreement and compensation for the writer's services in connection with such material is contingent upon the acceptance or approval of the Company, or upon the occurrence of any other event such as obtaining financing. Company shall not request a writer to write and submit literary material, other than a submission

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[19] See Article 14.L. concerning furnishing of contracts.

Note: A total redraft of Article 19, for the purposes of generally simplifying procedures and clarification, will be assigned to a joint legal committee, consisting of counsel appointed by WGA and counsel appointed by AMPTP. Recommendations of the joint committee shall be referred back to the parties for consideration. Revisions agreed upon by the parties shall be included in the MBA. Pending completion of the redraft, Article 19, as provided above, remains in effect.

contemplated by Article 3.B.2. of this Basic Agreement, unless the Company first makes a commitment with the writer for the writing of at least a story or treatment. If the Company does so make a prohibited request, the writer shall not write and submit such material.

2. The Company and the Guild recognize that there is possibly an area wherein the proper and constructive exchange of ideas and criticism between a writer and a Company may be claimed by the Guild to be speculative writing. Whenever the Guild feels that speculative writing has occurred, the case will be referred to grievance and arbitration and the Company's intent as determined by the facts shall be an important factor in the consideration. It is understood in this connection that nothing in this Article shall limit the submission of original stories or prevent the Company from discussing with any writer any ideas suggested by such writer, or discussing with any writer any ideas or any material suggested by the Company in order to determine the writer's thoughts and reactions with respect to any such idea or other material to determine the writer's suitability for an assignment.

B. TELEVISION

1. The Company and the Guild agree that there shall be no speculative writing, nor shall either party condone it as a practice. As used herein, the term "speculative writing" has reference to any agreement entered into between the Company and any writer whereby the writer shall write material, payment for which is contingent upon the acceptance or approval of the Company, or whereby the writer shall, at the request of the Company, engage in rewriting or revising any material submitted under the terms of this Basic Agreement and compensation for the writer's services in connection with such material is contingent upon the acceptance or approval of the Company. Company shall not request a writer to write and submit literary material, other than a submission contemplated by Article 3.C.2. of this Basic Agreement unless the Company first makes a commitment with the writer for the writing of at least a story. If the Company makes such a prohibited request, the writer shall not write and submit the requested material.

2. The Company and Guild recognize that there is possibly an area wherein the proper and constructive exchange of ideas and criticism between a writer and a Company may be claimed by the Guild to be

speculative writing. Whenever the Guild feels that speculative writing has occurred, the case will be referred to grievance and arbitration and the Company's intent as determined by the facts shall be an important factor in the consideration. It is understood in this connection that nothing in this Article shall limit the submission of original stories or prevent the Company from discussing with any writer any ideas suggested by such writer, or discussing with any writer any ideas or any material suggested by the Company in order to determine the writer's thoughts and reactions with respect to any such idea or other material to determine the writer's suitability for an assignment, provided, however, that any such discussion relating to an assignment shall be subject to the provisions of subparagraph 3. hereof.

3. a. A writer's initial interview with the Company concerning employment in connection with an assignment may only be with (1) a person who is empowered to make, subject to the negotiation of mutually acceptable terms and conditions, the final creative decision to engage a writer for an assignment, or (2) a person designated by the Company to interview writers with regard to the particular program, except that a writer's initial interview with the Company at the Company's request concerning employment in connection with an assignment for an episodic series may only be with a producer or other person who is empowered to make the final creative decision to engage a writer for an assignment.

b. Unless a commitment was made by the Company in such initial interview, a second interview by the writer with the Company concerning the same assignment may only be with a person who, without reference to or consultation with any other person, firm or corporation, including but not limited to, network or sponsor, is empowered to make, subject to the negotiation of mutually acceptable terms and conditions, the final decision to engage a writer for an assignment. In no event may a third interview by the writer with the Company take place concerning such assignment, nor may the Company request the writer to render any writing services, unless there has first been a business meeting between the writer, his/her agent or representative, and the business affairs executive or other executive of the Company charged with responsibility for negotiating the terms and conditions of a proposed employment contract between the writer and the Company and such terms

and conditions have in fact been agreed upon. However, if a time emergency does not permit such business meeting to precede such third interview, such business meeting may take place after such third interview if there has been agreement prior thereto as to the monies to be paid the writer.

For the purpose of this subparagraph 3., an interview shall not be deemed to include (1) a telephone request by Company addressed either to the agent or the writer solely for information concerning the writer's availability for employment or as to his/her credits, or (2) an appointment solicited by the writer, the purpose of which is to inform Company of the writer's availability for employment or as to his/her credits, or (3) motion picture screenings. It is expressly understood that the writer may in no event be required to deliver any material written by him/her until all the terms and conditions relating to his/her employment in connection with such material have been agreed upon.

c. If in the first interview the writer gives a story, then a second meeting at the request of the Company concerning that story shall constitute a story commitment at minimum compensation.

d. If, at the request of the Company, the writer gives a story, either by telephone or in person or otherwise, then a meeting on that story at the request of the Company is a commitment. The parties hereto agree that the use of a telephone call, initiated by an authorized representative of the Company, as a method of circumventing a meeting in person to discuss the story is a violation of the provisions of the preceding sentence.

e. (1) With respect to an episodic series or once-per-week serial for which more than six (6) episodes, excluding the pilot, have been ordered, Company shall have the option of interviewing not less than one (1) freelance writer for each story commitment which is unassigned at the time of the network program order for a given broadcast season.

For each such interview, Company shall inform the writer at the beginning of the interview of all storylines then in work, provided that if a storyline is confidential due to marketing or other considerations, *e.g.*, a "cliffhanger,"

etc., Company is not required to inform the writer of such storyline.

The number of such interviews may be reduced by one (1) for each freelance assignment made. It is understood that the requirement for such interview shall not be deemed to imply in any way a commitment for employment.

Company shall furnish the Guild, upon request, written reports containing the name of the Company, the name of the particular series, the date of and number of episodes in the network order, the number of story commitments in the network order, the names of the freelance writers interviewed, the dates of such interviews, and the names of all freelance writers employed by Company as a result of such interviews.

In the event the Company records an interview with the writer, the Company shall furnish a copy or transcription of such recording to such writer.

(2) In the alternative, in connection with a particular episodic series, Company shall employ freelance writers who have not been employed on such series in the previous broadcast season, to write not less than two (2) stories with option for teleplay in the case of an initial network program order of thirteen (13) episodes or three (3) stories with option for teleplay, one (1) of which must be exercised, in the case of a network program order of twenty-two (22) or more episodes of each such series during a given broadcast season. In connection with once-per-week serials, Company shall have the alternative right to commit to one (1) teleplay per season for each such serial.

In the alternative to the first paragraph of Article 20.B.3.e.(2) above, the two (2) required stories with option for teleplay in the case of an initial order of thirteen episodes may be replaced with one (1) teleplay based on a story provided to the freelance writer. Further, the three (3) stories with option for teleplay, one (1) of which must be exercised, may, in the case of a network order of twenty-two (22) or more episodes, be

replaced with two (2) teleplays based on stories provided to the writers.

(3) Company shall elect either subparagraph e.(1) or e.(2) above for each broadcast season of a series. However, if Company elects subparagraph e.(1) above and does not generate the levels of freelance employment specified in subparagraph e.(2) above, then Company must comply with subparagraph e.(2) in the subsequent season of such series. Subparagraph e.(1) would thereafter be available only if the levels of employment specified in subparagraph e.(2) were fulfilled in the immediately prior season of such series.

(4) The foregoing access provisions under this Article 20.B.3. are not applicable to programs produced under Appendix B of this Agreement.

f. During the 1988 negotiations, the Guild raised concerns about increasing employment for freelance writers by strengthening the provisions of the existing contract with respect to such employment. According to the statistics provided by the Guild, on most series, freelance writers have, in fact, been employed at the levels proposed by the Guild.

In recognition of the Guild's desire to encourage Companies to continue to employ freelance writers at those levels during the term of this Agreement, the parties have agreed as follows: In the event the Guild finds that a particular Company is not employing freelance writers at those levels, the Company, upon request of the Guild, will participate in a meeting with the Guild to discuss the Guild's concerns. The Company will invite the persons responsible for making script assignments on the series in question to such meeting.

4. Company shall furnish in writing to the Guild, as to each program and series and serial, the names of all persons empowered to make a commitment with the writers. Such notification shall be binding on Company. Any changes must be furnished to the Guild in writing, but shall be effective only after receipt by the Guild.

5. Each writer called in to an interview for an episodic series or once-per-week serial shall be provided with a format, including character descriptions and brief synopses, of all storylines previously produced for the current season.

ARTICLE 21 - LOCATION EXPENSES (GENERAL)

A. If a writer is required by the Company to perform services on any location sufficiently far away from the Company studio so that overnight accommodations are reasonably necessary, the Company shall furnish and pay for first-class board and lodging, if available, while the writer is required to remain on any such location. The Company may, in any contract of employment between the Company and a writer, designate a reasonable daily maximum liability on the part of the Company for such board and lodging of the writer.

If air transportation is required, coach class air travel shall be permissible in the following circumstances: (1) for flights that are less than 1,000 airline miles when the flight is non-stop from the departure point to the final destination point; (2) for non-stop flights between Los Angeles and Vancouver; and (3) for interviews for prospective employment; provided that in each of the foregoing circumstances, Company must provide elevated coach class travel (e.g., Economy Plus, Extended Leg Room, *etc.*) when available. Writers who travel by coach class shall be reimbursed by Company for baggage fees and costs of in-flight meals, provided that the writer submits to the Company a request for reimbursement with appropriate receipts within thirty (30) days after the flight. All other flights shall be business class when available and, if not available, first class.

If a writer covered under this Agreement is traveling on the same flight as another employee employed on the same production by the same Company and the other employee is entitled to travel in a higher class of transportation pursuant to the minimum terms of the collective bargaining agreement under which he/she is employed, the writer covered under this Agreement shall be upgraded to the same class of transportation as is afforded the other employee.

If the writer is required to travel from the writer's then residence to Company's studio or offices in connection with an interview for proposed employment or in connection with writing services under a freelance employment contract, and such travel would reasonably require overnight

accommodations (for such purposes, travel in excess of one hundred fifty (150) miles is deemed reasonably to require overnight accommodations), the Company will:

1. Supply or reimburse transportation plus return transportation if the writer does not accept additional employment while at such designated site; and

2. Supply or reimburse for first-class board and lodging, if available, during the period of travel and continuing until the writer's services commence or in the case of an interview, during the period the writer is required to remain at such site.

The writer must advise the Company prior to the deal for the writer's services being concluded or, in connection with an interview for proposed employment, prior to agreement for travel for such interview being concluded, if the writer's residence is over one hundred fifty (150) miles from the Company's studio or offices.

1995 addition regarding television motion pictures ninety (90) minutes or longer. Without in any way derogating from the foregoing and in order to address special concerns of writers of television motion pictures ninety (90) minutes or longer, it is agreed that upon request of such a writer, reasonable location expenses shall be provided in advance of a writer's travel, unless Company policy prohibits advances for location expenses to its executive personnel. If there is such a policy, Company shall reimburse the writer's location expenses within the time provided under Company policy for its executive personnel, but in no event later than thirty (30) days after submission of an expense reimbursement request in the form required by the Company. The writer shall account to the Company for such expenses within the time and in the manner required by Company policy for its executive personnel.

B. Company will provide a minimum coverage of $200,000.00 of accidental death and dismemberment insurance to any writer while required by Company to travel by means of transportation furnished by Company, other than by air, during writer's assignment. If writer is required to travel by air, Company will provide a minimum of $250,000.00 of such insurance for each writer, and $350,000.00 of such insurance for each writer in cases where required to travel by helicopter.

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

If, during the term of this Basic Agreement, the Company enters into a collective bargaining agreement of industry-wide application with DGA or SAG-AFTRA which provides, under conditions similar to those specified above, for an increase in the amount of any such coverage to amounts greater than the comparable amounts specified above, then the Guild may elect to substitute the comparable amounts for all three (but not for less than all three) of the amounts specified above. Such substitution shall become effective ten (10) days after the Company receives written notice of such election from the Guild.

C. The beneficiary or beneficiaries designated by written notice to the Company shall be entitled to the proceeds of said insurance; provided, however, if the writer does not give a beneficiary designation as aforesaid, then the beneficiary or beneficiaries shall be as designated in the Pension Plan, or if the writer has designated a beneficiary in the Health Fund at a later time than the designation in the Pension Plan, then such subsequent designation shall prevail.

D. An industry-wide committee shall be established to work out appropriate rules with regard to transportation in light of changing conditions in the airline industry.

ARTICLE 22 - TERM CONTRACTS-OPTIONS (GENERAL)

With respect to any contract of employment between the Company and a writer by the terms of which the Company is granted an option or options to extend such employment on a term basis, the first of such option periods shall be not less than thirteen (13) weeks; the second of such option periods shall be not less than twenty-six (26) weeks; the third of such option periods shall be not less than twenty-six (26) weeks and each additional option period shall be not less than fifty-two (52) weeks, and such option periods shall be consecutive, except that the provisions of this Article shall not apply in the following instances:

A. To a writer who desires to work only a limited portion of each year or whose contract of employment provides for extended lay-off periods;

B. To a writer whose term of employment is extended for such period, not exceeding, however, sixty (60) days, as may be required to complete any assignment or assignments on which the writer was engaged at the expiration of the term of such contract;

C. To a writer whose contract is extended for any period or periods by reason of any incapacity or any contractual, legal or equitable default of the

writer, or any interference, suspension or postponement by reasons of any causes provided for or specified in the "*force majeure*" clause of such writer's contract; and

D. To a writer who grants options for employment to write literary material, other than on a term basis.

It is understood that the above-designated minimum periods may be either with or without lay-off.

ARTICLE 23 - LAY-OFF (GENERAL)

A. The Company agrees that with respect to any term contract of employment between the Company and a writer, the then current term of which is a period of twenty-six (26) weeks or more and in which an option is granted the Company to place the writer on lay-off without pay for a period of three (3) weeks or more, any installment of lay-off shall be for a minimum of three (3) weeks except in the following instances:

1. If, at any time, the remainder of the lay-off allowable during any term of employment is less than a period of three (3) weeks, then such remaining period of lay-off may be given at any one time.

2. If any part of the allowable lay-off period is given at the end of any term of employment under said contract of employment, then any such lay-off period may be for less than a period of three (3) weeks.

B. With respect to any term contract of employment between the Company and a writer, the then current term of which, as designated in the writer's employment agreement, is a period of less than twenty-six (26) weeks and in which an option is granted the Company to place the writer in lay-off, any allowable lay-off must be taken in one period.

C. The provisions of this Article 23 are not intended to apply to any suspension or lay-off by reason of any incapacity or default of the writer or interference, suspension or postponement by reason of any of the causes provided for or specified in the "*force majeure*" clause of such writer's contract. At any time after the commencement of any lay-off period, the Company may recall the writer and if the Company pays the writer continuous contract salary for the intervening period, then such period shall not be regarded as lay-off for the purposes of this Basic Agreement.

ARTICLE 24 - GUARANTEED EMPLOYMENT (GENERAL)

A. If a writer is employed at scale or above on a week-to-week basis, he/she shall be employed for at least one (1) week, except in the following instances in which there is no guarantee of any minimum employment:

1. Assignments which are complete or which normally could be completed prior to the expiration of the minimum period of employment above mentioned; it being agreed that if at the time of a writer's engagement, the writer and the Company agree in writing that the assignment is one which could normally be completed prior to the expiration of the minimum period of employment and include in such written agreement a short descriptive phrase (such as, but not limited to, "additional dialogue," "technical aid," "incidental dialogue," or any other general descriptive phrase) identifying the work to be done and designate the time within which such assignment could normally be completed and the writer accepts such engagement, then the applicable minimum period shall not apply and the writer may not thereafter deny any fact stated in such written agreement. Either party may terminate any such engagement at any time after the expiration of the time so agreed upon.

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

2. Any non-exclusive employment, that is to say, any employment in which the writer is not required to devote his/her entire working time exclusively to such employment.

B. The obligation of the Company hereunder to furnish employment during the minimum periods of employment above mentioned, or any part thereof, shall be wholly discharged by the payment of the agreed salary for the minimum period.

C. The provisions of this Article shall, of course, be subject to any and all rights of suspension and/or termination which the Company may have by contract or otherwise, in the event of any incapacity (other than by reason of mere incompetence or unsuitability) or default of the writer, or in the case of any interference, suspension, or postponement by reason of any of the causes provided for or specified in the "*force majeure*" clause of such writer's contract.

ARTICLE 25 - NOTICE OF TERMINATION OF EMPLOYMENT (GENERAL)

Any writer who has worked for the Company on a week-to-week basis for a period of not less than eight (8) consecutive weeks, including time before as well as after the effective date hereof, at a salary of $7,387.90 or less a week, shall be entitled to receive and shall be required to give not less than one (1) week's notice prior to the termination of such employment. Any writer who has worked for the Company on a week-to-week basis for a period of not less than fifty-two (52) consecutive weeks, including time before as well as after the effective date hereof, at a salary of $7,387.90 or less a week, shall be entitled to receive and shall be required to give not less than two (2) weeks' notice prior to the termination of such employment.

The eight (8) week and fifty-two (52) week periods above referred to shall be exclusive of any prior period of guaranteed employment. It is understood that, for the purposes hereof, work performed by the writer shall be deemed to be consecutive during the time for which the writer receives compensation. Any period of suspension by reason of any of the causes provided for or specified in the "*force majeure*" clause of such writer's contract shall not be deemed to break any consecutive period of work, but the period or periods of any such suspension shall not be counted as work time for the purposes hereof. If a Company shall discharge a writer solely for the purposes of evading the provisions hereof and shall, within forty-eight (48) hours, re-employ such writer, the writer shall be deemed to have worked continuously regardless of such discharge.

ARTICLE 26 - FORCE MAJEURE

Company shall have the right to suspend a writer employed on a week-to-week basis or for a definite term during all or any part of any period of so-called "*force majeure*." If any such suspension continues for a period of five (5) or more weeks after its commencement, the writer shall have the right to terminate his/her employment during the continuance of such suspension by giving Company, after the expiration of such period of five (5) weeks, written notice of such termination to be effective not less than one (1) week after the actual receipt by Company of such notice; provided, however, that such employment shall not be terminated if within one (1) week after the actual receipt of such notice Company reinstates such employment, at the agreed upon compensation provided for thereunder. Nothing herein contained shall be considered to deprive Company of its right after such reinstatement to suspend any such employment by reason of another event of "*force majeure*," or of Company's right to terminate any such employment at any time after the commencement of the suspension period.

ARTICLE 27 - MOTION PICTURES TO WHICH AGREEMENT NOT APPLICABLE (THEATRICAL)

It is understood that the provisions of this Basic Agreement shall not apply to motion picture cartoons, newsreels, advertising shorts, trailers, travelogues, commercial films or news or sports commentations. "Informational Programs" are covered by the Sideletter on page 730 of this Basic Agreement.

ARTICLE 28 - WARRANTY AND INDEMNIFICATION (GENERAL)

A. Company and writer may, in any individual contract of employment, include provisions for warranties of originality and no violation of rights of third parties, indemnification against judgments, damages, costs and expenses including attorneys' fees in connection with suits relating to the literary material or the use of the literary material supplied by the writer or the use thereof by Company; provided, however, that the writer shall in no event

1. be required by contract to waive his/her right to defend himself/herself against a claim by Company for costs, damages or losses arising out of settlements, stipulations for entry of judgment or other similar agreements to resolve disputes, not consented to by the writer, unless the writer agrees to such waiver in a separate writing signed by the writer, and Company reserves all of the rights it may otherwise have against the writer;

2. be required to warrant or indemnify with respect to any claim that his/her literary material defamed or invaded the rights of privacy or publicity of any person or entity unless the writer knowingly used the name, likeness, characteristics or personality of such person or entity or should have known, in the exercise of reasonable prudence, that such person would or might claim that his/her name, likeness, characteristics or personality was used in such material;

3. be required to warrant or indemnify with respect to any material other than that furnished by the writer;

4. be required to warrant or indemnify with respect to third party defamation, invasion of privacy or publicity claims, when the writer is requested by the Company to prepare literary materials which are based in whole or in part on any actual individual, whether living or dead, provided writer accurately provides all information reasonably

requested by Company for the purpose of permitting the Company to evaluate the risks involved in the use of the material supplied by writer.

B. The Company shall indemnify such writer against any and all damages, costs and expenses, including attorneys' fees, and shall relieve the writer of all liability in connection with any claim or action respecting:

1. material supplied to the writer by the Company for incorporation into the writer's work or incorporated in the writer's work by employees, agents having actual, apparent or ostensible authority or officers of the Company other than the writer;

2. changes in the writer's literary material made by the writer at the Company's request or direction; or

3. material other than that furnished to the Company by the writer.

C. The Company and the writer, upon the presentation of any such claim to either of them or the institution of any such action naming either or both of them as defendants, shall promptly notify the other of the presentation of any such claim or the institution of any such action giving such other party full details thereof. The pendency of any such claim or action shall not relieve the Company of its obligation to pay to the writer any monies due with respect to the literary material contributed by the writer.

The Company shall name or cover the writer (including writers employed via loan-out companies) as additional insured on its errors and omissions policies respecting theatrical and television motion pictures.

D. The indemnified party shall cooperate (without being required to incur any costs or expenses) in the defense of any claim for which indemnification is provided in this Article.

E. The Company shall not seek indemnification from the writer while a claim or action by a third party is pending, nor shall the writer be required to indemnify the Company based on alleged, rather than actual, breach of warranty or violation of the rights of third parties. Therefore, any claim for indemnification by the Company against the writer need not be filed during the pendency of such third party claim or action.

F. Nothing in this Article 28 precludes the Company from making a claim for breach of warranty and/or indemnification against the writer in the

absence of an adjudication of the third party claim. The writer and the Company may agree, in the writer's personal services contract, upon the forum and manner in which the Company's claim will be heard.

ARTICLE 29 - SEPARATE AGREEMENT (GENERAL)

This Basic Agreement shall be construed as a separate agreement between the Guild and each Company signatory to a similar agreement with the Guild. No default or breach of a similar agreement by such other Company shall constitute a default or breach by or impose liability on the Company and a default or breach by the Guild as to a Company signatory to a similar agreement with the Guild shall not constitute a default of the Guild as to the Company. Termination of a similar agreement between the Guild and any other Company shall not affect this Basic Agreement.

ARTICLE 30 - WRITER EMPLOYMENT AGREEMENT WITH COMPANY (THEATRICAL)

It is the intent of the parties hereto that nothing in this Basic Agreement shall be construed so as to give to the Company or to any individual writer employed by the Company the right to terminate or the right to refuse to perform (except to the extent specifically provided in Article 7 hereof) pursuant to the provisions of any individual contract between the Company and any such writer, or the right to claim a breach of such individual contract of employment by reason of any breach of any provisions of this Basic Agreement. The Guild shall have the right to waive any of the provisions of this Basic Agreement on behalf of or with respect to any individual writer.

ARTICLE 31 - OPPORTUNITY TO EXECUTE SIMILAR AGREEMENT (THEATRICAL)

Any person, firm or corporation now or hereafter during the life of this Basic Agreement engaged in the United States in preparation or production of a photoplay in which the Company has a substantial financial interest shall be afforded the opportunity of becoming a signatory to an agreement with the Guild containing the same terms and provisions as this Basic Agreement.

ARTICLE 32 - REFERENCE TO AGREEMENT (GENERAL)

This Basic Agreement shall be referred to as the Writers Guild of America Theatrical and Television Basic Agreement of 2020.

ARTICLE 33 - JURISDICTIONAL DISPUTES (GENERAL)

The Guild agrees to cooperate in good faith with the Company and with other guilds and organizations representing employees of the Company in working out a method for the determination of jurisdictional disputes without work stoppages.

ARTICLE 34 - [Deleted.]

ARTICLE 35 - RECOGNITION OF AGREEMENT (GENERAL)

The Guild agrees that it will take proper steps to provide that its by-laws carry this Basic Agreement into effect and that, during the term of this Basic Agreement, it will not maintain or adopt any articles or by-laws or any rules or orders which will be in conflict with this Basic Agreement. The Guild will use its best efforts to cause its by-laws to provide that each of its members shall be bound by the provisions of this Basic Agreement. The Guild will not, by the adoption of by-laws or otherwise, seek to prevent the inclusion in contracts of employment between any writer and the Company, or any Companies signatory hereto of any terms or conditions not violative of this Basic Agreement, or seek to require that individual agreements of employment between any writer and the Company contain any provisions not required by this Basic Agreement. It is the intent of this Basic Agreement that, except to the extent that the Company is expressly limited by this Basic Agreement, the Company is not subject to any restrictions or limitations with respect to individual employment contracts with the writers employed hereunder. The Guild represents and warrants that, at all times during the term hereof, it will have exclusive jurisdiction over the matters and procedure necessary to carry out the purposes and intent of the foregoing provisions of this Article 35 and over all other covenants and agreements to be kept or observed by the Guild pursuant to this Basic Agreement. The Company will not either alone or in concert with any other Company signatory to a similar agreement with the Guild take any action of any kind that will interfere with the performance of this Basic Agreement on the part of the Company or violate the provisions of this Basic Agreement.

Company will comply with all federal, state and local laws relating to amounts to

be withheld and payments to be made in connection with any wages or salaries payable to writers employed by the Company.

Company acknowledges that all minimums required to be paid to writers employed hereunder are wages or salaries paid to employees and are subject to all federal, state and local laws relating thereto.

ARTICLE 36 - TERMS AND CONDITIONS APPLICABLE TO CERTAIN CATEGORIES OF PROGRAMS

The terms and conditions applicable to:

Comedy-Variety Programs
Quiz and Audience Participation Programs
Serials - Other Than Prime-Time
Other Non-Dramatic Programs (including non-dramatic children's programs);
Documentary, News and Public Affairs Programs

shall be set forth in Appendix A to be attached to and wholly incorporated in this Agreement.

ARTICLE 37 - NAMES ON LITERARY MATERIAL (GENERAL)

During the development phase of a theatrical or television motion picture (*e.g.* when submissions to agents, actors or directors are being made), Company shall place the name of the initial writer on literary material written hereunder, following which the words “current revisions” shall precede the name(s) of the writer(s) of that draft. During this phase, Company shall utilize the following standard cover page on literary material covered hereunder:

(NAME OF PROJECT)
by
(name of first writer)

(BASED ON, IF ANY)

Current revisions by
(current writer, date)

Name, address and telephone number of Company (if applicable)

Upon commencement of pre-production, Company shall place the name of the initial writer on literary material written hereunder, following which the words "revisions" shall precede the names of all subsequent writers. Once writing credits have been determined, only the names of the credited writers shall appear on the literary material. Inadvertent failure to so include or exclude any name shall not constitute a breach of this Basic Agreement. Upon commencement of pre-production and until such time as writing credits have been determined, Company shall utilize the following standard cover page on literary material covered hereunder:

(NAME OF PROJECT)
by
(name of first writer)

(BASED ON, IF ANY)

Revisions by
**(names of subsequent writers,
in order of work performed)**

Current revisions by
(current writer, date)

Name, address and telephone number of Company (if applicable)

ARTICLE 38 - NON-DISCRIMINATION

A. POLICY AND NEW PROGRAMS

1. The parties to this Basic Agreement agree that, to the extent provided by applicable federal and state statutes only, there shall be no discrimination due to sex, age, race, religion, sexual orientation, marital status, gender identity, color, creed, national origin or disability.

2. In accordance with this policy, the Company reaffirms and agrees to continue its policy of such non-discrimination in employment of writers hereunder.

   The Company agrees to explore with the Guild's Equal Employment Officer new affirmative action programs to increase employment opportunities and the availability of writing assignments for writers in the "protected classes," as defined in this Article, in the fields of television and theatrical motion pictures.

   In addition, each Company will designate one or more high level creative, production or programming executives to meet on an individual Company basis at least once per year with members of the WGA West and WGA East, who have been designated by the Board of Directors of WGA West and Council of WGA East. Each such meeting will be held at the request of the WGA or the Company, and any subject that the WGA members or Company executives wish to discuss relating to diversity and the Company's anti-harassment policies will be suitable for discussion. Additional meetings may be scheduled by mutual agreement of the Company and the Guild. Upon mutual agreement, the parties may seek the involvement and participation of SAG-AFTRA and the DGA.

3. In accordance with this policy, the Guild reaffirms and agrees to continue its policy of such non-discrimination with respect to admission to membership and rights of membership.

4. All of the foregoing and its application is subject to the individual writer, the WGA and Company's First Amendment and creative rights and protections.

B. REPRESENTATIVES

1. The Company shall designate an individual as Equal Employment Officer and such individual's name, address and telephone number shall be forwarded in writing to the Guild.

2. WGA shall designate an individual as Equal Employment Officer and such individual's name, address and telephone number shall be forwarded in writing to the Company.

3. The individuals named pursuant to subparagraphs 1. and 2. above shall be responsible for the full implementation of their respective commitments hereunder.

C. DATA SUBMISSION PROGRAM

1. The Company shall submit to WGA, within thirty (30) days after each calendar quarter, a report containing the information in the standardized form provided under Article 38.D.2. below regarding writers employed by Company under this Agreement during the preceding calendar quarter. The WGA will not unreasonably deny a request by such Company for an extension of time for submission of the first such report.

2. The Company will submit the above data on the following standard form, which has been agreed to by the parties. The Guild shall, within ten (10) days after completion of same, supply the Company with a copy of the data it has compiled from the Company's standard report form.

   If there is confusion as to the identity of a writer listed on the Company's report because two (2) or more writers have the same first and last name, then Company shall, upon request of the Guild, furnish to the Guild such writer's social security number, if known to the Company, or the employer identification number of such writer's loan-out company.

DATA SUBMISSION PROGRAM REPORT (WGAW)

COMPANY: _____

PERIOD COVERED: _____ QUARTER: _____

EMPLOYMENT CATEGORIES NAME(S) OF WRITER(S)

A. TELEVISION

1. FREELANCE - STORY*
2. FREELANCE - TELEPLAY*
3. STAFF - STAFF WRITERS
4. STAFF - STORY EDITOR
5. STAFF - WRITER/PRODUCER
6. DEVELOPMENT DEAL

B. THEATRICAL

1. FREELANCE
2. DEVELOPMENT DEAL

Submitted by: _____ _____

(Print name) (Title)

Signed: _____

Dated: _____

*Includes staff writers with story and/or teleplay assignments.

3. In the event that Company fails to submit the report within the time specified in subparagraph 1. above, the Guild may send a written notice of delinquency to the Company's Equal Employment Officer requesting submission of the report within ten (10) working days of receipt of the notice. It is recognized that while Company shall be

obligated to make reasonable efforts to ascertain the required data, subject to any legal restrictions applicable thereto, there may be individual circumstances when Company will be unable to secure the data or vouch for its accuracy.

D. SCRIPT SUBMISSION PROGRAM

[The WGA exercised its right to terminate this Program during the term of the 1988 Basic Agreement.]

E. ARBITRATION

Claims and/or disputes relating to or arising from this Article 38 are not subject to the provisions of Articles 10 and 11 of this Basic Agreement, nor are they otherwise subject to arbitration, except that the matters listed in subparagraphs 1. and 2. below shall be subject to Articles 10 and 11.

1. Breaches of the reporting requirements of the Data Submission Program. For such breaches, the arbitrator may order the Company to submit the required reports. In addition, for an unjustified failure to submit a required report within the ten (10) day period specified in subparagraph C.3. above, the arbitrator shall order damages of $600 for the first such violation and damages of $600 to $1,500 for each subsequent failure to submit a required report.

2. Breaches of the requirement to designate an Equal Employment Officer or failure, without justifiable reason, of such officer to meet with the Guild officer upon ten (10) days notice. The sole remedy which the arbitrator may impose for such failure is damages not to exceed $5,000.

F. The affirmative action provisions contained in this Article 38 are adopted in reliance upon the EEOC's affirmative action guidelines, codified in Title 29 CFR Part 1608. The Company and the WGA have conducted a reasonable self-analysis with respect to the employment of writers covered by this Agreement. This analysis has indicated that minorities (defined for purposes of Article 38 only as all persons not properly identified as "white (not Hispanic origin)" on EEO-1 reporting forms) constitute an undesirably low percentage of individuals who have worked under this Agreement. The Company and the WGA desire to maximize all protected groups' access to the employment opportunities covered by this Agreement. Based on the aforementioned statistical analysis, the Company and the WGA conclude that there is a reasonable basis to take affirmative action. This affirmative action will insure that all groups have access to said employment opportunities. This affirmative action plan was initially dated June 2, 1982,

and was modified as of March 1, 1985, as of August 8, 1988, as of May 2, 1992, as of May 2, 1995, as of May 2, 1998, as of May 2, 2001, as of November 1, 2004, as of February 13, 2008, as of May 2, 2011, as of May 2, 2014, as of May 2, 2017, and as of May 2, 2020. The plan is temporary, will be re-examined with each successive collective bargaining agreement, is not intended to maintain a racial balance, is not intended to require the employment of any particular person or person of any particular race or national origin for any particular employment opportunity, but is simply designed to create training and employment opportunities for persons of all protected groups. This plan is voluntarily entered into by the Company and the WGA. It is under no circumstances designed to require the Company to hire unqualified persons.

ARTICLE 39 - PILOT SCREENING (TELEVISION)

If more than five (5) writers are invited to the screening, the Company will give the Guild the names of the writers invited and will inform the individual writers merely of the number invited. Company will also inform the writer or his/her agent of the approximate number of assignments open to the best of the Company's knowledge at the time such a writer is invited.

ARTICLE 40 - SECURITY INSTRUMENTS (TELEVISION)

A. With respect to all television motion pictures produced during the term hereof, Company agrees to either:

1. include in any chattel mortgage, pledge or other lien or security agreement covering any television motion picture a provision made expressly for the benefit of the Guild as representative of the writers involved in such motion picture to the effect that if such chattel mortgage, pledge or lien or security is foreclosed and such mortgagee, pledgee, lien or security holders agree that if such mortgagee, pledgee, lien or security holder thereby obtains title to such motion picture and subsequently exhibits the same on television or in theatrical release, 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 of foreclosure, such mortgagee, pledgee, lien or security holder will be bound by the provisions of the Writers Guild of America Theatrical and Television Basic Agreement of 2020 with respect to the payment of rerun fees, foreign telecast fees and theatrical use fees thereafter due under this Basic Agreement. Provided, however, that nothing herein provided shall prevent such

mortgagee or pledgee who has acquired title to such television motion picture from thereafter making a sale of such television motion picture to a third party free and clear of any limitations whatsoever. Except as otherwise provided in this subparagraph 1., the rights of the Guild hereunder as representative of the writers involved shall be subordinate to the rights of such mortgagee, pledgee, lien or security holder; or

2. in the alternative, to be bound by the provisions of this Basic Agreement with respect to rerun and foreign telecast fees and additional compensation for theatrical rights due after such foreclosure shall have been made. In the event Company elects this alternative, the provisions of subparagraph 1. above shall be inapplicable. If the provisions referred to in subparagraph 1. above are not included in any such chattel mortgage, pledge, lien or security agreement, Company shall be deemed to have elected the alternative provided for in this subparagraph 2.

B. In the event of such foreclosure, should Company distribute any such television motion picture for such mortgagee, pledgee, lien or security holder, Company shall be bound during the period of such distribution by the provisions of this Basic Agreement with respect to the payment of rerun fees, foreign telecast fees, and additional compensation for theatrical rights thereafter payable hereunder with respect to said television motion picture. Any amounts paid by Company under this Paragraph B. shall be credited against any obligation of the mortgagee, pledgee, lien or security holder that may be due or become due to Guild under subparagraph A.1. above; it being understood that under no circumstances shall Guild be entitled to more than one payment of such obligation.

C. If Company was not the actual producer of a television motion picture which was produced by a signatory to this Basic Agreement, but Company acquires title thereto by purchase, assignment, transfer, voluntary or involuntary, or by foreclosure of a chattel mortgage or a pledgee's sale, or if Company enters into any distribution contract to distribute such television motion picture, Company shall be obligated to pay the rerun fees and foreign telecast fees due hereunder when such motion picture is exhibited on television, and to pay the fees due the writers involved when such motion picture is exhibited in theatrical release, unless such other Company has theretofore made or theretofore become obligated to the Guild to make such payments.

D. The foregoing provisions of this Article 40 shall not apply to any such television motion picture subject to any security instrument which was in existence on or before June 15, 1970.

ARTICLE 41 - NOTICES (GENERAL)

All notices which the Company is required or may desire to serve upon a writer, a claimant or the Guild under the provisions of this Basic Agreement, including, but not by way of limitation, the separation of rights provisions of both theatrical and television, shall be addressed to such writer, claimant or the Guild at the Guild's office in either Los Angeles, California, or New York, New York. All notices which a writer, a claimant or the Guild is required or may desire to serve upon the Company, under the provisions of this Basic Agreement, shall be addressed to the Company at its headquarters for the production of motion pictures in California, as provided in the last paragraph of this Article 41 or, if Company has no such headquarters in California, at the address it has designated for service of process pursuant to this Article 41. Such notices may be served by registered mail or telegram.[20] Any notice so mailed, postage prepaid, shall be conclusively deemed to have been received on the second day following deposit if posted within the State of California, or on the fifth day following such deposit if posted from a place outside the State of California but within the continental United States, or on the tenth day following such deposit if posted from a place outside the continental United States. Any notice delivered to a telegraph office, toll prepaid, shall be conclusively deemed to have been received upon the day following such delivery.

Notwithstanding the foregoing, there shall be no presumption of receipt during the period of any strike or work stoppage in the United States mail system.

Each Company shall, when applying for signatory status, designate in writing an agent for service of process. A Company that has become signatory to this Agreement because of its representation in bargaining by the AMPTP (see lists on pages 3 through 7) or a Company that is a network shall, if it has not done so in the past, designate an agent for service of process on the Guild form for such purpose or in a letter delivered to the Guild within thirty (30) days after the effective date of this Agreement. In addition, the Company shall provide the Guild with written notice if it designates a different agent for service for a specific and limited purpose (*e.g.*, grievance and arbitration notices or credit notices). The Company also shall notify the Guild in writing of any changes in the name(s) or address(es) of such agent(s).

[20] See paragraph 12 of Theatrical Schedule A, paragraph 12 of Television Schedule A, and subparagraphs 4.f.12.,15. and 16. of the Sideletter on Literary Material Written for Programs Made for New Media, which permit Company to provide Notices of Tentative Writing Credit and certain other notices by email as provided therein.

ARTICLE 42 - POSTING BONDS (GENERAL)

Posting of Bonds - The Guild reserves the right, in the event it determines that a particular Company is not reliable or financially responsible, to require the posting in advance of an adequate bond, cash or other security.

The Company acknowledges the Guild's right to instruct its members to withhold their services from any Company that has failed to post a bond when required to do so in accordance with the foregoing paragraph.

For the coverage of initial compensation, an escrow account may be utilized in lieu of the foregoing bonding provision.

ARTICLE 43 - COMPUTATION OF TIME (GENERAL)

Whenever in this Basic Agreement a period of time is expressed in terms of seven (7) days or less, or in terms of hours, in computing such period of time, unless the contrary is expressly provided, there shall be excluded all Saturdays, Sundays and holidays generally recognized in the motion picture industry.

ARTICLE 44 - SEVERABILITY OF PROVISIONS (GENERAL)

If any provisions of this Basic Agreement shall, during the term hereof, be held void or unenforceable, all other provisions hereof shall nevertheless continue in full force and effect.

ARTICLE 45 - LABOR-MANAGEMENT COOPERATIVE COMMITTEE

A labor-management planning group shall establish the rules and procedures for a committee known as the Labor-Management Cooperative Committee. The planning group shall consist of the Executive Director of WGAW, two (2) other Guild or Union representatives, the President of the Alliance and two (2) other management representatives. The planning group shall determine the agenda and composition of the Cooperative Committee. The Cooperative Committee shall be composed of representatives of the Hollywood labor organizations, CEOs or COOs from the Alliance member companies and the President of the Alliance. The Cooperative Committee shall meet on a regular basis according to an established schedule.

Among the express purposes of the Cooperative Committee is the implementation of industry-wide plans for increasing production and employment in the entertainment industry.

All meetings, deliberations and proceedings of the planning group and of the Cooperative Committee shall be closed to the public and shall be absolutely confidential, unless the members of the planning group or committee unanimously agree to prepare and issue publicity relating to such meetings, deliberations or proceedings.

ARTICLE 46 - FOREIGN PERFORMANCE FEES (THEATRICAL)

The Guild has advised the Company that it is informed and believes that in certain foreign countries, on and prior to June 13, 1960, under laws, regulations or practices then existing, certain performance fees collected by performing rights societies, or similar organizations, from motion picture exhibitors are allocated to the writers of the screenplays of motion pictures and, therefore, should be paid ultimately by or through such societies, or similar organizations, to such writers. The Company has advised the Guild that it is unaware of any such laws, regulations or practices. However, the Company hereby agrees that if the Guild's information proves to be correct as to any foreign country, the Company will cooperate with the Guild in obtaining for any writer receiving screenplay credit under this Basic Agreement payment of such allocated portion of such performance fees to which he/she may be entitled as aforesaid, by signing such instruments as may reasonably be required for such purpose, upon the following understandings and conditions, all of which are hereby approved and accepted by the Guild:

A. That the Company shall not be obligated or required to surrender, assign, encumber or diminish in any way or to any extent any of its right, title and interest in or to the screenplays of its motion pictures, or in or to its motion pictures themselves, or in or to any copyrights or any performing rights with respect to any such motion picture or any literary or other material;

B. That the revenue of the Company or any of its assigns or licensees, from the exhibition, marketing, performance or exploitation of the motion picture in question shall not be directly or indirectly diminished or otherwise prejudicially affected;

C. That the Company's agreements under this Article relate only to laws, regulations and practices existing on June 13, 1960;

D. That under no circumstances shall the Guild or any individual writer or any performing rights society or any other collection agency or organization or anyone else have the right to take any action or proceeding that would have the effect of enjoining, or preventing or otherwise interfering with the

exhibition, marketing, performance or exploitation, by any means or method now or hereafter known, of any motion picture;

E. That neither the Company nor any of its assigns or licensees shall be liable to the Guild or any individual writer or anyone else for such performance fees.

Nothing contained in this Article shall be deemed to relate or apply to rights or alleged rights, under the laws of any foreign country, to share in the proceeds or profits of any motion picture, or any literary or other material, as distinguished from performance fees paid by exhibitors.

If the Guild shall claim that screenplay writers are entitled to receive a share of performing rights collections from motion picture exhibitors in any particular foreign country, as first recited in this Article, the Guild shall furnish full particulars thereof to the Company before making any request pursuant hereto.

ARTICLE 47 - RESIDUALS PROTECTION

With respect to any motion picture which is based upon literary material covered by this Basic Agreement, the Guild may require that the Company provide the Guild with a security interest in the motion picture and those rights necessary for the distribution of said picture for the purpose of securing Residuals, as that term is used in Article 65 of the Basic Agreement, which are or may become due with respect to said motion picture. In the case of pictures on which employees covered under the DGA Basic Agreement and/or the SAG-AFTRA Codified Basic Agreement are employed, the WGA's security interest will attach at the same time and in the same form, but consistent with this Article 47, as the security interest furnished to the DGA and/or SAG-AFTRA. In the case of pictures on which no employees covered under the DGA or SAG-AFTRA Agreements are employed, the WGA may require the Company to provide such a security interest prior to commencement of principal photography of the motion picture.

Before foreclosing on any security interest, the Guild shall notify the Company and Distributor of the default and advise the Company of its right to cure same within thirty (30) days.

ARTICLE 48 - PROFESSIONAL STATUS OF WRITERS: WRITER PARTICIPATION IN THE PRODUCTION PROCESS (GENERAL)

Preamble

During the negotiations for the 1988 and subsequent MBAs, the Company reaffirmed with emphasis the creative significance of writers as set forth herein.

It is mutually recognized that the writer of the screenplay or teleplay, by reason of his/her unique knowledge of the material and creative abilities, can contribute to the translation of the screenplay or teleplay to the screen by participating in other stages of production, including but not limited to discussions with the producer and director during preparation, production and after preview, in relation to changes in the screenplay or teleplay and in the motion picture. It is the policy of the Company to encourage such participation. With respect to discussions not covered under Paragraph A. below, if the writer of the screenplay or teleplay notifies the Company he/she wishes to participate in such discussions, Company shall in good faith invite such participation to such extent as may be feasible under the circumstances, it being understood that the Company shall have the right to determine who shall or shall not be present at a particular conference.

A. By way of implementation of the foregoing, the following shall apply with respect to theatrical motion pictures, television pilots, movies-of-the-week and multi-part closed-end series: The Company recognizes that the writer has a unique vision of the motion picture and, therefore, the Company agrees:

1. if the director has not been engaged, to arrange a pre-production meeting between the producer and the writer (a participating writer of the Company's choice) so that the writer has the opportunity for a meaningful discussion of the translation of his/her vision to the screen;

2. upon the assignment of a director, the producer will arrange such a meeting, and will invite and encourage the director to participate; and

3. if an authorized representative of the Company believes that enhanced participation by the writer will benefit the production process, the Company will facilitate the writer's participation.

Disputes that arise under Article 48.A.1. shall be arbitrable under Articles 10 and 11 of this Agreement only after resort to the "hot line" procedure described below in Article 48.E.

Disputes that arise under Article 48.A.2. or 48.A.3. are not subject to grievance or arbitration, but may be subject to resolution under the "hot line" procedure described below in Article 48.E. or may be referred to the Committee described below in Article 48.F.

B. THEATRICAL

1. **Affirmations.** Company affirms that writers play an integral role in the filmmaking process and that it is the Company's policy to involve writers in that process as much as possible, including viewing the motion picture prior to its completion, as provided below.

2. **General Right -- Writer's Viewing Period.** Each participating writer shall have the right to a "Writer's Viewing Period" during which time the writer shall have the right to see a cut of the film.

   It is understood that the creative process differs on each motion picture and that different viewing times may be dictated by different circumstances on each production. Therefore, the scheduling of the "Writer's Viewing Period" shall be at the sole discretion of the Company, except that Company shall ensure that each participating writer is given an opportunity to see a cut of the motion picture in sufficient time so that any editing suggestions made by the writer concerning the film, if approved, could be reasonably and effectively implemented.

   In unusual circumstances, waivers of the foregoing, if requested, will not be unreasonably denied.

3. **MBA Committee.** Issues pertaining to this provision will be reviewed each year in the Committee on the Professional Status of Writers and on an *ad hoc* basis if requested by the AMPTP or the WGA.

4. **Sneak Previews.** Company shall give each credited writer five (5) days notice, if possible, of the time and place of the first sneak preview, if any, to be held in Los Angeles County and shall invite each credited writer to such preview. Provided, however, that any inadvertent failure on the part of the Company to extend the writers such invitation shall not be deemed to be a breach of this Basic Agreement or a default on the part of the Company. Information concerning the time and place of any sneak preview shall be confidential.

5. **Videocassette/DVD.** The Company shall furnish the credited writer(s) of the motion picture, at no cost to such writer(s), a copy of the videocassette version of the theatrical motion picture, provided it is manufactured for sale on videocassette or, at the option of such writer(s), a copy of the DVD version, provided it is manufactured for sale in DVD format.

6. **Call Sheets and Staff Directories or Crew Lists.** Out of respect for and in recognition of the writer's contribution, up to three (3) individual writers or writer teams shall be listed on the call sheet adjacent to the listing of either the producer(s) or director. The Company shall send copies of the call sheets to the currently-employed writer (or, if there is no currently-employed writer, any previously employed writer(s) of the Company's choice); however, the inclusion of the writers' names on the call sheet is not to be construed as an invitation to be on the set.

   Out of respect for and in recognition of the contribution of all participating writers on the project, all such writers shall be listed in staff directories/crew lists.

   The provisions of this subparagraph 6. are subject to the Article 48.E. "Hot Line Dispute Resolution" mechanism, but are not subject to grievance or arbitration.

7. **Premieres, Press Junkets and Festivals.** Unless notified otherwise by the Company, the credited writer(s) of a theatrical motion picture shall be invited to attend the domestic premiere of the picture or the domestic film festival at which the picture is first exhibited. The Company shall furnish transportation and accommodations as provided in Article 21 to the credited writer(s) if he/she is required to travel more than 150 miles to attend the premiere or film festival.

   Unless notified otherwise by the Company, the credited writer(s) of a theatrical motion picture shall be invited to participate in the domestic press junket (if there is one) for the motion picture. The Company shall furnish transportation and accommodations as provided in Article 21 to the credited writer(s) if he/she is required to travel more than 150 miles to participate in the domestic press junket, but in no event shall the Company be required to pay such expenses for more than two (2) such individuals.

   The provisions of this subparagraph 7. are subject to the Article 48.E. "Hot Line Dispute Resolution" mechanism, but are not subject to grievance or arbitration.

8. **Cast/Crew Events.** All participating writers will be invited to attend cast/crew events, but the Company shall not be required to provide transportation or accommodations for such writers.

   The provisions of this subparagraph 8. are subject to the Article 48.E. "Hot Line Dispute Resolution" mechanism, but are not subject to grievance or arbitration.

C. TELEVISION

1. Movies-of-the-Week, Multi-Part Closed-End Series and Television Pilots.

a. Viewing the Cut and Sneak Previews. For movies-of-the-week and multi-part closed-end series, Company shall invite all participating writers to view the "Director's cut" within forty-eight (48) hours following the Company's viewing. In the event that, in lieu of a viewing, the Company is provided with a videocassette copy of the cut, the Company shall simultaneously furnish a videocassette copy of the cut to the writer(s). In an emergency situation which renders such viewing impracticable, and when no videocassette copy of the cut is available, the viewing will be scheduled as soon as practicable, but not later than the next viewing of a cut. If, thereafter, the Company calls a discussion meeting by telephone or in person regarding the cut, the most recent participating writer shall be invited to participate in such discussion; in any event, the producer shall remain available to receive the writers' comments.

For television pilots, the Company shall invite all participating writers to view the final director's cut or a subsequent cut prior to the final cut of the motion picture.

It is understood that the viewing of the cut must be in sufficient time for the writers to offer editing suggestions which, if approved, could be effectively implemented.

For television pilots, movies-of-the-week, and multi-part closed-end series, Company shall give each credited writer five (5) days notice, if possible, of the time and place of the first sneak preview, if any, of any television pilot, movie-of-the-week or multi-part closed-end series, to be held in Los Angeles County and shall invite each credited writer to such preview.

Provided, however, that any inadvertent failure on the part of the Company to extend the writers such invitation shall not be deemed to be a breach of this Basic Agreement or a default on the part of the Company. Information concerning the time and place of any sneak preview shall be confidential.

b. Call Sheets and Staff Directories or Crew Lists. On long-form television motion pictures, up to three (3) individual writers or writer teams shall be listed on the call sheet adjacent to the listing of either the producer(s) or director. The Company shall send copies of the call sheets to the currently-employed writer (or, if there is no currently-employed writer, any previously- employed writer(s) of the Company's choice); however, the inclusion of the writers' names on the call sheet is not to be construed as an invitation to be on the set. All participating writers will be listed in staff directories/crew lists. The provisions of this subparagraph are subject to the Article 48.E. "Hot Line Dispute Resolution" mechanism, but are not subject to grievance or to arbitration.

c. Cast/Crew Events. On long-form television motion pictures, all participating writers will be invited to attend cast/crew events, but the Company shall not be required to provide transportation or accommodations for such writers. The provisions of this subparagraph are subject to the Article 48.E. "Hot Line Dispute Resolution" mechanism, but are not subject to grievance or to arbitration.

2. Other Television Motion Pictures

As to other television motion pictures, the Company shall designate an employee who, upon request, shall inform the following writers of the time and place of the showing of a cut and the answer print:

a. Prior to the final determination of credits, as in Television Schedule A attached hereto provided, all writers who have participated in the writing of the story and final teleplay;

b. After the final determination of screen credits, as in said Schedule A provided, only those writers who have been accorded story and teleplay credit.

D. In any event, when exigencies of time do not permit (*e.g.*, when a delivery date precludes compliance), the provisions of Paragraphs B.2. and C.1.a. above shall not apply.

As a means of drawing attention to the requirements of Paragraphs B. and C. above, the AMPTP has issued a bulletin highlighting the Company's obligations under these provisions and provided a copy to the Guild.

E. **"Hot Line Dispute Resolution"**: Before resort to grievance or arbitration for claims under this Article 48, the WGA will contact a representative of the Companies designated for this purpose to attempt in good faith a prompt resolution of the dispute. The AMPTP will notify the Executive Directors of the Guild of the designated representative and one (1) or more designated substitutes in the event of unavailability, such initial notice to be given within thirty (30) days following ratification of this Agreement and annually thereafter. Except as provided above, the WGA will not be precluded from filing a grievance or arbitration claim if use of the "hot line" procedure does not resolve the dispute within seven (7) days after the WGA's initial contact with the designated representative. For use of the Hot Line to resolve disputes involving the provisions of Article 16 of the Basic Agreement, see Article 16.A.9. (theatrical separation of rights) and Article 16.B.9. (television separation of rights).

F. **Committee on the Professional Status of Writers:** The Committee on the Professional Status of Writers shall be recognized to have two (2) components: Theatrical Motion Pictures and Television Motion Pictures. These shall be referred to as the "Theatrical Committee" and the "Television Committee."

Each Committee (Theatrical and Television) will meet at least three (3) times per year, on a schedule to be set by each Committee.[21] Each such meeting shall have a fixed starting and ending time and an agenda will be prepared and distributed sufficiently in advance of each meeting so as to furnish adequate preparation time for the Committee. At such meetings, any subject that the Committee members wish to discuss relating to the professional status of writers will be a suitable subject for discussion and study, including appropriate recommendations of solutions to problems that may arise. Each Committee may make recommendations for changes to the MBA which, once finalized, shall be deemed accepted in the Contract Adjustment Committee. In connection with the foregoing, the Committee will review and study the subject of coverages on a periodic basis.

[21] The parties acknowledge that they "live in the real world" and that the schedules of the members of each Committee may require variations in the Committee schedule. Immediately following each Committee meeting, the Committee will commence the scheduling of its next meeting.

In addition to the above meetings, each Company representative on the Committee on the Professional Status of Writers – Theatrical will facilitate an annual meeting, if requested by the Guild, with the Company's creative executives and writer members of the Committee on the Professional Status of Writers – Theatrical for discussion of subjects relating to the professional status of writers.

In addition to the above meetings, each Company representative on the Committee on the Professional Status of Writers – Episodic Television will facilitate an annual meeting with the Company's creative executives and writer members of the Committee on the Professional Status of Writers – Episodic Television for discussion of subjects relating to the professional status of writers.

G. Authorized Expenses: Participation by the writer as provided in this Article 48 shall be voluntary and without compensation and shall not require any additional cost to the Company, other than reimbursement of the writer under Article 21 for expenses specifically authorized by the Company in connection with such participation.

H. Campaign For Greater Appreciation of the Role of the Writer: The Company is committed to a campaign for greater appreciation of the writer's role in the creation of theatrical and television motion pictures.

The campaign will include measures to be agreed upon to develop greater visibility for writers in the promotion and marketing of motion pictures. Among these measures are:

Companies agree to facilitate meetings as follows:

1. between the Guild and each Company's marketing division for the purpose of discussing ways in which they can develop marketing strategies which will both enhance awareness of the importance of writers and effectively promote the Company's motion pictures; and

2. between the Guild and retail video distributors of the Guild's choosing for the purpose of advising them of the value of writing credits in the promotion of their product.

An industry-wide labor-management cooperative committee has been established, pursuant to Section 6(b) of the Labor Management Cooperation Act, 29 U.S.C. 175a, for the creation of writer publicity and promotion and the Companies agree to participate in such committee,

subject to the concurrence of other representatives to the committee. Such participation shall include monetary contributions by the Companies of their proportionate share, to be matched by the WGA and other management representatives, to a WGA-supervised fund. A representative of the Companies appointed by the AMPTP shall serve as a consultant to the fund. The Companies shall be consulted on the use of the monies. The Companies agree to cooperate, for example, in providing access to films and scripts for a Guild-coordinated campaign at colleges and film schools to broaden recognition of the writer's role in motion pictures.

I. [Deleted.]

J. Each Company agrees that it will not negotiate a provision in any collective bargaining agreement that infringes upon the creative rights of the writer under the WGA MBA.

K. The Company shall furnish the credited writer(s) of a television motion picture, at no cost to such writer(s), a copy of the videocassette version, provided it is manufactured for sale on videocassette, as well as a copy of the DVD version, provided it is manufactured for sale in DVD format. It is understood that if an episode of a television series or a season of a television series is manufactured for sale on videocassette, each credited writer of each episode shall be entitled to a copy of the videocassette(s) on which his/her episode appears. The same shall apply with regard to DVDs.

L. Product Integration: Company agrees to consult with the showrunner when a commercial product is to be integrated into the story line of an episode of a dramatic series. It is understood that the Company's decision as to how the integration will be accomplished shall be final. The foregoing shall not be subject to grievance or arbitration.

M. Studio/Network Notes–Episodic Television: Company acknowledges, as a preferred practice, that studio and network notes should be given in a timely fashion.

ARTICLE 49 - SHOPPING OF MATERIAL

A. TELEVISION

The Company may not shop literary material to a third party or parties without first obtaining in a separate written document the writer's consent

that the literary material may be shopped to the designated third party or parties.

B. THEATRICAL

The Company may not shop literary material to a third party or parties if the writer requests, in writing, that the material not be shopped. If the writer requests, in writing, that the script be shopped only to designated third parties, Company will not shop to any other third party.

C. If the Company shops any literary material to any third party or parties in violation of the above provisions, it shall pay to the Guild for the benefit of the writer involved the sum of $750.00 for each person or company to whom the literary material has been shopped in violation of the above provisions.

"Shopping" is defined to mean submitting the literary material to a third party or parties and specifically does not include submitting the material to individuals within the Company. If the Company has an option to acquire motion picture or television rights in literary material, or has acquired motion picture or television rights in literary material, the Company may submit such literary material to any third party or parties without restriction or penalty, except as may be otherwise provided in the agreement granting such option or rights.

ARTICLE 50 - COPYRIGHT (TELEVISION)

Company agrees that as to each television motion picture based upon literary material which is subject to the provisions of Article 16 hereof, prior to the first public broadcast by television or other public exhibition thereof for profit, and in order that such motion picture and its underlying material shall (to the extent that such motion picture or material is capable of copyright by the affixation of such notice) be protected for copyright purposes, it will place upon such motion picture a notice, which may be one of the following:

A. "©," date, name of Company; or
B. "copyright," date, name of Company; or
C. a combination of A. and B.; or
D. a combination of A. and B., with the addition of the words "all rights reserved."

The writer of any literary material subject to the provisions of Article 16.B. hereof and the Company agree that they will take no action with respect to the rights

reserved to the writer or granted to the Company which will cause or permit such literary material to become a part of the public domain in the United States. Insofar as such literary material is covered by the copyright of the television motion picture, the rights reserved to the writer hereunder will be held in trust for such writer by the owner of the copyright. Upon proper indemnification from the writer, the Company or copyright owner of a motion picture will join in any suit for infringement of any of the rights reserved to the writer hereunder, if the writer is advised by counsel that the Company or such copyright owner is a proper or necessary party to any such lawsuit, but failure to join in any such suit shall not constitute a default by the Company or a breach of this Basic Agreement, unless the writer is thereby deprived of the opportunity to prosecute such suit. Company and writer agree, at request of the other, to join in the execution of any documents which either may deem reasonably necessary to protect the rights reserved or which revert to it or him/her hereunder.

Without limiting the generality of the foregoing, Company agrees to execute and deliver to writer an assignment under the copyright of all rights in the copyright reserved or which may revert to writer pursuant to the provisions hereof, such assignment to be in the form of a quitclaim except that the delivery and acceptance of such quitclaim shall not be deemed to have relieved Company of any of its obligations herein elsewhere contained with respect to the protection of the rights reserved to the writer.

Within twelve (12) months from the commencement of the term hereof, a committee composed equally of representatives of the Guild and the Alliance of Motion Picture and Television Producers, Inc. shall meet to reach mutual agreement as to the proper copyright procedure to be followed in order to assure protection of literary material contained on videotape.

Either party may reopen with respect to this Article 50 if the Copyright Act is revised during the term of this Basic Agreement and the parties agree to bargain in good faith. Any agreement reached in such negotiations shall be included in the Basic Agreement. A failure to agree in such negotiations shall not terminate the Basic Agreement and the matter shall not be subject to grievance and arbitration or any other action.

ARTICLE 51 - SUPPLEMENTAL MARKETS

A. The provisions of this Article 51 relate and apply only to motion pictures as defined in Article 1.A.1. and 1.A.2.:

1. produced by the Company or within the provisions of subparagraph C.8.a. of this Article 51, and

2. the principal photography of which commenced on or after May 2, 2020, which motion pictures are, either during the term hereof or at any time thereafter, released in Supplemental Markets (as defined below), and

3. based upon a story or screenplay (the word "screenplay" shall be deemed to include teleplay, for the purposes of this Article) written by a writer while in the employ of the Company or in the employ of the actual producing Company as described in subparagraph C.8.a. of this Article 51 (to which employment the provisions of this Basic Agreement apply as provided in Article 5 hereof) or acquired by the Company (or such actual producing Company) from a professional writer (to which acquisition the provisions of this Basic Agreement apply as provided in Article 5 hereof), which writer or professional writer received or receives screen credit for authorship of such story or screenplay, as provided in the appropriate Theatrical or Television Schedule A, as the case may be.

B. DEFINITIONS. The term "Supplemental Markets," as used in this Agreement, means only: The exhibition of motion pictures by means of cassettes (to the limited extent provided in subparagraph B.1.), pay-type CATV, or pay television, as those terms are hereafter defined in this Article 51.B., and the exhibition of television motion pictures on any commercial carrier such as commercial airlines, trains, ships, and buses (referred to herein as "in-flight").

1. The term "videodisc/videocassette," as used in this Article 51, shall mean disc, cassette, cartridge and/or other device serving a similar function which is sold or rented for play on a home-type television screen in the home or in closed circuit use such as in hotel rooms.

2. The term "pay television" or "pay-type CATV," as used in this Article 51, shall mean exhibition on a home-type television screen by means of telecast, cable, closed circuit, satellite to home or CATV where substantially all licensed systems meet the following tests:

   a. A separate channel is provided for which the subscriber pays a separate fee (which fee is a substantial charge relative to other charges made to the subscriber) for that channel;

      and/or

   b. The subscriber pays for the program or programs selected (except that a program or programs selected for which only a token charge is made shall not be considered pay television);

and/or

c. The subscriber pays a fee for an encoded telecast, which fee is a substantial charge relative to other fees paid for encoded telecasts.

The foregoing tests cover those systems which exist in the industry today and are commonly understood in the industry today to be pay television systems.

The term "Supplemental Markets" does not include the exhibition of a motion picture by cassette or otherwise over a television broadcast station in free television, or in theatrical exhibition and, for this purpose, "theatrical exhibition" includes what has previously been considered to be the educational market, the exhibition of theatrical motion pictures on any commercial carrier (referred to herein as "in-flight"), such as commercial airlines, trains, ships and buses, and other uses which have been traditionally considered theatrical exhibition of theatrical motion pictures. Whenever reference is made in this Agreement to pay-type CATV or pay television, such reference shall be deemed to include only those uses of motion pictures as to which a charge is actually made to the subscriber (which may be a hotel, motel or other accommodation) for the program viewed, or for which the subscriber or viewer has the option, for a payment, to receive special programming over one or more special channels.

With respect to theatrical motion pictures, the Company has agreed to the inclusion of pay-type CATV and pay television in the "Supplemental Markets" because under the present pattern of distribution of theatrical motion pictures, pay-type CATV and pay television are supplemental to the primary market. The Company reserves the right in future negotiations to contend that the pattern of release has changed so that pay-type CATV and/or pay television are no longer a "Supplemental Market" but constitute or are a part of the primary market of distribution of theatrical motion pictures, and that, therefore, no additional payment pursuant to this Article should be made with respect to the release of theatrical motion pictures (including those covered by this Agreement) in said markets. The Guild reserves the right to contend in future negotiations that the method of employment and payment provided for in this Basic Agreement for writers of motion pictures are applicable and appropriate to employment and payment to writers of literary materials written directly for motion pictures intended primarily for release on pay-type CATV, pay television or cassettes, and that the provisions of this Agreement with respect to all kinds of "Supplemental Markets," whether they are or have become primary markets or not, shall be improved for the

benefit of the writers of literary materials for said markets. Nothing herein shall limit the scope of negotiations on said subjects.

C. 1. a. As to each such motion picture referred to in Article 51.A. above, (herein sometimes called "Such Picture"), the Company will pay to each participating writer (as defined in Article 51.C.5.), as additional compensation, a *pro rata* share of one and two-tenths percent (1.2%) (hereinafter referred to as the "percentage payment") of the Company's accountable receipts from the distribution of Such Picture to pay-type CATV or pay television (as defined in this Article 51) or the in-flight exhibition of television motion pictures, computed as hereinafter provided and subject to the following conditions:

The term "Producer's gross," as used herein, means the worldwide total gross receipts derived by the distributor of Such Picture (who may be the Company or a distributor licensed by the Company) from licensing the right to exhibit Such Picture on pay-type CATV or pay television (as defined in Article 51 of this Basic Agreement). The Producer's gross shall not include 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 Producer, but there shall not be excluded from Producer's gross any net income tax, franchise tax or excess profit tax or similar tax payable by the Producer or such Distributor on its net income or for the privilege of doing business.

The term "accountable receipts" as used herein, means one hundred percent (100%) of the "Producer's gross."

If the distributor of Such Picture does not distribute Such Picture directly on pay-type CATV or pay television as defined in Article 51 of this Basic Agreement, but employs a subdistributor to so distribute Such Picture, then the "Producer's gross" shall be the monies defined above in this Article 51.C.1.a. derived by such subdistributor from licensing the right to exhibit Such Picture on pay-type CATV or pay television.

b. As to each Such Picture, the Company will pay to each participating writer (as defined in Article 51.C.5. of this Basic Agreement), as additional compensation, a *pro rata* share of one and five-tenths percent (1.5%) (hereinafter referred to as the "percentage payment") of the "Producer's gross," as defined below, derived from the distribution of Such Picture on videodiscs or videocassettes until the Producer's gross equals one million

dollars ($1,000,000.00). Thereafter, the Company shall pay a *pro rata* share of one and eight-tenths percent (1.8%) of the Producer's gross in excess of one million dollars ($1,000,000.00) derived from distribution of each Such Picture on videodiscs or videocassettes.

If the Company is the Distributor or the Distributor is owned by or affiliated with the Company, the "Producer's gross" derived from the distribution of Such Picture on videodiscs or videocassettes 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 “Producer’s gross." The reasonableness of such allocation shall be subject to arbitration and, in such arbitration, generally prevailing trade practices in the videodisc and videocassette industry with respect to dealings between non-related companies shall be relevant evidence. Such worldwide wholesale receipts shall not include:

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

(2) 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 Producer, but there shall not be excluded from Producer's gross any net income tax, franchise tax or excess profit tax or similar tax payable by the Producer or such Distributor on its net income or for the privilege of doing business.

If the Distributor is not the Company and is not owned by or affiliated with the Company, the term "Producer's gross" shall be one hundred percent (100%) of the fees received by the Company from licensing the right to distribute each Such Picture on videodiscs or videocassettes.

c. Provided, however, with respect to Article 51.C.1.a. and b. above, that in the case of any Such Picture which is produced outside of the United States, if Such Picture is subject to this Basic Agreement and if such production is under an arrangement (herein referred to as a "foreign production deal") pursuant to which a foreign producer or distributor provides or guarantees any

of the financing for the production of Such Picture or furnishes any other consideration for such production and a foreign distributor acquires one or more foreign territories for the distribution of Such Picture in Supplemental Markets, then no monies from any such distribution in any such foreign territory shall be included in Producer's gross except to the extent such foreign producer or foreign distributor is obligated to account to Company or to the distributor of Such Picture for such monies, and except for gross receipts received by such foreign distributor from such distribution in the United Kingdom.

In case of an outright sale of the Supplemental Markets distribution rights for the entire world, or any territory or country, the income derived by the seller from such sale, but not the income realized by the purchaser or licensee of such rights, shall be the "Producer's gross."

If any such outright sale shall include Supplemental Markets exhibition rights and other rights, then (but only for the purpose of the computation required hereunder) the Company shall allocate to the Supplemental Markets exhibition rights a fair and reasonable portion of the sales price which shall, for the purpose hereof, be the "Producer's gross." In reaching such determination, Company may consider the current market value of Supplemental Markets exhibition rights in comparable motion pictures. If the Guild shall contend that the amount so allocated was not fair and reasonable, such claim may be determined by submission to arbitration as herein provided. In the event the arbitrator shall find that such allocation was not reasonable and fair, the arbitrator shall determine the fair and reasonable amount to be so allocated. If the outright sale includes Supplemental Markets distribution rights to more than one motion picture, Company shall likewise allocate to each Such Picture a fair and reasonable portion of the sales price of the Supplemental Markets rights. If the Guild contends that such allocation is not fair and reasonable, the question may be determined by submission to arbitration as above provided. If the arbitrator shall find that such allocation was not fair and reasonable, the arbitrator shall determine the fair and reasonable amount to be so allocated to each Such Picture. Nothing with respect to the price received on the outright sale of only Supplemental Markets distribution rights in a single Such Picture shall be subject to arbitration except that, in the event of a dispute, there may be arbitrated the question of whether the price reported by the Company to the Guild as having been received by the Company on such outright sale is less than

the amount actually received by the Company on such outright sale.

d. If Such Picture, in whole or in substantial part, is used in an interactive program, the provisions of Article 64 shall apply.

2. [Inserted as the next to last unnumbered paragraph of Article 51.C.1.a.]

3. Company's obligation shall accrue hereunder only after Producer's gross is received by Company but, as to foreign receipts, such obligation shall accrue only when such receipts can be freely converted to U.S. dollars and are remitted to the United States, and, until such time, no frozen foreign receipts shall be included in Producer's gross. Payment of amounts accruing hereunder shall be made quarterly on the basis of quarterly statements, as hereinafter provided.

   Upon request, and if permitted by the authorities of a foreign country, the Company will transfer to any writer, in the currency of such foreign country, his/her share, if any, of frozen foreign receipts in such country, provided the writer will bear any costs involved. Such transfer shall be deemed to be payment to the writer of an equivalent number of U.S. dollars at the then current free market rate for blocked funds of that category as determined by the Company. Concurrently with such transfer, the writer will pay to the Company in U.S. dollars the total amount the Company is required to withhold from such payment under all applicable laws. If the Company utilizes frozen foreign currencies derived from exhibition of Such Picture in Supplemental Markets by conversion thereof to properties that may be freely exported and turned to account, the amount so utilized by the Company shall be deemed to have been converted to U.S. dollars at the then current free market rate for blocked funds of that category determined as above provided. Frozen foreign receipts from Supplemental Markets shall be deemed to be released on a first-in first-out basis, unless the authorities of the foreign country involved designate a specific period that would render such basis inapplicable. Such released funds shall be allocated between Such Picture and other motion pictures distributed by the distributor in Supplemental Markets in the same ratio that receipts derived from the distribution of Such Picture in Supplemental Markets within the foreign country bear to the total receipts derived from the distribution of Such Picture and all other motion pictures in Supplemental Markets within the foreign country, during the applicable period, unless the authorities of the foreign country involved require another method of allocation, in which case

such other method shall be used. Foreign receipts shall be accounted for in U.S. dollars at the rate of exchange at which such receipts are actually converted and remitted, and 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 accountable receipts. Company 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 Company. The Guild and the writers shall be bound by any arrangements made in good faith by the Company, 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 Company may freely commingle the same with other funds of the Company. No sums received by way of deposits or security need be included in Producer's gross until earned, but when the Company is paid a non-returnable advance by a distributor, such advance shall be included in the Producer's gross.

A "non-returnable advance" is to be included in "Producer's gross" when Such Picture is "available" and "identifiable" and the amount of the advance payment is "ascertainable."

Such Picture is "available" when the first of the following occurs:

a. The product first may be exhibited or otherwise exploited by a specified method of distribution and in a territory under the terms of the applicable license or distribution agreement, or

b. It first may be sold or rented by a retailer under the terms of the applicable license or distribution agreement.

Such Picture is "identifiable" when the Company first knows or reasonably should have known that a given motion picture is covered by a particular license or distribution agreement for its exploitation in the applicable market.

The amount of the advance payment is "ascertainable" if:

a. the advance is for one (1) motion picture, means of exhibition, and territory, or

b. the total amount of the advance is for more than one (1) motion picture, means of exhibition and/or territory, in which case the Company shall fairly and reasonably allocate such advance among the licensed motion pictures, exhibition markets and/or territorial markets. As each of these pictures becomes identifiable

and available, the allocated portion of the non-returnable advance is to be included in Producer's gross for that quarter. The Company shall notify the Guild of its allocation when the report of "Producer's gross," which includes the advance, is to be filed. The Guild has the right to challenge in an MBA arbitration a failure to allocate or any allocation that it contends is not fair and reasonable.

If Such Picture is available in any territory or by any means of exhibition, and is identifiable and the amount of the advance is ascertainable, but the Company does not provide the WGA with the information required by the MBA and applicable law, then the advance shall be deemed includable in "Producer's gross" no later than six (6) months after the Company receives it.

An advance received by a Company's parent, subsidiary or any other related or affiliated entity or successor-in-interest, or by any other entity to which the advance payment is directed by the Company or license or distribution agreement, shall be considered as an advance payment received by the Company.

4. If any license or outright sale of exhibition rights to Such Picture in Supplemental Markets includes as a part thereof any recorded commercial or advertising material, the Company 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 Producer's gross hereunder.

5. The term "participating writer," as used herein, means a writer who, while in the employ of the Company or in the employ of the actual Producing Company of Such Picture as described in subparagraph C.8.a. (to which employment the provisions of this Basic Agreement apply), or a professional writer from whom the Company (or such actual producer) acquired literary material (to which acquisition the provisions of this Basic Agreement apply), participated in the writing of and received credit pursuant to Theatrical Schedule A hereof or Television Schedule A hereof, as the case may be, for the writing of the story or screenplay, or story and teleplay, as the case may be, upon which Such Picture was based. If Such Picture is a remake of a prior motion picture, and if any of the writers of the prior motion picture receives writing credit for the remake, such writers shall be deemed to be "participating writers" for the purposes of this subparagraph 5., but only if their employment as writers for the prior motion picture, or if the purchase of literary material from them for the prior motion picture, was covered by and subject to a collective bargaining agreement with

the Guild. The "*pro rata* share" payable to each participating writer shall be as follows:

Seventy-five percent (75%) thereof shall be payable to the credited screenplay writer or writers and twenty-five percent (25%) thereof shall be payable to the credited story or screen story writer or writers. In the event there is a minor credit, such as adaptation, the writer or writers receiving such minor credit shall be paid ten percent (10%) thereof, which sum shall be deducted from the screenplay or teleplay writers' share. The writer or writers receiving a "Written by" credit shall be entitled to one hundred percent (100%) of the monies.

Any participating writers receiving the same screen credit referred to above shall share equally in such percentage amount specified.

If there are one (1) or more participating writers who receive screenplay or teleplay credit and no credit is given for story or screen story, then the *pro rata* share which would have been payable to a participating writer had he/she received such story or screen story credit shall, subject to the provisions of the next following paragraph, be paid to the participating writers who receive such screenplay or teleplay credit.

If the writer's services in Such Picture are performed for the Company on a loan-out basis, then, for the purposes of this Article, the Company shall be deemed to be the employer, and the lender shall not have any responsibility hereunder with respect to Such Picture. With respect to any Such Picture, if there are one (1) or more participating writers who receive credit as aforesaid and one (1) or more writers who perform services in connection with the writing of the story or teleplay or screenplay and receive screen credit in connection with Such Picture, but who are not subject to this Basic Agreement, then that portion of the applicable percentage payment as defined in this Article 51 which would otherwise have been payable to such one (1) or more writers not subject to this Basic Agreement may be retained by Company, and the Company shall not be obligated to pay such portion to any such participating writer receiving credit as aforesaid.

6. Within a reasonable time after the expiration of each calendar or fiscal quarter, but not exceeding sixty (60) days, Company will furnish or cause to be furnished to the Guild a written report showing the Producer's gross during the preceding quarter from the distribution of each Such Picture by Company in Supplemental Markets with respect to which Company is required to make payments hereunder (whether distributed by the Company or through another distributor). The quarterly reports required in this Article 51.C.6. shall separately set

forth the Producer's gross from distribution of each Such Picture on videodiscs or videocassettes and the Producer's gross from distribution of each Such Picture on pay-type CATV and/or pay television.

Concurrently with the furnishing of each quarterly report, the Company will make the payments shown to be due by such report. All payments shall be made by check payable to the order of the writers entitled thereto and shall be delivered to the Guild for forwarding to such writers.[22] Compliance herewith shall constitute payment to the writers.

No such reports need be furnished with respect to any period during which there was no such Producer's gross. The Company shall make available for inspection by the Guild all distributor's statements and exhibitor's statements which are available to the Company insofar as they relate to such Producer's gross, and all the financial terms of contracts pertaining to such Producer's gross, and the Guild shall have the right, at reasonable times, to examine the books and records of the Company as to such Producer's gross pertaining to such distribution of any Such Picture, at whatever place or places such records are customarily kept by the Company. If the Guild requests that it be informed of the license fee paid under a license for the exhibition of Such Picture in Supplemental Markets, or if the Guild requests that it be sent an extract of the financial terms of such a license, and if such information is not extensive in nature, the Company will forward such information or extract without making it necessary for the Guild to send a representative to the offices of the Company. In general, the Company will cooperate in furnishing such information to the Guild by mail or telephone, where doing so is not unreasonable or burdensome. If more than one (1) picture is licensed in a single license agreement, the Company shall inform the Guild, at its request, of the identity of the pictures covered by the license, and shall make available to inspection by the Guild in the office where such license agreement is customarily kept a copy of the terms of such license showing the titles of the pictures licensed under such agreement and the license fee for each Such Picture. Company agrees to cooperate in responding to reasonable inquiries from the Guild as to whether any Such Picture is currently being distributed for telecasting on pay television or in any other Supplemental Market as herein defined. An inadvertent failure to comply with the reporting provisions of this subparagraph 6. shall not constitute a default by the Company hereunder, provided such

[22] See Sideletter at page 738, which permits a Company to enter into an agreement with the Guild for payments via direct deposit in lieu of issuing checks.

failure is cured promptly after notice thereof from the Guild is received by the Company.

Company shall make all social security, withholding, unemployment insurance, and disability insurance payments required by law with respect to the additional compensation provided for in this Article 51.

If the Company shall fail to make any payment provided for in this Article 51 to be made to the writer when and as the same becomes due and payable, it shall bear interest at the rate of one and one-half percent (1½%) per month on the unpaid balance thereof commencing to accrue on the earlier of:

a. seven (7) days after notice in writing to Company from the Guild of such delinquency, or

b. sixty (60) days after such payment becomes due and payable.

The compensation payable under this Article 51 shall be excluded from the gross compensation upon which the Company contributions are to be made to the Pension Plan.

7. If a participating writer's employment agreement with the Company requires that the writer's compensation shall be based, in whole or in part, upon, or measured by, a percentage of the gross receipts derived from the distribution of Such Picture, then such percentage compensation shall be credited against any amounts payable to the writer hereunder, and likewise any payment due to the writer hereunder shall be credited against such percentage compensation. When all or a part of a writer's compensation is a specified sum of money, commonly known and referred to as a "deferment," such deferment may not be credited against amounts payable by the Company to such writer hereunder.

8. With respect to all Such Pictures, the following provisions shall be applicable:

[The provisions formerly designated in prior MBAs as 51.3.h.(1), (2) and (3) have been modified and moved to Article 65.]

a. Acquisition of Title by Company:

If Company was not the actual producer of Such Picture which was produced by a signatory Company but acquired title thereto by purchase, assignment, transfer, voluntary or involuntary, or by foreclosure of a chattel mortgage or security agreement or a

pledgee's sale, Company shall nevertheless be obligated to make the payments herein provided when Such Picture is exhibited in Supplemental Markets, unless such payment required hereunder has already been paid.

b. Financing-Distribution Agreement by Company:

The obligation of the signatory Company hereunder with respect to the payments provided for in this Article 51 shall also apply to any Such Pictures produced by an independent producer under a contract between the signatory Company and such independent producer for the production of such motion picture, and for the financing and distribution thereof by the signatory Company. However, such signatory Company shall not be liable for the payment of any Supplemental Market fees based on monies received by a foreign distributor under a foreign production deal as defined in subparagraph C.1.c. above, with respect to which such foreign distributor or such independent producer is not obligated to account to such signatory Company. Nor shall such signatory Company be obligated to obtain any Distributor's Assumption Agreement from any foreign distributor referred to in this subparagraph C.1.c. above except if such foreign distributor is obligated to account to such signatory Company pursuant to subparagraph C.1.c. above with respect to monies as therein provided.

c. Company's Liability:

It is expressly understood and agreed that Company shall in all events remain bound hereunder to make the payments due by reason of the exhibition of each Such Picture in Supplemental Markets, irrespective of the assumption of such liability by any other person, firm or company as hereinabove provided, except as otherwise expressly provided in this Basic Agreement.

d. Failure to Deliver Assumption Agreement:

The failure of Company to obtain and deliver an executed assumption agreement as provided in Article 65 and subparagraph 9. of this Article 51.C. shall be deemed a substantial breach of this Basic Agreement.

9. If the Company shall sell, transfer, assign or otherwise dispose of its rights in any literary material (to which the provisions of Articles 47, 51.C. and 65 of this Basic Agreement apply, or may apply) prior to the production of a motion picture based thereon, to any person or

company (hereinafter referred to as the "Buyer") other than a person or company with headquarters outside the United States, the Company shall obtain from the Buyer a separate agreement in substantially the following form:

"LITERARY MATERIAL ASSUMPTION AGREEMENT"

"The undersigned _____
(insert name of Buyer)

(hereinafter referred to as 'Buyer') agrees with

_____
(insert name of Company)

that the story, screenplay, story and screenplay or story and teleplay covered by this Agreement is subject to the Writers Guild of America Theatrical and Television Basic Agreement of 2020 (herein the 'Basic Agreement'), and particularly to the provisions of Article 51.C. thereof pertaining to additional payments to writers on release of a motion picture based thereon in Supplemental Markets (but excluding subparagraph 8. of said Article 51.C.), and the said Buyer hereby agrees, expressly for the benefit of the Writers Guild of America, West, Inc., and Writers Guild of America, East, Inc., (herein referred to as 'the Guild'), as representatives of the writers involved, to abide by and perform the provisions of said Basic Agreement and make the additional payments required thereunder, as aforesaid. For the purpose of applying such provisions of said Basic Agreement, the writer or writers of such material shall be treated in all respects as though the said material were written by such writer or writers while in the employ of the Buyer.

"It is expressly understood and agreed that the rights of the Buyer to exhibit or license the exhibition of any motion picture based upon said material shall be subject to and conditioned upon the payment to the writer or writers involved of additional compensation, if any, required under Section C. (except subparagraph 8. thereof) of said Article 51 of said Basic Agreement, and it is agreed that the Guild shall be entitled to injunctive relief and damages against Buyer in the event such payments are not made.

"If the Buyer shall sell, transfer, assign or otherwise dispose of its rights in such material to any person or company with headquarters in the United States, it may obtain from the party acquiring such rights a separate agreement in the same form (including this sentence) as this agreement, and will notify the Guild thereof, together with the name

and address of the transferee, and deliver to the Guild a copy of such assumption agreement; it being the intent hereof that the obligations herein set forth shall be continuing obligations on the part of such subsequent owners of such material, so headquartered in the United States.

_____

BUYER

Date: _____ By: _____

(Please print name and title)

Address: _____

_____"

The Company agrees to give notice to the Guild of such sale, transfer or assignment of the nature above mentioned, with the name and address of the Buyer, and to deliver to the Guild an executed copy of such assumption agreement. An inadvertent failure on the part of the Company to comply with any of the provisions of this subparagraph 9. shall in no event constitute a default by the Company hereunder or a breach of this Basic Agreement, provided that such failure is cured promptly after notice thereof from the Guild.

Upon delivery of such assumption agreement, Company, or any subsequent owner obtaining the execution of such an assumption agreement, shall not be further liable to the Guild or any writer for the keeping of any such records or the payment of such additional compensation, or for compliance with credit obligations insofar as they relate to the exhibition of Such Picture in Supplemental Markets; and the Guild agrees to look exclusively to the party last executing such an assumption agreement for the keeping of such records, payment and compliance with credit obligations. If a company with headquarters outside the United States is a subsidiary of the Company, or the Company is the distributor of Such Picture for such a company, then, for the purposes of this subparagraph 9., such company shall be deemed to be headquartered only in the United States. The provisions of this Paragraph C. shall not apply to the distribution or exhibition in relation to Supplemental Markets of trailers or advertising a motion picture by shots, etc., substantially in the nature of a trailer, or to the use of stock shots.

10. Notwithstanding the sooner termination of this Agreement, the parties hereto agree that the terms and conditions of this Paragraph C. shall apply and remain in full force and effect, and without change, to Such Pictures produced by the Company, the principal photography of which commenced between May 2, 2020 and May 1, 2023, both dates inclusive, regardless of when (either during or at any time after the

expiration of the term of this Basic Agreement or of such period) Such Pictures are released in Supplemental Markets, and regardless of the terms or provisions of any Basic Agreement which is a modification, extension, or renewal of, or substitution for this Basic Agreement, subject, however, to the provisions of the last paragraph of Article 51.B.

D. If, in the upcoming negotiations with SAG-AFTRA and DGA, the Company agrees to modify the basic substantive provisions regarding Supplemental Markets, Company will so advise the Guild and accord it the opportunity to elect that this Article be modified in the same manner, as of the date on which the Guild so notifies the Company. Adjustments which statistically maintain the relative allocations of proceeds derived from Supplemental Markets among SAG-AFTRA, DGA and WGA as established in existing collective bargaining agreements will not activate this provision, but an increase in the relative allocations to SAG-AFTRA or DGA in such proceeds will activate this provision, with any such increase to be accorded proportionately to WGA. Upon request, the Guild shall be provided with the statistics upon which the adjustments have been made, and the Guild's right to activate this provision shall be arbitrable. The Guild shall give notice of its election within sixty (60) days after receipt of the Company's notice or after being provided with the statistics referred to, whichever is later. The election shall be limited to accepting the entire agreement reached with SAG-AFTRA or DGA on Supplemental Markets, and only such entire agreement, but with appropriate equivalent adjustment for writers for provisions peculiar to actors or directors, as the case may be.

ARTICLE 52 - INDUSTRIAL FILMS (GENERAL)

(Replaced by the Sideletter on "Informational Programs" on page 730.)

ARTICLE 53 - FINANCIAL INFORMATION

A. GENERAL

The Company shall make available for inspection by the Guild all the financial terms of contracts relevant to the determination of the accuracy of any payments due to a writer pursuant to this Agreement and the records showing the receipts and deductions to be accounted for. (For example, if the writer is to receive twenty-five percent (25%) of the Company's net receipts from publishing the writer's screenplay, the Company must make available for inspection by the Guild the financial

terms of the agreement with the publisher and its records with respect to the receipts from the publisher.) The Guild shall have the right, at reasonable times, to examine all such records at whatever place or places such records are customarily kept by the Company. If the Guild requests that it be sent an extract of such financial terms, and if such information is not extensive in nature, the Company will forward such extract, without making it necessary for the Guild to send a representative to the offices of the Company. In general, the Company will cooperate in furnishing such information to the Guild by mail or telephone, when doing so is not unreasonable or burdensome.

B. RESIDUALS AUDITS

With regard to audits conducted by the Guild, sometimes in conjunction with other labor organizations, the Company shall provide access to its books and records which pertain to its obligation under the Basic Agreement to pay residuals. Such documents shall be made available for the audit at the Company's business offices or other place or places where such records are customarily kept.

In connection with such an audit, the Company shall be deemed to have asserted that license agreements or other business records contain highly sensitive, competitive, confidential and proprietary information. Without the Guild conceding that such assertions are necessarily appropriate in all instances, the Guild and the Companies agree as follows:

Prior to the date of audit entry, the Guild will designate its employees, officers, directors or agents (hereinafter "representatives") to act as liaisons with the auditors and provide the representatives' names and positions to the Company. The Guild's representatives will be persons with a "need to know" audit-related information.

The Guild also will agree on its own behalf, and will obtain from its auditors and other representatives their agreement, not to divulge information from such license agreements or other business records, or copies of them, to persons other than Guild representatives except:

1. to review, investigate or enforce claims against the audited Company arising under the MBA or applicable law,

2. pursuant to legal process, or

3. after obtaining the Company's consent, which will not be unreasonably withheld.

Any notes taken and/or workpapers prepared by the auditors also shall be subject to these provisions; however, the Guild may assert a claim of privilege as to such notes and/or workpapers.

Employees and representatives of the Guild may in their discretion discuss the audit findings, including the Company's position, if known, with WGA-represented writers. By doing so, the Guild would not be violating a duty of confidentiality, if any, owed to the Company so long as the Guild's communications are related to its obligation to review, investigate or enforce claims against the audited Company arising under the MBA or applicable law, pursuant to legal process, or after obtaining the Company's consent, which will not be unreasonably withheld.

If the Guild is required by legal process to disclose information obtained in a residuals audit, the Guild shall provide prompt written notice to the Company to permit the Company to object or to seek an appropriate protective order.

At the election of the Company, the auditors and other Guild representatives shall be required to sign an agreement duplicating the confidentiality provisions in the preceding paragraphs of this Paragraph B., but without any modifications to these provisions unless consented to by the Guild.

In consideration of the foregoing agreements in this Paragraph B., the Company agrees not to require the Guild or its auditors or representatives to execute any other agreement relating to confidentiality as a condition of granting access to its business records.

The foregoing provisions of this Paragraph B. shall not apply to residuals audits conducted by the Guild for which (1) the date of audit entry is prior to May 2, 1995, and (2) there is a written confidentiality agreement executed by the Company, the Guild and/or its auditors.

ARTICLE 54 - PROHIBITION OF SO-CALLED "MORALS CLAUSE"

Subject to any contractual obligations to the contrary which may exist on March 1, 1981, Company agrees that it will not include the so-called "morals clause" in any writer's employment agreement covered by this Basic Agreement.

ARTICLE 55 - RESTRAINT ON LICENSEE RIGHT OF APPROVAL

Subject to any contractual obligations to the contrary which may exist on March 1, 1977, Company agrees that it will not delegate to the licensee of any episodic series the right to approve the writers employed to write stories and/or teleplays of the episodes (other than the pilot) of said episodic series.

ARTICLE 56 - SIGNIFICANCE OF TITLES AND SUB-TITLES (GENERAL)

The headings of Articles, paragraphs and other subdivisions hereof are inserted for the purpose of convenient reference, and it is recognized that they may not adequately or completely describe the contents of the provisions that they head. Such headings shall not be deemed to govern, enlarge, limit, modify, or in any other manner affect the scope, meaning, or intent of the provisions of this Basic Agreement or any part or portion thereof; nor shall they otherwise be given any legal effect, except as provided in the prefatory language to this Basic Agreement appearing on page 8.

ARTICLE 57 - PAY TELEVISION AND VIDEODISC/VIDEOCASSETTE PRODUCTION

Employment of writers and acquisition of literary material by the Company for the pay television and/or videodisc/videocassette markets shall be governed by the provisions of Appendix B attached hereto.

ARTICLE 58 - RELEASE OF FREE TELEVISION PROGRAMMING AND THEATRICAL MOTION PICTURES TO BASIC CABLE

Except as provided in the following paragraph, the exhibition on basic cable of television motion pictures shall be considered free television exhibition as distinguished from "Supplemental Markets" exhibition.

Except as is otherwise provided in Article 15.B.1.b.(2)(d),[23] upon release, on or after May 2, 2020, to basic cable of product initially produced for free television, as to which free television residuals would otherwise be payable, Company shall pay, in the aggregate, to the credited writer or writers the following percentage of the Company's accountable receipts, as defined in Article 51.C., obtained therefrom: With respect to free television motion pictures produced prior to July

[23] Article 15.B.1.b.(2)(d) on page 152 contains special provisions governing the second run of certain episodes of new dramatic series produced for a network or for The CW for the purpose of encouraging their success.

1, 1984, said percentage shall be two and one-half percent (2.5%); with respect to free television motion pictures produced after July 1, 1984, said percentage shall be two percent (2%). For the purpose of this provision, the term "basic cable" means one or more basic cable systems which do not meet the definition of pay television as set forth in this Agreement and wherein the release on basic cable is a separate release and not part of a free television broadcast.

Upon release, on or after May 2, 2020, to basic cable, of product initially produced for theatrical release, the Company shall pay to the credited writer or writers aggregate compensation of one and two-tenths percent (1.2%) of the Company's accountable receipts, as defined in Article 51.C., obtained therefrom.

Residual payments for the release to basic cable of television programs made under the WGA Royalty Plan, which appeared as Exhibit A-1 to the 1960 Writers Guild of America Television Film Basic Agreement, which are due on or after October 1, 1994 shall be made to the credited writer(s) thereof in accordance with the provisions of Article 58 of the applicable MBA. It is agreed that the MBA in effect at the time of the first release of a Royalty Plan program to basic cable after March 1, 1985 shall be the "applicable MBA" for purposes of such payments. The parties further agree that when Royalty Plan programs are released to either domestic or foreign basic cable, the Company's accountable receipts therefrom are fully reportable and residuals are payable in perpetuity at the rate set forth in Article 58 of the applicable MBA. The provisions of this paragraph amend the WGA Royalty Plan and prior MBAs.

The term, "[u]pon release," or “release,” in the preceding three paragraphs, means that the theatrical or television motion picture product is "available," which is when it first may be exhibited on basic cable pursuant to the terms of a license or distribution agreement.

ARTICLE 59 - COPYRIGHT ROYALTY TRIBUNAL MONIES (GENERAL)

Monies received by the Company from distributions by the Copyright Royalty Tribunal for theatrical motion pictures produced on or after May 2, 2020 shall be subject to the payment formula set forth in Article 15.A. of this Agreement. Such monies shall be paid to the Writers Guild Foundation.

With respect to a free television motion picture covered under the sideletter waiving the provisions of Article 15.B.1.b.(2)(c), any monies received by the Company from distributions by the Copyright Royalty Tribunal for such television motion picture shall be included in the numerator of the multiplier contained in the sideletter waiving the provisions of Article 15.B.1.b.(2)(c).

ARTICLE 60 - DISSEMINATION OF CRITIQUES OF LITERARY MATERIAL (GENERAL)

Critiques or synopses prepared by story analysts or other readers employed by the Company of literary material which has not been optioned or acquired by the Company shall not be circulated, without the consent of the writer of the literary material, to persons outside the Company, except those with whom the Company has a business relationship in the nature of an active development deal, a production or financing or distribution arrangement, or similar association. In the event of any claim of violation of this provision, the sole remedy shall be submission to the Committee on the Professional Status of Writers for resolution.

ARTICLE 61 - JOINT COMMITTEES

A. GENERAL

The parties reaffirm their commitment to the active use of joint committees consisting of representatives both from the Guild and the Companies to resolve disputes, adjust practices and advance harmonious and productive practices within the industry. These committees include those already established, such as the Residuals Commission and the Committee on the Professional Status of Writers.

The parties agree to consider the creation of other committees for the above-mentioned purposes.

B. COMMITTEE ON THE PROFESSIONAL STATUS OF WRITERS

The Committee on the Professional Status of Writers agreed, during the term of the 1988 MBA and the 1992 Extension Agreement, upon Guidelines regarding writer participation in the creative process. Each Company shall circulate the Guidelines to appropriate Company personnel and, furthermore, shall give due consideration to the Guidelines.

ARTICLE 62 - CONTRACT ADJUSTMENT COMMITTEE

To promote industrial peace and to improve and promote cooperation between the Guild and the Companies, the parties to the 1992 Extension Agreement established an alternative bargaining forum known as the Contract Adjustment Committee ("CAC"), which is composed of representatives of the Guild and the

AMPTP and/or ABC, CBS and NBC. Each of the Companies commits to an active and continuing use of this Committee.

The Contract Adjustment Committee shall meet at least once every twelve (12) months, upon request of any of the parties, to discuss amendments to the WGA MBA.

The Companies' representatives to the Committee shall have the authority to bind their respective Companies. The Guild representatives shall have the authority to negotiate and recommend tentative agreements, including those to modify minimums, subject to Guild procedures. Agreements on amendments thus made by the parties in the Contract Adjustment Committee shall, if ratified by the Guild, amend and become a part of this Agreement. Guild ratification procedures are the sole province of the Guild and are not arbitrable under this Agreement.

ARTICLE 63 - CREDITS REVIEW

The parties acknowledge that the WGA is currently reviewing the MBA credit system and the WGA's Screen and Television Credits Manuals. The parties acknowledge that such a review is warranted and may, in light of changing conditions in the industry, require changes in the 2008 Basic Agreement. Therefore, as part of the work of the Contract Adjustment Committee, the parties shall convene a Credits Review Committee upon the request of either party made after ratification hereof, to consider changes in the credits provisions of this Agreement and, upon mutual agreement, their recommendations shall be submitted to WGA ratification procedures and, if ratified, shall amend and become a part of this Agreement.

ARTICLE 64 - REUSE OF MBA-COVERED MATERIAL IN INTERACTIVE PROGRAMS

A. Definitions and Coverage

1. **Definition of interactive program.** An "interactive program" is a non-linear program that allows the individual viewer/user(s) to control and/or manipulate in real time the output of the program elements via an interactive device. A "non-linear" program is a program in which the material embodied therein is intended to be viewed by the viewer/user(s) in such order selected by the viewer/user(s) and which does not have a predetermined "beginning" and "end" (although it may have an opening "default" menu or resting position from which selection of the order of viewing is determined by the viewer/user(s)), as opposed to a "linear" program in which the material embodied therein is intended to be viewed (in its entirety or in segments) in a

predetermined order, but such material may be accessed randomly by the viewer/user(s). Such capability of random access shall not affect the status of such program as a "linear" program.

2. **Definition of interactive device.** An "interactive device" is a device which is necessary in order to control and/or manipulate an interactive program. An interactive device may thus be a locally-operated device (*i.e.*, a single device that both reads the data from the storage medium and permits the viewer/user(s) to control and/or manipulate the interactive program) or a remotely-operated device (*i.e.*, a device that reads the data from the storage medium at a centrally-based location but which enables the viewer/user(s) to control and/or manipulate the interactive program from a remote location via wired or wireless transmission).

3. **Interactive rights license.**

   a. **Definition of interactive rights.** See Articles 1.B.9. and 1.C.19.

   b. **Definition of interactive rights licensee**. An "interactive rights licensee" is the entity that first exploits, directly or indirectly, the interactive rights (such as by developing, producing or publishing an interactive program or performing similar functions, but not by reselling only).

      An entity which both resells interactive rights and adds value to those rights by developing, producing, publishing or performing similar functions may qualify as an interactive rights licensee if the value thus added constitutes exploitation of the rights by making a substantial creative and/or technical contribution to the development, production or publication of the interactive program.

   c. **Definition of interactive rights licensor; definition of interactive rights license.** An "interactive rights licensor" is an entity that grants a license for interactive rights to an "interactive rights licensee." An "interactive rights license" or an "interactive rights license agreement" includes a license (written or oral) or other permission to exploit interactive rights of, or granted by, an interactive rights licensor.

4. **Applicable gross.** “Applicable Gross" is the aggregate of all monies remitted by the interactive rights licensee to the interactive rights licensor in respect of a license of interactive rights, subject to the following:

a. Unaffiliated licensee. If the interactive rights licensee is not an affiliated entity of the interactive rights licensor, then the Applicable Gross shall be the monies actually received by the interactive rights licensor in respect of the license of interactive rights.

b. Affiliated licensee. If the interactive rights licensee is an affiliated entity of the interactive rights licensor, then the Applicable Gross shall be the monies actually received by the interactive rights licensor in respect of the license of interactive rights, provided the monies actually received by the interactive rights licensor in respect of the license of interactive rights are not less than the fair market value of the interactive rights. If such monies are less than the fair market value, then the Applicable Gross shall be the fair market value of the interactive rights.

c. Licensor as producer, *et al.* If the interactive rights licensor is also the producer, developer, publisher and/or distributor of the interactive program, then the Applicable Gross shall be the fair market value of the interactive rights.

d. Selling or reselling. No monies attributable to the functions of selling or reselling of the interactive rights, or earned thereby, shall be deducted from, or otherwise used to reduce, the Applicable Gross.

e. Licensor as investor. If the interactive rights licensor invests in the production, development, publication and/or distribution of the interactive program or in the entity which performs such functions, any monies which are a recoupment of such investment by the interactive rights licensor shall not be included in the Applicable Gross. Monies received by way of investment recoupment shall be separate from monies received for the licensing of the interactive rights so long as the Applicable Gross, as reported to the Guild, is the fair market value of the interactive rights.

f. Fair market value of the interactive rights. The fair market value of the interactive rights shall be determined by ascertaining the monies which would have been paid by an unaffiliated licensee to an interactive rights licensor for the license of the interactive rights.

g. Licensing of multiple rights/multiple pictures. If, as part of the same or related transaction(s) for the license of interactive rights, other rights (*e.g.*, theatrical exhibition and/or television distribution rights) are licensed, then a fair and reasonable allocation of the

aggregate monies remitted shall be made in respect of the interactive rights. No deductions or expenses or other costs related to the license of other rights shall be deducted from this allocation and this allocation shall be the Applicable Gross.

Similarly, when interactive rights to more than one motion picture are licensed as part of the same or related transaction(s), a fair and reasonable allocation of the aggregate monies remitted shall be made in respect of the interactive rights to each motion picture.

If, as part of the same or related transaction(s), excerpts exempt from payment and excerpts requiring payment pursuant to Article 64.B.2. below are licensed, a fair and reasonable allocation of the aggregate monies remitted shall be made in respect of the exempt and non-exempt excerpts. The amount so allocated to the non-exempt excerpts shall be no less than the fair market value of the interactive rights for those excerpts.

h. Title, Logo, Art Work, Sound Effects and/or Music Soundtrack

(1) No Payment For License of Only Title, Logo, Art Work, Sound Effects and/or Music Soundtrack

No payment is required when the only element(s) of the motion picture used in an interactive program is (are) the title and/or logo and/or art work and/or sound effects and/or music soundtrack.

(2) No Deduction Permitted for Title, Logo, Art Work, etc. Used in an Interactive Program

The payment provisions hereunder encompass all elements of the motion picture, including title, logo, art work and accompanying sound track, and no deduction may be made from the Applicable Gross for the use of such elements.

5. Coverage - General

This Article 64 covers reuse of covered material in interactive programs (including arcade games, wherever located) which are viewed/used on a home-type television screen or computer monitor and distributed by means of a cartridge, disc or any other similar device or by any means of television exhibition, including but not limited to, pay television, free television and basic cable.

B. Reuse of Covered Motion Pictures, In Whole or In Part

1. **Whole or substantial part**. The reuse of a covered theatrical or television motion picture, in whole or in substantial part, in an interactive program shall require an aggregate payment by the Company to the credited writer(s) equal to one and two-tenths percent (1.2%) of the Applicable Gross attributable to the licensing of such motion picture or substantial portion(s) thereof. These reuse provisions apply to all motion pictures covered by the Supplemental Markets provisions of any WGA (-AMPTP) MBA. This provision is subject to contractual commitments with individual writers which were entered into prior to May 2, 1995.

2. **Excerpts.** The use of excerpt(s) from a covered theatrical or television motion picture in an interactive program shall require an aggregate payment by the Company to the credited writer(s) equal to two percent (2.0%) of the Applicable Gross attributable to the licensing of such excerpt(s). This provision shall apply to all motion pictures covered by the excerpt provisions of any WGA MBA. This provision is subject to contractual commitments with individual writers which were entered into prior to May 2, 1995.

   The "flashback" and "recap" exceptions in Article 15.B.10.c. and d. shall not apply to this Article 64. The provisions of Articles 15.A.3.j., 15.B.10.a. and b. shall apply when the excerpt is used as a "stock shot," for review purposes or in a trailer. In addition, if the Guild and the Companies reach agreement on a definition of "news" and/or "promotional" uses, these exception(s) also will apply to this Article 64.

3. **Allocation of payments to credited writers.** Allocation of payments under this Paragraph B. shall be made to writers who received writing credit pursuant to a credits schedule of a WGA Basic Agreement as follows:

"Written by" credit	-	one hundred percent (100%) of the monies
"Screenplay by" or *"Teleplay by"*	-	seventy-five percent (75%) of the monies
"Story by," "Screen Story by" or *"Television Story by"*	-	twenty-five percent (25%) of the monies

Minor credits, such as *"Adaptation by"*	-	ten percent (10%) of the monies, to be deducted from the share of the writer(s) receiving *"Screenplay by"* or *"Teleplay by"*

Any writers receiving the same writing credit shall share equally in the percentage amount specified in this Paragraph B.

When there is no credit given for story, screen story or television story, then the *pro rata* share otherwise payable to a writer receiving such credit shall be paid to the writer(s) accorded screenplay or teleplay credit.

When a covered motion picture is a remake of a prior motion picture, any writers of the prior motion picture who receive writing credit for the remake shall also be entitled to share in payments under this Paragraph B., but only if their employment as writers for the prior motion picture, or the purchase of their literary material for the prior motion picture, was covered by a collective bargaining agreement with the Guild.

For purposes of Article 64.B., the Company is deemed to have been the employer of a writer whose services were performed for the Company on a loan-out basis. The lender shall not have any responsibility under Article 64.B. with respect to a covered motion picture. If there are one (1) or more writers who receive credit under a WGA Basic Agreement and one (1) or more writers who perform writing services in connection with the writing of the story or teleplay or screenplay and receive screen credit in connection with a covered motion picture, but who are not subject to this Basic Agreement, then that portion of the applicable percentage payment as defined in this Article 64 which would otherwise have been payable to such one (1) or more writers not subject to this Basic Agreement may be retained by Company, and the Company shall not be obligated to pay such portion to any such writer receiving credit as aforesaid.

4. **No duplication of payments under subparagraphs B.1. and B.2.** Whenever a motion picture is reused, in whole or in substantial part, in an interactive program, together with excerpts from the same motion picture, payment shall be made to the writer(s) of such motion picture in accordance with subparagraph B.1., above.

C. Interactive Programs Based Upon Literary Material

1. **Theatrical.** When an interactive program is based upon literary material covered by the theatrical provisions of any MBA, as provided in subparagraph C.3. below, an aggregate payment equal to one and one-half percent (1.5%) of the Applicable Gross attributable to the licensing of such literary material shall be made by the Company to the writer(s) with separation of rights and to the writer(s) who nevertheless

   a. first describes in literary material an object or thing which is fully described in such literary material and by such description appears to be unique and original; and/or

   b. introduces a character and the characterization of such character is fully developed and fully described in the material written by the writer and from such development and description the character appears to be unique and the principal creation of the writer,

   provided that such interactive program is based upon such object, thing and/or character(s).

   When different writers are entitled to payments pursuant to this subparagraph C.1. for literary material from the same theatrical motion picture in an interactive program, the writers shall share in the payment required. The Guild shall determine the allocation among the writers.

2. **Television.** When an interactive program is based upon literary material covered by the television provisions of any MBA as provided in subparagraph C.3. below, an aggregate payment equal to three percent (3.0%) of the Applicable Gross attributable to the licensing of such literary material shall be made by the Company to the writer(s) with separation of rights (subject to the provisions of Articles 16.B.3. and B.5. and corresponding provisions of prior MBAs) and to the writer(s) who nevertheless

   a. first describes in literary material an object or thing which is fully described in such literary material and by such description appears to be unique and original; and/or

   b. introduces a character and the characterization of such character is fully developed and fully described in the material written by the writer and from such development and description the

character appears to be unique and the principal creation of the writer,

provided that such interactive program is based upon such object, thing and/or character(s).

When different writers are entitled to payments pursuant to this subparagraph C.2. for literary material from the same television motion picture in an interactive program, the writers shall share in the payment required. The Guild shall determine the allocation among the writers.

3. The reuse provisions of this Paragraph C. shall apply to literary material covered by any MBA providing for Separation of Rights. The provisions of this Paragraph C. are subject to contractual commitments with individual writers which were entered into prior to May 2, 1995.

D. Combination Payments for Reuses Described in Article 64.B. and C.

1. Combination of Motion Picture (whole or substantial part) and Literary Material Rights

a. Theatrical. If a covered theatrical motion picture is used in whole or in substantial part in an interactive program, as provided in Article 64.B.1. above, and such interactive program is also based on literary material written in connection with the same covered motion picture, as provided in Article 64.C.1. above, the Company shall pay an aggregate payment of two percent (2%) of the Applicable Gross attributable to both the licensing of the motion picture or a substantial portion thereof and the licensing of the literary material upon which the interactive program is based. Such payment shall be allocated as follows: one percent (1.0%) shall be paid to the writer(s) entitled to payments under Article 64.B.1. and one percent (1.0%) shall be paid to the writer(s) entitled to payments under Article 64.C.1.

b. Television. If a covered television motion picture is used in whole or in substantial part in an interactive program, as provided in Article 64.B.1. above, and such interactive program is also based on literary material written in connection with the same covered motion picture, as provided in Article 64.C.2. above, the Company shall pay an aggregate payment of three percent (3%) of the Applicable Gross attributable to both the licensing of the motion picture or a substantial portion thereof and the licensing

of the literary material upon which the interactive program is based. Such payment shall be allocated as follows: one and one-half percent (1.5%) shall be paid to the writer(s) entitled to payments under Article 64.B.1. and one and one-half percent (1.5%) shall be paid to the writer(s) entitled to payments under Article 64.C.2.

2. **Combination of Excerpts and Literary Material Rights**

   a. **Theatrical.** If excerpts from a theatrical motion picture are used in an interactive program, as provided in Article 64.B.2. above, and such interactive program is also based on literary material written in connection with the same covered theatrical motion picture, as provided in Article 64.C.1. above, the Company shall pay an aggregate payment of two percent (2.0%) of the Applicable Gross attributable to both the licensing of excerpts and the licensing of the literary material upon which the interactive program is based. Such payment shall be allocated as follows: one percent (1.0%) shall be paid to the writer(s) entitled to payments under Article 64.B.2. and one percent (1.0%) shall be paid to the writer(s) entitled to payments under Article 64.C.1.

   b. **Television.** If excerpts from a television motion picture are used in an interactive program, as provided in Article 64.B.2. above, and such interactive program is also based on literary material written in connection with the same covered television motion picture, as provided in Article 64.C.2. above, the Company shall pay an aggregate payment of three percent (3.0%) of the Applicable Gross attributable to both the licensing of excerpts and the licensing of the literary material upon which the interactive program is based. Such payment shall be allocated as follows: one and one-half percent (1.5%) shall be paid to the writer(s) entitled to payments under Article 64.B.2. and one and one-half percent (1.5%) shall be paid to the writer(s) entitled to payments under Article 64.C.2.

3. When different writers are entitled to payments for the use of literary material pursuant to this Paragraph D. for the same motion picture in an interactive program, the writers shall share in the payment required. The Guild shall determine the allocation among the writers.

E. Reporting and Assumption Agreements

1. Reporting and Payment

Company's obligation shall accrue hereunder only after Applicable Gross is received by Licensor, but as to foreign receipts, such obligation shall accrue only when such receipts can be freely converted to U.S. dollars and are remitted to the United States, and until such time no frozen foreign receipts shall be included in Applicable Gross. Payment of amounts accruing hereunder shall be made quarterly on the basis of quarterly statements, as hereinafter provided.

Upon request, and if permitted by the authorities of a foreign country, the Company (or Licensor, if applicable) will transfer to any writer, in the currency of such foreign country, his/her share, if any, of frozen foreign receipts in such country, provided the writer will bear any costs involved. Such transfer shall be deemed to be payment to the writer of an equivalent number of U.S. dollars at the then-current free market rate for blocked funds of that category as determined by the Company (or Licensor, if applicable). Concurrently with such transfer, the writer will pay to the Company (or Licensor, if applicable) in U.S. dollars the total amount the Company (or Licensor, if applicable) is required to withhold from such payment under all applicable laws. If the Company (or Licensor, if applicable) utilizes frozen foreign currencies derived from the license of interactive rights, as provided herein, by conversion thereof to properties that may be freely exported and turned to account, the amount so utilized by the Company (or Licensor, if applicable) shall be deemed to have been converted to U.S. dollars at the then-current free market rate for blocked funds of that category determined as above provided. Frozen foreign receipts from the license of interactive rights, as provided herein, shall be deemed to be released on a first-in first-out basis, unless the authorities of the foreign country involved designate a specific period that would render such basis inapplicable. Such released funds shall be allocated between the license of interactive rights, as provided herein, and other licenses of interactive rights granted by the licensor in the same ratio that receipts derived from the license of interactive rights, as provided herein, within the foreign country, bear to the total receipts derived from the license of interactive rights, as provided herein, and all other licenses of interactive rights within the foreign country, during the applicable period, unless the authorities of the foreign country involved require another method of allocation, in which case such other method shall be used.

Foreign receipts shall be accounted for in U.S. dollars at the rate of exchange at which such receipts are actually converted and remitted, and 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 Applicable Gross. Company (or Licensor, if applicable) 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 Company (or Licensor, if applicable). The Guild and the writers shall be bound by any arrangements made in good faith by the Company (or Licensor, if applicable), 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 Company (or Licensor, if applicable) may freely commingle the same with other funds of the Company (or Licensor, if applicable). No sums received by way of deposits or security need be included in Applicable Gross until earned, but when the Licensor is paid a non-returnable advance for interactive rights by a licensee, such advance shall be included in the Applicable Gross. A "non-returnable advance" is to be included in Applicable Gross when interactive rights, as provided herein, are "available" and "identifiable" and the amount of the advance payment is "ascertainable."

Interactive rights are "available" when the rights first may be exploited under the terms of the applicable license agreement.

Interactive rights are "identifiable" when the Company first knows or reasonably should have known that the interactive rights to a given motion picture and/or literary material are covered by a particular license.

The amount of the advance payment is "ascertainable" if:

a. the advance is for interactive rights to one motion picture and/or literary material for one motion picture and territory, or

b. the total amount of the advance is for multiple rights or interactive rights to multiple motion pictures and/or territories, in which case a fair and reasonable allocation of such advance shall be made among the licensed rights in accordance with subparagraph A.4. of this Article 64. As each of these interactive rights becomes identifiable and available, the allocated portion of the non-returnable advance is to be included in Applicable Gross for that quarter.

The Company shall notify the Guild of its allocation when the report of Applicable Gross, which includes the advance, is to be filed. The Guild has the right to challenge in an MBA arbitration a failure to allocate or any allocation that it contends is not fair and reasonable.

If interactive rights are available and identifiable and the amount of the advance is ascertainable, but the Company does not provide the WGA with the information required by the MBA and applicable law, then the advance shall be deemed includable in Applicable Gross no later than six (6) months after the licensor receives it.

An advance received by a Licensor's parent, subsidiary or any other related or affiliated entity or successor-in-interest, or by any other entity to which the advance payment is directed by the licensor or license agreement, shall be considered as an advance payment received by the licensor.

Within a reasonable time after the expiration of each calendar or fiscal quarter, but not exceeding sixty (60) days, the Company will furnish or cause to be furnished to the Guild a written report showing the Applicable Gross during the preceding quarter from the licensing of interactive rights, as provided herein, with respect to which Company is required to make payments under this Article 64. These quarterly reports shall: (1) separately set forth the Applicable Gross from licensing interactive rights under Articles 64.B.1., 64.B.2., 64.C., 64.D.1. and 64.D.2. and (2) state whether the Applicable Gross used is monies received by the Licensor or fair market value.

Concurrently with the furnishing of each quarterly report, the Company will make the payments shown to be due by such report. All payments shall be made by check payable to the order of the writers entitled thereto, and shall be delivered to the Guild for forwarding to such writers.[24] Compliance herewith shall constitute payment to the writers.

No such reports need be furnished with respect to any period during which there was no Applicable Gross.

An inadvertent failure to comply with the reporting provisions of this Article 64.E. shall not constitute a default by the Company under this

[24] See Sideletter at page 738, which permits a Company to enter into an agreement with the Guild for payments via direct deposit in lieu of issuing checks.

Agreement, provided such failure is cured promptly after notice from the Guild is received by the Company.

The Company shall make available for inspection by the Guild all licensing statements which are available to the Company insofar as they relate to Applicable Gross, and all the financial terms of contracts pertaining to such Applicable Gross. The Guild shall have the right, at reasonable times, to examine the books and records of the Company as to such Applicable Gross, pertaining to such licensing of interactive rights, at whatever place or places such records are customarily kept by the Company. If the Guild requests that it be informed of the license fee paid under an interactive rights licensing agreement, or if the Guild requests that it be sent an extract of the financial terms of such a license, and if such information is not extensive in nature, the Company will forward such information or extract without making it necessary for the Guild to send a representative to the Company's offices. In general, the Company will cooperate in furnishing such information to the Guild by mail or telephone, where doing so is not unreasonable or burdensome.

When interactive rights to more than one picture are licensed in a single license agreement, the Company shall inform the Guild, at its request, of the identity of the motion pictures, the interactive rights to which are covered by the license, and shall make available to inspection by the Guild in the office where such license agreement is customarily kept a copy of the terms of such license showing the titles of the motion pictures and/or literary material, the interactive rights to which are covered by the license, and the license fee for each. The Company agrees to cooperate in responding to reasonable inquiries from the Guild as to whether the interactive rights to any motion picture or literary material, as provided herein, are currently being licensed.

Company shall make all social security, withholding, unemployment insurance, and disability insurance payments required by law with respect to the additional compensation provided for in this Article 64.

If the Company shall fail to make any payment provided for in this Article 64 to the writer when and as the same becomes due and payable, it shall bear interest at the rate of one and one-half percent (1.5%) per month on the unpaid balance thereof commencing to accrue on the earlier of: (a) seven (7) days after notice in writing to Company from the Guild of such delinquency, or (b) sixty (60) days after such payment becomes due and payable.

The compensation payable under this Article 64 shall be excluded from the gross compensation upon which the Company's contributions are to be made to the Pension and Health Plans.

2. Crediting

If a writer's employment agreement with the Company requires that the writer's compensation shall be based, in whole or in part, upon, or measured by, a percentage of the gross receipts derived from the licensing of interactive rights, then such percentage compensation shall be credited against any amounts payable to the writer hereunder, and likewise any payment due to the writer hereunder shall be credited against such percentage compensation. When all or a part of a writer's compensation is a specified sum of money, commonly known and referred to as a "deferment," such deferment may not be credited against amounts payable by the Company to such writer hereunder.

3. Assumption Agreements

With respect to the interactive rights in any literary material or motion picture for which payment is due under this Article 64, the following provisions of subparagraphs 3.a., b. and c. shall apply. When subparagraph 3.a. below applies, the term "licensor/licensee" indicates that the Company (or Licensor, if applicable) must choose either "licensor" or "licensee" as the appropriate term for each Assumption Agreement. There is no obligation under subparagraphs 3.a. or 3.c. for a Company to obtain an assumption agreement when the Company either does not own the interactive rights, the Company is the licensor of the interactive rights, or the Company exploits the interactive rights (*i.e.,* the Company meets the definition of licensee in Article 64.A.3.b.).

a. Licensor/Licensee's Assumption Agreement

Prior to the commencement of principal photography of each motion picture, the reuse of which is governed by Article 64, if the Company (or Licensor, if applicable) is not also the licensor/licensee of the interactive rights to such literary material and/or motion picture, the Company (or Licensor, if applicable) shall obtain from the licensor/licensee having such rights and deliver to Guild a separate written agreement entitled "Licensor/Licensee's Assumption Agreement." This Assumption Agreement shall be made expressly for the benefit of the Guild as representative of the writers involved, by which such

licensor/licensee agrees to assume and pay the amounts payable under this Article 64 when and as the same become due. Such agreement shall be substantially in the following form:

"Licensor/Licensee's Assumption Agreement

In consideration of the execution of a license agreement between

_____

(insert name of the Company (or Licensor, if applicable)) and the undersigned licensor/licensee, licensor/licensee agrees that the motion picture, presently entitled _____ _____, and/or the literary material therefor are subject to a Writers Guild of America Basic Agreement (referred to as 'Basic Agreement'), including applicable credits provisions, if any,[25] and particularly to the provisions of Article 64 of the 2020 WGA-AMPTP Theatrical and Television Basic Agreement ('2020 WGA-AMPTP MBA'), pertaining to additional compensation payable to writers when interactive rights are licensed. Licensor/licensee hereby agrees, expressly for the benefit of the Writers Guild of America, West, Inc., and Writers Guild of America, East, Inc., (collectively 'the WGA'), as representative of the writers whose services are included in such motion picture and/or literary material, to make the additional compensation payments required by Article 64 when interactive rights are licensed. Licensor/licensee, for and on behalf of the Company (or Licensor, if applicable), shall make all social security, withholding, unemployment insurance and disability insurance payments required by law with respect to the additional compensation referred to in the preceding sentence.

"It is expressly understood that the licensor/licensee's right to exploit such interactive rights, or to cause or permit such rights to be exploited, shall be subject to and conditioned upon the prompt payment of the additional compensation required by Article 64 of the 2020 WGA-AMPTP MBA. It is agreed that the WGA, in addition to all other remedies, shall be entitled to injunctive relief against the licensor/licensee if such payments are not made.

"Within a reasonable time after the expiration of each calendar or fiscal quarter, but not exceeding sixty (60) days, the licensor/licensee will furnish or cause to be furnished to the WGA a written report showing the Applicable Gross (as defined in

[25] See Sideletter to Article 64 - Applicable Credits Provisions at page 714.

Article 64 of the 2020 WGA-AMPTP MBA) during the preceding quarter from licensor/licensee's licensing of interactive rights, whether such license is by the licensor/licensee or through another licensor/licensee licensed by licensor/licensee. Each report shall be in the format described in Article 64.E.1. of the 2020 WGA-AMPTP MBA. Such report shall be accompanied by such payments as may be due.

"Licensor/licensee shall also make available for the WGA's inspection all licensor/licensee's statements delivered to the Company (or Licensor, if applicable) insofar as they relate to Applicable Gross. The WGA shall have the right at reasonable times and on reasonable notice to examine the books and records of the licensor/licensee as to Applicable Gross. If the licensor/licensee shall fail to make such payments as and when due and payable, they shall bear interest at the rate of one and one-half percent (1.5%) per month on the unpaid balance thereof, commencing to accrue on the earlier of (1) seven (7) days after the Guild gives written notice of the delinquency to the Company, or (2) sixty (60) days after such payment becomes due and payable.

"This Licensor/Licensee's Assumption Agreement shall remain effective and binding upon licensor/licensee as long as it remains the licensor/licensee of the interactive rights and thereafter in perpetuity only if it has provided or guaranteed any of the financing for the production of such covered motion picture, in accordance with and subject to the provisions of Article 64.E.3.b.(1) of the 2020 WGA-AMPTP MBA.

"When there is more than one licensor/licensee, the provisions of Article 64.E.3.b.(3) of the 2020 WGA-AMPTP MBA shall apply to each licensor/licensee which neither provides nor guarantees any of the financing for the production of such motion picture.

"The licensor/licensee has [has not] (strike whichever is inapplicable) provided or guaranteed financing for production of such motion picture.

"Date: _____

"Licensor/licensee: _____
(insert business address of licensor/licensee)

"SIGNED: _____"

An inadvertent failure on the part of any such licensor/licensee to comply with any of the reporting provisions of Article 64.E.3.a. shall in no event constitute a default by the Company (or Licensor, if applicable) or such licensor/licensee or a breach of the 2020 WGA-AMPTP MBA, provided that such failure is cured promptly after notice in writing thereof from the Guild.

In the event of the expiration or termination of any license agreement for interactive rights, the Company's (or Licensor's, if applicable) obligation to obtain and deliver a Licensor/Licensee's Assumption Agreement to the Guild shall apply as well to any subsequent license agreement for interactive rights entered into by Company (or Licensor, if applicable). The Company (or Licensor, if applicable) shall obtain and deliver an executed Licensor/Licensee's Assumption Agreement within ten (10) days after the execution of each such subsequent license agreement.

If, with respect to any motion picture described in Article 64.B.1. or 2. or any motion picture based upon any literary material described in Article 64.C.3., licensor/licensee is not liable in perpetuity for the Article 64 payments under the 2020 WGA-AMPTP MBA, or if the Company (or Licensor, if applicable) does not have a license agreement with the licensor/licensee for interactive rights, then the Guild, prior to commencement of principal photography of the motion picture, may require such further financial assurances from the Company (or Licensor, if applicable) as it deems advisable to insure performance of Company's (or Licensor's, if applicable) obligations to pay the Article 64 fees provided herein, including, without limitation, the execution of security agreements, guarantees, or other protective agreements. If any member company of the AMPTP becomes liable in perpetuity under a Licensor/Licensee's Assumption Agreement to pay the Article 64 fees provided for hereunder, the Guild will release and cause to be discharged of record all such security agreements, guarantees or other protective agreements entered into or obtained by or from the Company (or Licensor, if applicable), provided, however, that the Company's (or Licensor's, if applicable) primary liability shall not be released thereby.

b. Licensor/Licensee's Liability

With respect to the interactive rights in any literary material and/or motion picture for which payment is or may become due

under this Article 64, the following provisions shall be applicable to the interactive rights licensor or licensee:

(1) When the Licensor/Licensee has provided or guaranteed any of the financing for the production of a motion picture, the reuse of which is governed by Article 64, the obligations of the Licensor/Licensee under this Article 64 shall continue in perpetuity notwithstanding the expiration or termination of its interactive rights license agreement, or any foreclosure of a chattel mortgage, security agreement, pledge, or lien on such motion picture and/or the literary material upon which it is based. In the case of foreclosure, should such mortgagee, pledgee or security holder or a third party, who is neither the Company nor Licensor/Licensee, acquire title to the literary material and/or motion picture and execute the Buyer's Assumption Agreement (see Article 64.E.3.c. below), and upon condition that the Guild, in its discretion, approves such purchaser's financial responsibility, then, when the Licensor/Licensee ceases to be the licensor/licensee of such interactive rights, the Licensor/Licensee shall thereupon be released from any and all further obligations under this Article 64 with respect to the literary material and/or motion picture. Should any third party (other than in connection with any such foreclosure) acquire the interactive rights of the Licensor/Licensee and execute a Licensor/Licensee's Assumption Agreement pursuant to which it is liable in perpetuity to make the payments under this Article 64, then, upon condition that the Guild in its discretion approves such third party's financial responsibility, such Licensor/Licensee shall thereupon be released from any and all further obligations under this Article 64 with respect to the interactive rights so acquired. However, such Licensor/Licensee shall not be liable for the payment of any Article 64 reuse payments based on monies received by a foreign distributor under a "foreign production deal" as defined in Article 51.C.1.c. of this Basic Agreement with respect to which such foreign distributor or independent producer is not obligated to account to such Licensor/Licensee.

(2) When the Licensor/Licensee does not provide or guarantee any of the financing for the production of a motion picture whose reuse is governed by Article 64, the Licensor/Licensee's Assumption Agreement shall be

binding upon the Licensor/Licensee only as long as it has the interactive rights.

(3) When there is more than one Licensor/Licensee or Buyer[26] of literary material and/or a motion picture, the reuse of which is governed by Article 64, the liability of any such Licensor/Licensee or Buyer, which neither provides nor guarantees any of the financing for the production of such motion picture whose reuse is governed by Article 64, for reuse payments under this Article 64, shall be applicable only to such portion of Applicable Gross as is derived by the Licensor/Licensee or Buyer, as the case may be.

c. Buyer's Assumption Agreement

If the Company (or Licensor, if applicable) shall sell, transfer or assign its interactive rights in any covered motion picture and/or literary material, it shall obtain from such buyer, transferee or assignee (each may be referred to as "Buyer") a separate agreement made expressly for the benefit of the Guild as representative of the writers involved, requiring such Buyer to comply with the provisions of this Basic Agreement with respect to additional compensation payable to writers under Article 64 when and as the same become due, and applicable credits provisions, if any.[27] Such agreement shall be substantially in the following form:

"BUYER'S ASSUMPTION AGREEMENT

"For a valuable consideration, the undersigned _____

_____
(insert name of Buyer)
(hereinafter referred to as 'Buyer') hereby agrees with_____

_____
(insert name of Company (or Licensor, if applicable))
that all motion pictures and/or literary material, the interactive rights to which are covered by this agreement, a list of which is appended hereto, are subject to a Writers Guild of America

[26] See Article 64.E.3.c. below for the definition of "Buyer" and provisions concerning the "Buyer's Assumption Agreement."

[27] See Sideletter to Article 64 -- Applicable Credits Provisions at page 714.

Theatrical and Television Basic Agreement (hereinafter 'Basic Agreement') and particularly to the provisions of Article 64 of the 2020 WGA-AMPTP MBA, pertaining to additional compensation payable to writers when interactive rights to such motion pictures and/or literary material are licensed, and Buyer hereby agrees, expressly for the benefit of the Writers Guild of America, West, Inc., and the Writers Guild of America, East, Inc., (hereinafter called 'WGA'), as representative of the writers whose services are included in such motion pictures and/or literary material, to assume and be bound by Company's (or Licensor's, if applicable) obligation hereunder to make the additional compensation payments required thereby when interactive rights to such motion pictures and/or literary material are licensed. Buyer for and on behalf of the Company (or Licensor, if applicable) shall make all social security, withholding, unemployment insurance, and disability insurance payments required by law with respect to the additional compensation referred to in the preceding sentence.

“It is expressly understood that the right of the Buyer to license such interactive rights shall be subject to and conditioned upon the prompt payment of such additional compensation, in accordance with Article 64 of the 2020 WGA-AMPTP MBA. It is agreed that the WGA, in addition to all other remedies, shall be entitled to injunctive relief against Buyer in the event that such payments are not made.

“Within a reasonable time after the expiration of each calendar or fiscal quarter, but not exceeding sixty (60) days, Buyer will furnish or cause to be furnished to the WGA a written report showing the Applicable Gross (as defined in Article 64 of the 2020 WGA-AMPTP MBA) during the preceding quarter from the Buyer's licensing of interactive rights with respect to which Buyer is required to make payments hereunder. Each report shall be in the format described in Article 64.E.1. of the 2020 WGA-AMPTP MBA. Such report shall be accompanied by such payments as may be due.

“Buyer shall also make available for the WGA's inspection all licensor/licensee's [strike whichever is inapplicable] statements delivered to Buyer insofar as they relate to Applicable Gross. The WGA shall have the right at reasonable times to examine the books and records of Buyer as to Applicable Gross.

“If Buyer shall fail to make such payments as and when due and payable, they shall bear interest at the rate of one and one-half percent (1.5%) per month on the unpaid balance thereof, commencing to accrue on the earlier of (1) seven (7) days after notice in writing to Buyer from WGA of such delinquency, or (2) sixty (60) days after such payment becomes due and payable.

“When there is more than one buyer, the provisions of Article 64.E.3.c. of the 2020 WGA-AMPTP MBA shall apply to each Buyer.

“_____
BUYER

“Date: _____

“By:_____

“Address: _____"

The Company (or Licensor, if applicable) agrees to deliver to the Guild an executed copy of the above referred to Buyer's Assumption Agreement within thirty (30) days after the sale, assignment or transfer of the interactive rights to a covered motion picture and/or literary material, with the name and address of the purchaser, assignee or transferee.

Any inadvertent failure on the part of the Buyer to comply with any of the reporting provisions of Article 64.E.1. or Buyer's Assumption Agreement shall in no event constitute a default by the Company (or Licensor, if applicable) or such Buyer or a breach of this Agreement, provided that such failure is cured promptly after notice in writing thereof from the Guild.

Upon delivery of such Buyer's Assumption Agreement and on condition that the Guild approves in writing the financial responsibility of the purchaser, assignee, or transferee, Company (or Licensor, if applicable) shall not be further liable for the keeping of any such records, or for the payment of such additional compensation for the licensing of interactive rights, it being agreed that the purchaser, assignee, or transferee shall solely be liable therefor.

The Guild agrees that it will not unreasonably withhold its approval of the financial responsibility of any such purchaser,

assignee or transferee, it being further agreed that if the Guild, within twenty-one (21) days of receipt of written notice of any such sale, assignment or transfer, has not advised the Company (or Licensor, if applicable) that it disapproves the financial responsibility of such purchaser, assignee, or transferee, the Guild will be deemed to have approved the financial responsibility thereof. In the event the Guild advises the Company (or Licensor, if applicable) within such twenty-one (21) day period that it disapproves the financial responsibility of any such purchaser, assignee, or transferee, and the Company (or Licensor, if applicable) disputes such disapproval, the Company (or Licensor, if applicable) shall have the right, at its election, to cause to be immediately submitted to arbitration, as herein provided, the issue of whether the Guild has unreasonably withheld the approval of the financial responsibility of such purchaser, assignee, or transferee for payments due hereunder.

4. Acquisition of Title by Company

If the Company (or Licensor, if applicable) was not the actual producer of a motion picture described in Article 64.B.1. or 2. which was produced by a signatory Company, or if the Company (or Licensor, if applicable) was not the actual producer of a motion picture based upon literary material described in Article 64.C.3. which was produced by a signatory Company, but acquired title thereto by purchase, assignment, transfer, voluntary or involuntary, or by foreclosure of a chattel mortgage or security agreement or a pledgee's sale, Company (or Licensor, if applicable) shall nevertheless be obligated to make the payments herein provided when the interactive rights to such picture are licensed, unless such payment required hereunder has already been paid.

5. Financing-Distribution Agreement by Company

The obligation of the signatory Company (or Licensor, if applicable) hereunder with respect to the payments provided for in this Article 64 shall also apply to any covered motion picture produced by an independent producer under a contract between the signatory Company (or Licensor, if applicable) and such independent producer for the production of such motion picture, and for the financing and distribution thereof by the signatory Company (or Licensor, if applicable). However, such signatory Company (or Licensor, if applicable) shall not be liable for any Article 64 payments based on monies received by a foreign distributor under a "foreign production deal" as defined in Article 51.C.1.c. of this Agreement, with respect to

which such foreign distributor or such independent producer is not obligated to account to such signatory Company (or Licensor, if applicable). Nor shall such signatory Company (or Licensor, if applicable) be obligated to obtain an assumption agreement from any foreign distributor referred to in this Article 64.E. except if such foreign distributor is obligated to account to such signatory Company (or Licensor, if applicable) with respect to Article 64 monies as therein provided.

6. Company's Liability

It is expressly understood and agreed that the Company (or Licensor, if applicable) shall in all events remain bound hereunder to make the Article 64 payments due by reason of the licensing of interactive rights, irrespective of the assumption of such liability by any other person, firm or company as hereinabove provided, except as otherwise expressly provided in this Basic Agreement.

7. Failure to Deliver Assumption Agreement

The Company's (or Licensor's, if applicable) failure to obtain and deliver an executed assumption agreement as provided in this Paragraph E. shall be deemed a substantial breach of this Basic Agreement.

8. Company's Dissolution

If Company (or Licensor, if applicable) dissolves and is no longer in the business of producing motion pictures, and if a licensor/licensee assumes all of the obligations of the Company (or Licensor, if applicable) under this Article 64, and the financial responsibility of the licensor/licensee is approved by the Guild in its discretion, the Company (or Licensor, if applicable) shall thereupon be released of any obligation with respect to any payments due hereunder; provided that if the licensor/licensee which assumes all of the obligations of the Company (or Licensor, if applicable) is a member Company of the AMPTP or if any such member Company is permanently liable to pay the interactive rights fees provided for in this Article 64 with respect to the interactive rights for which the Company (or Licensor, if applicable) is liable to make such payment of Article 64 fees, then the financial responsibility of such licensor/licensee shall be conclusively deemed approved and such Company (or Licensor, if applicable) shall be released of any obligation with respect to any such payments.

F. The reuse of covered motion pictures or literary material in interactive programs shall be governed exclusively by Article 64. The provisions of the MBA relating to payments based upon uses of literary material are superseded by these provisions only with respect to the use of literary material in interactive programs. Article 64 does not apply to literary material the rights to which have reverted to the writer (for example, under the 1968 WGA Television Freelance MBA with the networks).

G. Recognition of Experimental Nature of Article; Cooperation

1. Acknowledgments

The Guild and the Companies acknowledge that it is difficult to reach agreement on new or different terms and conditions in the Basic Agreement covering markets or areas of exploitation which are in the early stages of development. The market for reuse of MBA-covered material in interactive programs is in its infancy.

The Guild and the Companies have agreed to this Article 64 with the knowledge that distribution patterns for interactive programs not fully known, anticipated or appreciated at the time of the 1995 negotiations may well arise during the term of this Agreement or later.

2. Cooperative Covenant

The parties shall cooperate in good faith to resolve issues attributable to the factors acknowledged in subparagraph 1. above, including the settlement of disputes concerning contract interpretation. To assist in accomplishing the foregoing and to facilitate successful negotiations in the future (including in the CAC), the Guild and the Companies, through the AMPTP, will cooperate by sharing information, upon request, about the market for interactive programming, subject to appropriate protection for proprietary information.

A committee shall be formed to discuss definitions for the terms "news" and promotional," as used in the excerpt provisions of Article 64.B.2.

H. Interactive Media Committee

The parties agree to establish a joint Interactive Media Committee, composed of representatives from the Companies and the WGA, to discuss issues related to the appropriateness and/or administration of these provisions and any other issues related to interactive media that any party wishes to discuss. The Committee shall meet at least once

every six (6) months at the call of either the Guild or one of the Companies. The Committee may invite entities not signatory to a WGA MBA to participate in its activities. The Committee may make recommendations to the CAC regarding any suggested mid-term amendments to these provisions.

ARTICLE 65 - RESPONSIBILITY FOR RESIDUAL PAYMENTS (GENERAL)

A. THEATRICAL MOTION PICTURES

With respect to all theatrical motion pictures which are based upon literary material covered by this Basic Agreement, the principal photography of which commences on or after May 2, 2020 (hereinafter referred to individually as "Such Picture") and which are released to free television, basic cable, in Supplemental Markets or on new media, the following provisions shall be applicable:

1. <u>Distributor's Assumption Agreement -- Television, Supplemental Markets, New Media</u>

Prior to the commencement of principal photography of each Such Picture, if the Company is not also the Distributor of such motion picture on free television, basic cable, in Supplemental Markets or on new media (as applicable), Company shall obtain from the Distributor having one or more of these distribution rights and deliver to the Guild a separate written agreement herein called "Distributor's Assumption Agreement," made expressly for the benefit of the Guild as representative of the writers involved, by which such Distributor agrees to assume and pay the amounts payable hereunder by reason of the exhibition or release of Such Picture on free television, basic cable, in Supplemental Markets or on new media (as applicable), when and as the same become due.

In the event such Distributor is a signatory Company, it shall be deemed automatically bound to such Distributor's Assumption Agreement and delivery and execution of said Assumption Agreement shall not be necessary.

Such agreement shall be substantially in the following form:

"DISTRIBUTOR'S ASSUMPTION AGREEMENT[28]

"In consideration of the execution of a DISTRIBUTION AGREEMENT between

_____
('Company')

and the undersigned Distributor, Distributor agrees that the motion picture presently entitled _____
('Such Picture')

is subject to the 2020 Writers Guild of America Theatrical and Television Basic Agreement covering theatrical motion pictures and particularly to the provisions of Articles 15.A., 51, 58 and the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media thereof (strike those of the following clauses a., b., c. or d. which are not applicable):

"a. Article 15.A. thereof, pertaining to additional payments to writers when theatrical motion pictures are released to free television;

"b. Article 51 thereof, pertaining to additional payments to writers when theatrical motion pictures are released in Supplemental Markets; and

"c. Article 58 thereof, pertaining to additional payments to writers when theatrical motion pictures are released to basic cable.

"d. Sideletter on Exhibition of Motion Pictures Transmitted Via New Media ("Sideletter"), pertaining to additional payments to writers when theatrical motion pictures are released on new media.

"Distributor is distributing or licensing Such Picture for distribution (select one)

_____ in perpetuity (*i.e.*, for the period of copyright and any renewals thereof)

_____ for a limited term of ____ years

[28] The parties agree that all Assumption Agreements shall include the applicable credit obligations of the WGA collective bargaining agreement, if any, governing the writer's employment and/or the acquisition of the literary material which is the subject matter of the Assumption Agreement. The term "Assumption Agreements," as used in this paragraph, means those Assumption Agreements required by the Basic Agreement.

in the following territories and media (indicate those that are applicable):

"Territory:

_____ Domestic (the U.S. and Canada, and their respective possessions and territories)

_____ Foreign (the world excluding the U.S. and Canada and their respective possessions and territories)

_____ Other (please describe):

"Media:

_____ All

_____ Home Video

_____ Pay Television

_____ Free Television

_____ Basic Cable

_____ New Media

_____ Other (please describe):

_____ See description, attached hereto as Exhibit 'A' and incorporated herein by reference.

"Distributor hereby agrees, expressly for the benefit of the Writers Guild of America, West, Inc. and its affiliate, Writers Guild of America, East, Inc., herein called 'the WGA' or 'the Guild,' as representative of the credited writers of Such Picture, when Such Picture is telecast on free television or released to basic cable, exhibited in Supplemental Markets or on new media (as applicable), to make the additional payments required thereby, if any, with respect to the territories, media and term referred to above as provided in the applicable Article(s) and/or Sideletter referred to hereinabove (all such payments are collectively hereinafter referred to as 'Residuals'). Distributor, for and on behalf of the Company, shall make all Social Security, with-holding, unemployment insurance and disability insurance payments

required by law with respect to the additional compensation referred to in the preceding sentence.

"It is expressly understood that the right of Distributor to license Such Picture for exhibition on free television, basic cable, in Supplemental Markets or on new media (as applicable), or to exhibit or cause or permit Such Picture to be exhibited on free television, basic cable, in Supplemental Markets or on new media (as applicable), shall be subject to and conditioned upon the prompt payment of Residuals with respect to the territories, media and term referred to above in accordance with said applicable Article(s) and/or Sideletter. It is agreed that the Guild, in addition to all other remedies, shall be entitled to injunctive relief against Distributor in the event such payments are not made.

"To the extent that Company has executed a security agreement and financing statement in the Guild's favor in Such Picture and related collateral as defined in the WGA-Company Security Agreement ('WGA Security Interest'), Distributor agrees and acknowledges that Distributor's rights in Such Picture acquired pursuant to the Distribution Agreement (to the extent those rights are included in the collateral covered by the Security Agreement) are subject and subordinate to the WGA Security Interest.

"The Guild agrees that so long as Residuals with respect to Such Picture for the territories, media and term referred to above are timely paid in accordance with said applicable Article(s) and/or Sideletter that the WGA will not exercise any rights under the WGA Security Interest which would in any way interfere with the rights of the Distributor to distribute Such Picture and receive all revenues from such distribution.

"The Guild further agrees that if it exercises its rights as a secured party, it will dispose of collateral which encompasses any of Distributor's rights or interests in, or physical items relating to, Such Picture, only to a transferee which agrees in writing to be bound by the Guild's obligations under this Assumption Agreement.

"Prompt payment:

"a. Network exhibition

"If Such Picture is licensed for network exhibition, payment with respect to the gross receipts from such license shall be made as follows:

"(1) If, under the terms of the license, there is no possibility that Such Picture can or may be dropped out of the license, payment must be made within thirty (30) days after receipt of payment from the network with respect to Such Picture.

"(2) If there is a possibility that Such Picture can or may be dropped out of such license, then payment with respect to Such Picture shall be made within thirty (30) days after exhibition of Such Picture on television pursuant to such license, but not earlier than thirty (30) days after receipt of payment from the network with respect to Such Picture.

"Payment shall be accompanied with a written report of the license fee payable for Such Picture pursuant to the license and of the amount paid by the network for Such Picture.

"b. Other

"With respect to exhibition or release of Such Picture on free television (other than pursuant to a license for network exhibition), or on basic cable, in Supplemental Markets or on new media (as applicable), within a reasonable time after the expiration of each calendar or fiscal quarter, but not exceeding sixty (60) days, Distributor will furnish or cause to be furnished to the Guild a written report showing the 'accountable receipts' during the preceding quarter from the distribution of Such Picture by Distributor on free television, basic cable, in Supplemental Markets or on new media (as applicable), with respect to which Distributor is required to make payments hereunder, (whether distributed by the Distributor or through another distributor). Such report shall be accompanied by such payments as may be due.

"Distributor shall also make available for inspection by the WGA all Distributor's statements delivered to Company insofar as they relate to such 'accountable receipts.' The Guild shall have the right at reasonable times and on reasonable notice to examine the books and records of Distributor as to such 'accountable receipts' pertaining to such distribution on free television, basic cable, in Supplemental Markets or on new media (as applicable) of Such Picture. If Distributor shall fail to make such payments required under Articles 15.A., 51, 58 and Sideletter (as applicable) as and when due and payable, they shall bear interest at the rate of one and one-half percent (1½%) per month on the unpaid balance thereof commencing to accrue

on the earlier of: (1) seven (7) days after notice in writing from WGA of such delinquency, or (2) sixty (60) days after such payment becomes due and payable.

"In the event of any sale, assignment or transfer of Distributor's distribution or exhibition rights in Such Picture, Distributor shall remain liable for the Residuals unless Distributor obtains an executed Distributor's Assumption Agreement from such purchaser, assignee or transferee and the Guild approves in writing the financial responsibility of the party obtaining such rights. The Guild agrees that it will not unreasonably withhold its approval of the financial responsibility of any such purchaser, assignee or transferee. In the event the Guild is notified that such purchaser, assignee or transferee is a Qualified Distributor, then the financial responsibility of such purchaser, assignee or transferee shall be deemed automatically approved on the date the Guild receives written notice of the assumption of obligations hereunder by the Qualified Distributor. Nothing herein shall release Company of its obligations under the Basic Agreement or any other agreement between Company and the Guild.

"If the Guild does not approve in writing the financial responsibility of the party obtaining such rights, this DISTRIBUTOR'S ASSUMPTION AGREEMENT shall remain effective and binding upon Distributor, and Distributor shall be obligated to pay Residuals which accrue during the term for those territories and media for which it was granted distribution rights and all extensions and renewals. Such obligations shall be subject to Article 65.A.3. of this Basic Agreement. The Distributor shall have the right, at its election, to cause to be immediately submitted to arbitration, pursuant to the provisions of Articles 10 and 11 of this Basic Agreement, the issue of whether the Guild has unreasonably withheld the approval of the financial responsibility of such purchaser, assignee or transferee for payments due hereunder.

"Distributor and the Guild hereby agree that all disputes based upon, arising out of or relating to this Assumption Agreement, other than the Guild's entitlement to injunctive or other equitable relief, shall be submitted to final and binding arbitration in accordance with the arbitration provisions contained in this Basic Agreement. Notwithstanding the foregoing, Distributor agrees and acknowledges that the Guild is not precluded by this or any other provision of this Assumption Agreement from obtaining from a court injunctive relief or any other legal remedy at any time prior to arbitration or issuance of an arbitration award. The right to obtain injunctive relief from a court

shall be applicable whether an arbitration proceeding has or has not been initiated, and further, without limitation, shall be applicable in conjunction with a proceeding to confirm and enforce an arbitration award against Distributor.

“THIS DISTRIBUTOR'S ASSUMPTION AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA AND THE UNITED STATES, AS THE SAME WOULD BE APPLIED BY A FEDERAL COURT IN CALIFORNIA WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS. The Guild and Distributor agree that any arbitration or legal action or proceeding brought to interpret or enforce the provisions of this Distributor's Assumption Agreement (including an action to compel arbitration or a petition to vacate an arbitration award) shall be held or brought in Los Angeles County, California, and Distributor irrevocably submits to the jurisdiction of the federal and state courts therein. Notwithstanding the foregoing, the Guild, at its option, may bring a legal action or proceeding outside California under the following circumstances: (1) if Distributor has no principal place of business in California; or (2) whether or not Distributor has a principal place of business in California, to enforce or execute upon an arbitration award or court order or judgment, in any jurisdiction in which Distributor's assets are located (and Distributor irrevocably submits to the jurisdiction of the courts of such places for purposes of such execution or enforcement). Distributor consents to service of process by personal delivery or by certified or registered mail, return receipt requested, to Distributor's general counsel or to Distributor's representative identified below or by first class mail to Distributor when Distributor has not designated a representative or a general counsel, or by any other method permitted by law.

“Date _____ _____
(‘Distributor’)

“Address: _____

_____

“By: _____

_____
Please print name

“Title: _____

“Distributor's Representative or General Counsel:
_____"

An inadvertent failure on the part of any such Distributor to comply with any of the reporting provisions of this Section A.1. shall in no event constitute a default by the Company or such Distributor or a

breach of this Agreement, provided that such failure is cured promptly after notice in writing thereof from the Guild.

In the event of the expiration or termination of any distribution agreement, the obligation of Company to obtain and deliver to the Guild such Distributor's Assumption Agreement shall apply as well to any subsequent distribution agreement entered into by Company, and Company shall obtain and deliver an executed Distributor's Assumption Agreement within ten (10) days after the execution of each such subsequent distribution agreement.

With respect to any Such Picture produced hereunder, the Guild may require such financial assurances from Company as it deems advisable to insure performance of Company's obligations to pay the Residuals, including without limitation, the execution of security agreements, guarantees or other protective agreements, subject, however, to the following:

Should the Guild require financial assurances from the Company in the form of a security agreement for a security interest in Such Picture, and a security interest in Such Picture is being furnished or will be furnished to SAG-AFTRA or the Directors Guild of America, then such security interest granted to the WGA shall attach at the same time and in the same form, but consistent with the provisions of Article 47, as the security interest furnished to SAG-AFTRA or the Directors Guild of America.

Should the Guild require financial assurances from the Company in the form of a security agreement for a security interest in Such Picture, and no security interest in Such Picture is being furnished or will be furnished to either SAG-AFTRA or the Directors Guild of America, then the Guild may require the Company to provide such security interest in Such Picture prior to the commencement of principal photography of Such Picture.

If the Guild shall require financial assurances from the Company in the form of a security agreement for a security interest in Such Picture, so long as the Residuals are timely paid with respect to all territories, media and term acquired by the Distributor in accordance with Article 15.A., Article 51, Article 58 and/or Sideletter of the Basic Agreement, as applicable, the Guild shall not exercise any rights under such security agreement which would in any way interfere with the rights of the Distributor to distribute Such Picture and receive all revenues from such distribution, provided that such

Distributor has executed and delivered a Distributor's Assumption Agreement to the Guild and is in compliance with the terms thereof.

If any "Qualified Distributor" assumes in perpetuity under the Distributor's Assumption Agreement the obligation to pay the Residuals for all territories and media with respect to Such Picture or guarantees in a written form satisfactory to the Guild (which shall include the Standard Letter of Guaranty) (see p. 721) all of such obligations thereunder, the Guild will release and cause to be discharged of record all such security interests, liens, charges or encumbrances entered into by or obtained from such Company and will not require further financial assurances from such Company; provided, however, the Company's primary liability as a Company shall not be released thereby.

If any "Qualified Distributor" acquires rights to distribute Such Picture in specific territories and media (but not all territories and media) in perpetuity, and thereby has assumed responsibility for the payment of Residuals for such territories and media so acquired pursuant to the Distributor's Assumption Agreement or guarantees in a written form satisfactory to the Guild (which shall include the Standard Letter of Guaranty) (see p. 721) all of such obligations thereunder, then if the Company has granted or thereafter grants a security interest in favor of the Guild in Such Picture and related collateral as defined in the WGA Security Agreement, the Guild: (i) agrees to modify the definition of the collateral in the WGA Security Agreement to exclude those territories and media acquired by such Qualified Distributor; and (ii) acknowledges Distributor's continuing rights of full, unlimited but non-exclusive access to and use of any and all physical items and elements relating to the Picture.

If any "Qualified Distributor" acquires rights to distribute Such Picture in specific territories and media for a limited period of time, and thereby has assumed responsibility for the payment of Residuals for such term and in such territories and media pursuant to the Distributor's Assumption Agreement or guarantees in a written form satisfactory to the Guild (which shall include the Standard Letter of Guaranty) (see p. 721) all of such obligations thereunder, then any security agreement or security interest obtained by the Guild from the Company in connection with Such Picture shall remain in effect, but the Guild: (i) agrees to modify the definition of the collateral in the WGA Security

Agreement to exclude those territories and media for the term of the rights acquired by Distributor, including renewals and extensions; and (ii) acknowledges Distributor's continuing rights of full, unlimited but non-exclusive access to and use of any and all physical items and elements relating to the Picture.

In addition to those distributors who have been deemed "Qualified" by the Guild due to their past bargaining relationship and/or Residuals payment history, the term "Qualified Distributor" shall mean a Distributor who satisfies the requirements set forth in subparagraphs (1) and (2) below:

(1) Distributor has the financial history, liquidity, net earnings before interest, taxes and amortization, assets, and net worth to establish its present and future ability to pay Residuals arising from the exploitation of the Guild Pictures being distributed.

(2) The Distributor has been in business for five (5) or more years and has a history of prompt and proper payment of Residuals pursuant to WGA contracts in five (5) consecutive years immediately prior to seeking Qualified Distributor status.

A Qualified Distributor must agree to assume Residuals obligations, or guarantee the payment of Residuals in accordance with the Qualified Distributor/Buyer Letter of Agreement (see p. 718) for each Such Picture produced under this Basic Agreement for the territories, media and term for which it has distribution rights and must execute the Qualified Distributor's Agreement.

In the event of a dispute as to qualifications of an applicant for Qualified Distributor status, Company shall provide such financial assurances as the Guild may deem appropriate, which may include, but are not limited to, a security interest in Such Picture and related collateral, in which case Distributor shall acknowledge same. Said security interest shall remain effective unless and until it is established by agreement or in an arbitration, pursuant to the arbitration provisions contained in the Basic Agreement, that the applicant Distributor meets the aforementioned requirements for qualification. Such applicant shall have the burden of proof that it satisfies the aforementioned requirements for qualification in any arbitration and shall, upon the Guild's request, furnish to the Guild all relevant financial or corporate information relating thereto as the Guild may reasonably require.

Any information submitted to the Guild in order to determine whether a distributor is entitled to status as a Qualified Distributor shall, at the Distributor's discretion, be subject to reasonable confidentiality arrangements.

In the event that a Qualified Distributor, after notice and a reasonable opportunity to cure, generally fails to report and/or pay Residuals when they are due or generally fails to pay obligations to creditors when they become due or in the event a petition is filed under the Bankruptcy Code by or against a Qualified Distributor, the Guild shall have the right to terminate the Distributor's Qualified Distributor status. The Distributor shall have the right to invoke the arbitration procedures described above to challenge such termination. Pending the resolution of such challenge, the Qualified Distributor's status shall be considered terminated. The Guild agrees that it will not terminate a Qualified Distributor's status when there is a *bona fide* dispute as to whether Residuals are due, or a *bona fide* dispute as to the amount of Residuals due to the Guild, if the Distributor has otherwise timely reported and paid Residuals. In addition to the above, if a Guild audit conducted pursuant to the Basic Agreement or other financial information discloses that the Qualified Distributor no longer meets the aforementioned standards for qualification, the Guild may initiate an arbitration pursuant to the Basic Agreement to terminate the Qualified Distributor's status.

2. Buyer's Assumption Agreement - Television, Supplemental Markets, New Media

If the Company shall sell, transfer or assign its rights to exhibit on free television, basic cable or to distribute in Supplemental Markets or on new media any Such Picture, it shall obtain from buyer, transferee or assignee a separate agreement, made expressly for the benefit of the Guild, as representative of the writers involved, requiring such buyer, transferee or assignee to comply with the provisions of this Agreement with respect to additional payments to credited writers by reason of the exhibition of Such Picture on free television or the release of Such Picture to basic cable or the distribution of Such Picture in Supplemental Markets or on new media (as applicable), when and as the same become due. Such agreement shall be in substantially the following form:

"BUYER'S ASSUMPTION AGREEMENT[29]

"For valuable consideration, the undersigned

_____
(Insert Name of Buyer, Transferee or Assignee)

(hereinafter referred to as 'Buyer') hereby agrees with

_____
(Insert Name of Company)
that each motion picture covered by this agreement ('Such Picture') (identified in the attached Exhibit 'A') is subject to the 2020 Writers Guild of America Theatrical and Television Basic Agreement and particularly to the provisions of Articles 15.A., 51, 58 and the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media thereof (strike those of the following clauses a., b., c. or d. which are not applicable):

"a. Article 15.A. thereof, pertaining to additional payments to writers when theatrical motion pictures are released to free television;

"b. Article 51 thereof, pertaining to additional payments to writers when theatrical motion pictures are released in Supplemental Markets; and

"c. Article 58 thereof, pertaining to additional payments to writers when theatrical motion pictures are released to basic cable.

"d. Sideletter on Exhibition of Motion Pictures Transmitted Via New Media ("Sideletter"), pertaining to additional payments to writers when theatrical motion pictures are released on new media.

"Buyer is purchasing rights in the following territories and media (indicate those that are applicable):

"Territory:

_____ Domestic (the U.S. and Canada, and their respective possessions and territories)

[29] The parties agree that all Assumption Agreements shall include the applicable credit obligations of the WGA collective bargaining agreement, if any, governing the writer's employment and/or the acquisition of the literary material which is the subject matter of the Assumption Agreement. The term "Assumption Agreements," as used in this paragraph, means those Assumption Agreements required by the Basic Agreement.

_____ Foreign (the world excluding the U.S. and Canada and their respective possessions and territories)

_____ Other (please describe):

"Media:

_____ All

_____ Home Video

_____ Pay Television

_____ Free Television

_____ Basic Cable

_____ New Media

_____ Other (please describe):

_____ See description, attached hereto as Exhibit 'A' and incorporated herein by reference.

"Buyer hereby agrees, expressly for the benefit of the Writers Guild of America, West, Inc., and its affiliate, Writers Guild of America, East, Inc., hereinafter called 'the WGA' or 'the Guild,' as representative of the credited writers of Such Picture, when telecast or when released to basic cable, when exhibited in Supplemental Markets or on new media (as applicable), to assume and be bound by Company's obligation thereunder to make the additional payments required thereby, if any, with respect to the territories and media referred to above and the pension and health contributions required thereby, if any, as provided in the applicable Article(s) and/or Sideletter referred to hereinabove (all such payments are collectively hereinafter referred to as 'Residuals'). Buyer, for and on behalf of the Company, shall make all Social Security, withholding, unemployment insurance and disability insurance payments required by law with respect to the additional compensation referred to in the preceding sentence.

"It is expressly understood that the right of Buyer to license Such Picture for exhibition on free television, basic cable, in Supplemental Markets or on new media (as applicable), or to exhibit or cause or permit Such Picture to be exhibited on free television, basic cable, in Supplemental Markets or on new media (as applicable), shall be sub-

ject to and conditioned upon the prompt payment of Residuals with respect to the territories and media referred to above in accordance with said applicable Article(s) and/or Sideletter. It is agreed that the Guild, in addition to all other remedies, shall be entitled to injunctive relief against Buyer in the event such payments are not made.

"To the extent that Company has executed a security agreement and financing statement in the Guild's favor in Such Picture and related collateral as defined in the WGA-Company Security Agreement ('WGA Security Interest'), Buyer agrees and acknowledges that Buyer's rights to Such Picture acquired pursuant to the Purchase Agreement (to the extent those rights are included in the collateral covered by the Security Agreement) are subject and subordinate to the WGA Security Interest. Buyer further agrees to execute a security agreement, mortgage of copyright, UCC-1, and other UCC documentation and any other document required under the Basic Agreement or necessary or desirable in the Guild's discretion to continue the WGA Security Interest.

"The Guild agrees that, so long as Residuals with respect to Such Picture for all the territories and media referred to above are timely paid in accordance with said applicable Article(s) and/or Sideletter, the Guild will not exercise any rights under the WGA Security Interest which would in any way interfere with the rights of the Buyer to distribute the Picture and receive all revenues from such distribution.

"The Guild further agrees that if it exercises its rights as a secured party, it will dispose of collateral which encompasses any of Buyer's rights or interests in, or physical items relating to, Such Picture, only to a transferee which agrees in writing to be bound by the Guild's obligations under this Assumption Agreement.

"Prompt payment:

"a. Network exhibition

"If Such Picture is licensed for network exhibition, payment with respect to the gross receipts from such license shall be made as follows:

"(1) If, under the terms of the license, there is no possibility that Such Picture can or may be dropped out of the license, payment must be made within thirty (30) days after receipt of payment from the network with respect to Such Picture.

"(2) If there is a possibility that Such Picture can or may be dropped out of such license, then payment with respect to Such Picture shall be made within thirty (30) days after exhibition of Such Picture on television pursuant to such license, but not earlier than thirty (30) days after receipt of payment from the network with respect to Such Picture.

"Payment shall be accompanied with a written report of the license fee payable for Such Picture pursuant to the license and of the amount paid by the network for Such Picture.

"b. Other

"With respect to exhibition of Such Picture on free television, other than pursuant to a license for network exhibition, or with respect to release to basic cable, distribution in Supplemental Markets or on new media, within a reasonable time after the expiration of each calendar quarter, but not exceeding sixty (60) days, Buyer will furnish or cause to be furnished to the Guild a written report showing the 'accountable receipts' during the preceding quarter from the distribution of Such Picture by Buyer on free television, basic cable, in Supplemental Markets or on new media (as applicable) with respect to which Buyer is required to make payments hereunder (whether distributed by Buyer or through another distributor licensed by Buyer). Such report shall be accompanied by such payments as may be due.

"Buyer shall also make available for inspection by the Guild all distributor's statements delivered to Buyer insofar as they relate to such 'accountable receipts.' The Guild shall have the right at reasonable times to examine the books and records of Buyer as to such 'accountable receipts' pertaining to such distribution on free television, basic cable, in Supplemental Markets or on new media (as applicable) of Such Picture. If Buyer shall fail to make such payments required under Articles 15.A., 51, 58 and Sideletter (as applicable) as and when due and payable, they shall bear interest at the rate of one and one-half percent (1½%) per month on the unpaid balance thereof commencing to accrue on the earlier of: (1) seven (7) days after notice in writing from the WGA of such delinquency, or (2) sixty (60) days after such payment becomes due and payable.

"In the event of any sale, assignment or transfer of Buyer's distribution or exhibition rights in Such Picture, Buyer shall remain liable for the Residuals, with respect to the territories,

media and term referred to above, unless Buyer obtains an executed Buyer's Assumption Agreement and other documents required by the Guild from such purchaser, assignee or transferee and the Guild approves in writing the financial responsibility of the party obtaining such rights. The Guild agrees that it will not unreasonably withhold its approval of the financial responsibility of any such purchaser, assignee or transferee. Nothing herein shall release the Company of its obligations under any other agreement between Company and the Guild relating to Such Picture, unless the Company has been relieved of liability as elsewhere provided in this Article 65.

"If the Guild does not approve in writing the financial responsibility of the party obtaining such rights, this Buyer's Assumption Agreement shall remain effective and binding upon Buyer.

"Buyer and the Guild hereby agree that all disputes based upon, arising out of or relating to this Assumption Agreement, other than the Guild's entitlement to injunctive or other equitable relief, shall be submitted to final and binding arbitration in accordance with the arbitration provisions contained in the Basic Agreement. Notwithstanding the foregoing, Buyer agrees and acknowledges that the Guild is not precluded by this or any other provision of this Assumption Agreement from obtaining from a court injunctive relief or any other legal remedy at any time prior to arbitration or issuance of an arbitration award. The right to obtain injunctive relief from a court shall be applicable whether an arbitration proceeding has or has not been initiated, and further, without limitation, shall be applicable in conjunction with a proceeding to confirm and enforce an arbitration award against Buyer.

"THIS BUYER'S ASSUMPTION AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA AND THE UNITED STATES, AS THE SAME WOULD BE APPLIED BY A FEDERAL COURT IN CALIFORNIA WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS. The Guild and Buyer agree that any arbitration or legal action or proceeding brought to interpret or enforce the provisions of this Buyer's Assumption Agreement (including an action to compel arbitration or a petition to vacate an arbitration award) shall be held or brought in Los Angeles County, California, and Buyer irrevocably submits to the jurisdiction of the federal and state courts therein.

Notwithstanding the foregoing, the Guild, at its option, may bring a legal action or proceeding outside California under the following circumstances: (1) if Buyer has no principal place of business in California; or (2) whether or not Buyer has a principal place of business in California, to enforce or execute upon an arbitration award or court order or judgment, in any jurisdiction in which Buyer's assets are located (and Buyer irrevocably submits to the jurisdiction of the courts of such places for purposes of such execution or enforcement).

“Buyer consents to service of process by personal delivery or by certified or registered mail, return receipt requested, to Buyer's general counsel or to Buyer's representative identified below or by first class mail to Buyer when Buyer has not designated a representative or a general counsel, or by any other method permitted by law.

“DATE_____ BUYER_____

“ADDRESS_____

“BY _____

“BUYER'S REPRESENTATIVE OR GENERAL COUNSEL_____”

The Company agrees to deliver to the Guild an executed copy of the above referred to Buyer's Assumption Agreement within thirty (30) days after the sale, assignment or transfer of such motion picture, with the name and address of the purchaser or assignee.

Any inadvertent failure on the part of the Buyer to comply with any of the reporting provisions of this Section A.2. shall in no event constitute a default by the Company or such Buyer or a breach of this Agreement, provided that such failure is cured promptly after notice in writing thereof from the Guild.

Upon delivery of such Buyer's Assumption Agreement and other documents from Buyer required under this Assumption Agreement and on condition that the Guild approves in writing the financial responsibility of the purchaser, assignee or transferee, Company shall not be further liable for the keeping of any such records, or for the payment of Residuals in accordance

with said applicable Articles, it being agreed that the purchaser, assignee or transferee shall solely be liable therefor.

The Guild agrees that it will not unreasonably withhold its approval of the financial responsibility of any such purchaser, assignee or transferee, it being further agreed that if the Guild, within twenty-one (21) days of receipt of written notice of any such sale, assignment or transfer, has not advised the Company that it disapproves the financial responsibility of such purchaser, assignee or transferee, the Guild will be deemed to have approved the financial responsibility thereof. If any such purchaser, assignee or transferee is a Qualified Buyer, then the financial responsibility of such purchaser, assignee or transferee shall be deemed automatically approved. In the event the Guild advises the Company within such twenty-one (21) day period that it disapproves the financial responsibility of any such purchaser, assignee or transferee and Company disputes such disapproval, the Company shall have the right, at its election, to cause to be immediately submitted to arbitration, pursuant to the provisions of Articles 10 and 11 of the Basic Agreement, the issue of whether the Guild has unreasonably withheld the approval of the financial responsibility of such purchaser, assignee or transferee for payments due hereunder.

To the extent that Company has granted a security interest in favor of the Guild in Such Picture and related collateral as defined in any WGA Security Agreement, Buyer's rights in Such Picture acquired pursuant to the Purchase Agreement shall be subject to the following:

> So long as the Buyer timely pays Residuals for Such Picture with respect to all territories and media in which Buyer has distribution rights in accordance with Article 15.A., Article 51, Article 58 and/or Sideletter of the Basic Agreement, as applicable, the Guild shall not exercise any rights under such security agreement which would in any way interfere with the rights of the Buyer to distribute Such Picture and receive all revenues from such distribution, provided that such Buyer has executed and delivered a Buyer's Assumption Agreement to the Guild and is in compliance with the terms thereof.
>
> If any “Qualified Buyer” assumes in perpetuity under the Buyer's Assumption Agreement the obligation to pay the Residuals for all territories and media with respect to Such

Picture or guarantees in a written form satisfactory to the Guild (which shall include the Standard Letter of Guaranty) (see p. 721) all of such obligations thereunder, the Guild will release and cause to be discharged of record all such security interests, liens, charges or encumbrances entered into or obtained from such Company and will not require further financial assurances from such Company.

If any "Qualified Buyer" acquires rights to distribute Such Picture in specific territories and media (but not all territories and media) in perpetuity, and thereby has assumed responsibility for the payment of Residuals for such territories and media so acquired pursuant to the Buyer's Assumption Agreement or guarantees in a written form satisfactory to the Guild (which shall include the Standard Letter of Guaranty) (see p. 721) all of such obligations thereunder, then if the Company has granted a security interest in favor of the Guild in Such Picture and related collateral as defined in the WGA Security Agreement, the Guild: (i) agrees to modify the definition of the collateral in the WGA Security Agreement to exclude those territories and media acquired by such Qualified Buyer; and (ii) acknowledges Buyer's continuing rights of full, unlimited but non-exclusive access to and use of any and all physical items and elements relating to the Picture.

In addition to those buyers who have been deemed "Qualified" by the Guild due to their past bargaining relationship and/or Residuals payment history, the term "Qualified Buyer" shall mean a Buyer who satisfies the requirements set forth in subparagraphs (1) and (2) below:

(1) Buyer has the financial history, liquidity, net earnings before interest, taxes and amortization, assets, and net worth to establish its present and future ability to pay all Residuals arising from the exploitation of the Guild Pictures being distributed.

(2) The Buyer has been in business for five (5) or more years and has a history of prompt and proper payment of Residuals pursuant to the Guild contracts in five (5) consecutive years immediately prior to seeking Qualified Buyer status.

A Qualified Buyer must agree to assume Residuals obligations, or guarantee the payment of Residuals in accordance with the Qualified Distributor/Buyer Letter of Agreement for each picture produced under this Basic Agreement for the territories and media for which it has distribution rights and must execute the Qualified Buyer's Agreement.

In the event of a dispute as to qualifications of an applicant for Qualified Buyer status, Company shall provide such financial assurances as the Guild may deem appropriate, which may include, but are not limited to, a security interest in Such Picture and related collateral, in which case Buyer shall acknowledge same. Said security interest shall remain effective unless and until it is established by agreement or in an arbitration, pursuant to the arbitration provisions contained in the Basic Agreement, that the applicant Buyer meets the aforementioned requirements for qualification. Such applicant shall have the burden of proof that it satisfies the aforementioned requirements for qualification in any arbitration and shall, upon the Guild's request, furnish to the Guild all relevant financial or corporate information relating thereto as the Guild may reasonably require.

Any information submitted to the Guild in order to determine whether a Buyer is entitled to status as a Qualified Buyer shall, at the Buyer's discretion, be subject to reasonable confidentiality arrangements.

In the event a Qualified Buyer, after notice and a reasonable opportunity to cure, generally fails to report and/or pay Residuals when they are due or generally fails to pay obligations to creditors when they become due or in the event a petition is filed under the Bankruptcy Code by or against a Qualified Buyer, the Guild shall have the right to terminate the buyer's Qualified Buyer status. The Buyer shall have the right to invoke the arbitration procedures described above to challenge such termination. Pending the resolution of such challenge, the Qualified Buyer's status shall be considered terminated. The Guild agrees that it will not terminate a Qualified Buyer's status when there is a *bona fide* dispute over whether Residuals are due to the Guild, or a *bona fide* dispute as to the amount of Residuals due to the Guild, if the Distributor has otherwise timely reported and paid Residuals. In addition to the above, if a Guild audit conducted pursuant to this Basic Agreement or other financial information discloses that the Qualified Buyer no longer meets the aforementioned standards for qualification, the Guild may initiate

an arbitration pursuant to the Basic Agreement to terminate the Qualified Buyer's status.

3. Distributor's Liability

With respect to any Such Picture, the following provisions shall be applicable to the distributor of Such Picture for telecasting on free television, for release to basic cable, for distribution in Supplemental Markets or on new media (as applicable):

When the distributor has provided or guaranteed any of the financing for the production of Such Picture, the distributor shall be obligated to pay all Residuals which accrue under Article 15.A., Article 51, Article 58 and/or Sideletter of the Basic Agreement (as applicable) during the term and in the territories and media for which it was granted distribution rights, including renewals and extensions, notwithstanding the termination of such distribution agreement or any foreclosure of a chattel mortgage, security agreement, pledge or lien on Such Picture. In the case of foreclosure, should such mortgagee, pledgee or security holder or a third party, who is neither the Company nor distributor, acquire title to Such Picture and execute the Buyer's Assumption Agreement and other documents customarily required by the Guild and, upon condition that the Guild, in its discretion, approves in writing such purchaser's financial responsibility, then, when the distributor ceases to be the distributor of Such Picture for telecasting on free television or for release to basic cable or for distribution in Supplemental Markets or on new media (as applicable), the Distributor shall thereupon be released from any and all further obligations under said Article 15.A., Article 51, Article 58 and/or Sideletter, as the case may be, with respect to Such Picture. Should any third party (other than in connection with any such foreclosure) acquire the rights of such distributor to the distribution of Such Picture on free television, basic cable, in Supplemental Markets or on new media (as applicable) and execute a Distributor's Assumption Agreement pursuant to which it is liable in perpetuity to make the payments under said Article 15.A., Article 51, Article 58 and/or Sideletter, as the case may be, then, upon condition that the Guild, in its discretion, approves such third party's financial responsibility, such Distributor shall thereupon be released from any and all further obligations under said Article 15.A., Article 51, Article 58 and/or Sideletter, as the case may be, with respect to Such Picture. In any event, such distributor shall not be liable for the payment of any television fees, basic cable residuals, Supplemental Markets or new media use payments based on monies received by a foreign distributor under a "foreign production deal," as defined in Article

15.A.3.a. and Article 51.C.1.c., with respect to which such foreign distributor or independent producer is not obligated to account to such distributor.

B. TELEVISION MOTION PICTURES

With respect to all television motion pictures based upon literary material covered by this Basic Agreement, the principal photography of which commences on or after May 2, 2020, (referred to individually as “Such Picture”), which are rerun on free television or which are released to basic cable, in Supplemental Markets or on new media, for foreign telecasting or for theatrical exhibition, the following provisions shall be applicable:

1. Television Distributor's Assumption Agreement -- Television Reruns, Basic Cable Exhibition, Foreign Telecasting, Theatrical Exhibition, Supplemental Markets Use and Release to New Media

Prior to the commencement of principal photography of each Such Picture, if the Company is not also the Distributor of Such Picture for free television, basic cable, foreign telecasting, theatrical exhibition, in Supplemental Markets or on new media (as applicable), Company shall obtain from the Distributor having such distribution rights and deliver to the Guild a separate written agreement herein called "Television Distributor's Assumption Agreement," made expressly for the benefit of the Guild as representative of the writers involved, by which such Distributor agrees to assume and pay the amounts payable hereunder by reason of the exhibition of Such Picture on free television, basic cable, foreign television, theatrically, in Supplemental Markets or on new media (as applicable), including applicable pension and health contributions (all such payments are collectively referred to as "Residuals"), when and as the same become due. In the event such Distributor is a signatory Company, it shall be deemed automatically bound to such Distributor's Assumption Agreement and delivery and execution of the Assumption Agreement shall not be necessary.

Such agreement shall be substantially in the following form:

“TELEVISION DISTRIBUTOR'S ASSUMPTION AGREEMENT

“In consideration of the execution of a DISTRIBUTION AGREEMENT between

_____

(‘Company’)

and the undersigned Distributor, Distributor agrees that the motion picture presently entitled _____
('Such Picture')
is subject to the 2020 Writers Guild of America Theatrical and Television Basic Agreement covering television motion pictures and particularly to the provisions of Article 15.B., Article 51, Article 58, Appendix B, Appendix C or the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media (strike those of the following clauses a., b., c., d., e., f., g. or h. which are not applicable):

"a. Article 15.B.1. thereof, pertaining to additional compensation payable to credited writers when television motion pictures are rerun on free television in the United States and Canada and Article 17 thereof, pertaining to applicable pension and health contributions, if any are required;

"b. Article 15.B.2. thereof, pertaining to additional compensation payable to credited writers when television motion pictures are telecast outside the United States and Canada and Article 17 thereof, pertaining to applicable pension and health contributions, if any are required;

"c. Article 15.B.13. thereof, pertaining to additional compensation payable to credited writers when television motion pictures are exhibited theatrically and Article 17 thereof, pertaining to applicable pension and health contributions, if any are required;

"d. Article 51 thereof, pertaining to additional payments to credited writers when television motion pictures are released in Supplemental Markets;

"e. Article 58 thereof, pertaining to additional compensation payable to credited writers when television motion pictures are released to basic cable and Article 17 thereof, pertaining to applicable pension and health contributions, if any are required;

"f. Appendix B thereof, pertaining to additional compensation payable to credited writers of motion pictures produced principally for the pay television and/or videodisc/videocassette market as provided in Sections C.3. and D.3. thereof, and Article 17 thereof, pertaining to applicable pension and health contributions, if any are required;

"g. Appendix C thereof, pertaining to additional compensation payable to credited writers of motion pictures made for basic cable pursuant to Paragraph 2.b. thereof, and Article 17 thereof, pertaining to applicable pension and health contributions, if any are required; and

"h. Sideletter on Exhibition of Motion Pictures Transmitted Via New Media ('Sideletter'), pertaining to additional compensation payable to credited writers when television motion pictures are released on new media, and Article 17 thereof, pertaining to applicable pension and health contributions, if any are required.

"Distributor is distributing or licensing Such Picture for distribution (select one)

_____ in perpetuity (*i.e.*, for the period of copyright and any renewals thereof)

_____ for a limited term of ____ years

in the following territories and media (indicate those that are applicable):

"Territory:

_____ Domestic (the U.S. and Canada, and their respective possessions and territories)

_____ Foreign (the world excluding the U.S. and Canada and their respective possessions and territories)

_____ Other (please describe):

"Media:

_____ All

_____ Theatrical

_____ Home Video

_____ Pay Television

_____ Free Television (Domestic)

_____ Foreign Free Television

_____ Basic Cable

_____ New Media

_____ Other (please describe):

_____ See description, attached hereto as Exhibit 'A' and incorporated herein by reference.

"Distributor hereby agrees, expressly for the benefit of the Writers Guild of America, West, Inc., and its affiliate, Writers Guild of America, East, Inc., herein called 'the Guild' or 'the WGA,' as representative of the credited writers of Such Picture, to abide by said Basic Agreement, to cause the requisite screen and advertising credits to be given, and when Such Picture is exhibited on free television, foreign television, basic cable or theatrically or in Supplemental Markets or on new media (as applicable), to make the additional payments required thereby, if any, and the pension and health contributions required thereby, if any, with respect to the territories, media and term referred to above as provided in the applicable Articles, Appendices or Sideletter referred to hereinabove (all such payments are collectively hereinafter referred to as 'Residuals'). Distributor, for and on behalf of the Company, shall make all Social Security, withholding, unemployment insurance and disability insurance payments required by law with respect to the additional compensation referred to in the preceding sentence.

"It is expressly understood and agreed that the right of Distributor to license Such Picture for exhibition on free television, foreign television, basic cable, theatrically, in Supplemental Markets or on new media (as applicable), or to exhibit or cause or permit Such Picture to be exhibited on free television, foreign television, basic cable, theatrically, in Supplemental Markets or on new media (as applicable), shall be subject to and conditioned upon the prompt payment of Residuals with respect to the territories, media and term referred to above in accordance with said applicable Articles, Appendices or Sideletter, and upon Distributor abiding by the credits provisions of the Basic Agreement. It is agreed that the Guild, in addition to all other remedies, shall be entitled to injunctive relief and damages against Distributor in the event such payments are not made or such credit is not given.

“To the extent that Company has executed a security agreement and financing statement in the Guild's favor in Such Picture and related collateral as defined in the WGA-Company Security Agreement (‘WGA Security Interest’), Distributor agrees and acknowledges that Distributor's rights in Such Picture acquired pursuant to the Distribution Agreement (to the extent those rights are included in the collateral covered by the Security Agreement) are subject and subordinate to the WGA Security Interest.

“The Guild agrees that, so long as Residuals with respect to Such Picture for the territories, media and term referred to above are timely paid in accordance with said applicable Articles, Appendices and Sideletter, the Guild will not exercise any rights under the WGA Security Interest which would in any way interfere with the rights of the Distributor to distribute the Picture and receive all revenues from such distribution.

“The Guild further agrees that if it exercises its rights as a secured party, it will dispose of collateral which encompasses any of Distributor's rights or interests in, or physical items relating to, Such Picture, only to a transferee which agrees in writing to be bound by the Guild's obligations under this Assumption Agreement.

“Distributor agrees to keep or have access to (1) complete records showing all cities in the United States and Canada in which Such Picture has been telecast and the number of telecasts in each such city, the television stations on which telecast, and the dates thereof; (2) complete records showing Distributor's Foreign Gross for Such Picture to the extent that such records are pertinent to the computation of payments for foreign telecasting; (3) complete records showing Company’s accountable receipts from basic cable exhibition and/or from the distribution of Such Picture in Supplemental Markets or on new media; (4) records showing the date on which Such Picture is first exhibited in theatrical exhibition anywhere in the world and the place of such exhibition; (5) with respect to any Such Picture which is produced principally for the pay television and/or videodisc/videocassette market, complete records showing Company’s receipts from use of Such Picture in the pay television and/or videodisc/videocassette market, except that for any Such Picture which is a dramatic program of a type generally produced for prime time network television which is produced principally for pay television, Distributor shall keep or have access to complete records showing the date of the initial exhibition and the number of exhibition days on each pay television service in the United States and Canada in the first exhibition year, and the fee or other payment received from

sales of Such Picture in the videodisc/videocassette market. The undersigned Distributor shall also keep or have access to such records as are necessary for the computation of Residuals for reruns, foreign telecasting, basic cable exhibition, theatrical exhibition, Supplemental Market or new media use for so long as such Residuals may be due or payable. The Guild shall have the right, at all reasonable times, to inspect any and all such records. If Distributor shall fail to make such payments as and when due and payable, Distributor shall pay interest as specified in the applicable provision of the Basic Agreement, if any.

"If Distributor has acquired the rights to distribute Such Picture on free television, Distributor shall give the Guild prompt written notice of the date on which Such Picture is first telecast in any city in the United States or Canada for the second run and for each subsequent run thereafter. If the second or third run is on a network or run in network prime time, the notice shall state that fact.

"If Such Picture is distributed for foreign telecasting and if Distributor has acquired the rights to distribute Such Picture for foreign telecasting, Distributor shall furnish reports to the Guild showing Distributor's Foreign Gross derived from Such Picture until Such Picture has been withdrawn from distribution for foreign telecasting. Such reports shall be rendered to the Guild on a quarterly basis during the first three (3) years in which Such Picture is distributed for foreign telecasting, on a semi-annual basis for the next following two (2) years, and on an annual basis thereafter.

"If Such Picture is distributed in Supplemental Markets and if Distributor has acquired the rights to distribute Such Picture in Supplemental Markets, Distributor shall furnish reports to the Guild, quarterly during each calendar year, showing Distributor's gross receipts derived from such Supplemental Market use for as long as Distributor receives any such gross receipts.

"If Such Picture is distributed theatrically and if Distributor has acquired the rights to exhibit Such Picture theatrically, the Distributor shall give prompt written notice to the Guild of the date on which Such Picture is first exhibited theatrically (1) in the United States, its commonwealths, territories and possessions and Canada and/or (2) in all other countries.

"If Such Picture is distributed on basic cable and if Distributor has acquired the rights to distribute Such Picture on basic cable, the Distributor shall furnish reports to the Guild, quarterly during each

calendar year, showing Distributor's gross receipts derived from such distribution for so long as Distributor receives any such gross receipts.

“If Such Picture is distributed on new media and if Distributor has acquired the rights to distribute Such Picture on new media, Distributor shall furnish reports to the Guild, quarterly during each calendar year, showing Distributor’s gross receipts derived from such new media use for as long as Distributor receives any gross receipts.

“Distributor agrees to cooperate in responding to reasonable requests from the Guild as to whether Such Picture is currently being rerun on television, distributed for foreign telecasting, on basic cable, theatrically, in Supplemental Markets or on new media. An inadvertent failure to comply with any of the notice or reporting provisions hereof shall not constitute a default by Distributor hereunder, provided said failure is cured promptly after written notice thereof from the Guild.

“In the event of any sale, assignment or transfer of Distributor's distribution or exhibition rights in Such Picture, Distributor shall remain liable for the Residuals unless Distributor obtains an executed Television Distributor's Assumption Agreement from such purchaser, assignee or transferee and the Guild approves in writing the financial responsibility of the party obtaining such rights. The Guild agrees that it will not unreasonably withhold its approval of the financial responsibility of any such purchaser, assignee or transferee. In the event that such purchaser, assignee or transferee is a Qualified Residual Payor, the financial responsibility of such purchaser, assignee or transferee shall be deemed automatically approved on the date the Guild receives written notice of the assumption of obligations hereunder by the Qualified Residual Payor. Nothing herein shall release Company of its obligations under the Basic Agreement or any other agreement between Company and the Guild.

“If the Guild does not approve in writing the financial responsibility of the party obtaining such rights, this TELEVISION DISTRIBUTOR'S ASSUMPTION AGREEMENT shall remain effective and binding upon Distributor, and Distributor shall be obligated to pay Residuals which accrue during the term for those territories and media for which it was granted distribution rights and all extensions and renewals. The Distributor shall have the right, at its election, to cause to be immediately submitted to arbitration, pursuant to the provisions of Articles 10 and 11 hereof, the issue of whether the Guild has unreasonably withheld the approval of the financial responsibility of such purchaser, assignee or transferee for payments due hereunder.

“Distributor and the Guild hereby agree that all disputes based upon, arising out of or relating to this Assumption Agreement, other than the Guild's entitlement to injunctive or other equitable relief, shall be submitted to final and binding arbitration in accordance with the arbitration provisions contained in Articles 10 and 11 of the Basic Agreement. Notwithstanding the foregoing, Distributor agrees and acknowledges that the Guild is not precluded by this or any other provision of this Assumption Agreement from obtaining from a court injunctive relief or any other legal remedy at any time prior to arbitration or issuance of an arbitration award. The right to obtain injunctive relief from a court shall be applicable whether an arbitration proceeding has or has not been initiated and, further, without limitation, shall be applicable in conjunction with a proceeding to confirm and enforce an arbitration award against Distributor.

“THIS TELEVISION DISTRIBUTOR'S ASSUMPTION AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA AND THE UNITED STATES, AS THE SAME WOULD BE APPLIED BY A FEDERAL COURT IN CALIFORNIA WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS. The Guild and Distributor agree that any arbitration or legal action or proceeding brought to interpret or enforce the provisions of this Television Distributor's Assumption Agreement (including an action to compel arbitration or a petition to vacate an arbitration award) shall be held or brought in Los Angeles County, California, and Distributor irrevocably submits to the jurisdiction of the federal and state courts therein. Notwithstanding the foregoing, the Guild, at its option, may bring a legal action or proceeding outside California under the following circumstances: (1) if Distributor has no principal place of business in California; or (2) whether or not Distributor has a principal place of business in California, to enforce or execute upon an arbitration award or court order or judgment, in any jurisdiction in which Distributor's assets are located (and Distributor irrevocably submits to the jurisdiction of the courts of such places for purposes of such execution or enforcement). Distributor consents to service of process by personal delivery or by certified or registered mail, return receipt requested, to Distributor's general counsel or to Distributor's representative identified below or by first class mail to Distributor when Distributor has not designated a representative or a general counsel, or by any other method permitted by law.

“Date _____ _____
(‘Distributor’)

“Address: _____

_____

“By: _____

“Please print name _____

“Title: _____

“Distributor's Representative or General Counsel:

_____"

An inadvertent failure on the part of any such Distributor to comply with any of the reporting provisions of this Article 65.B.1. shall in no event constitute a default by the Company or such Distributor or a breach of this Agreement, provided that such failure is cured promptly after notice in writing thereof from the Guild.

In the event of the expiration or termination of any distribution agreement, the obligation of Company to obtain and deliver to the Guild such Television Distributor's Assumption Agreement shall apply as well to any subsequent distribution agreement entered into by Company, and Company shall obtain and deliver an executed Television Distributor's Assumption Agreement within ten (10) days after the execution of each such subsequent distribution agreement.

With respect to any Such Picture produced hereunder, the Guild may require such financial assurances from Company as it deems advisable to insure performance of Company's obligations to pay the Residuals, including, without limitation, the execution of security agreements, guarantees or other protective agreements, subject, however, to the following:

Should the Guild require financial assurances from the Company in the form of a security agreement for a security interest in Such Picture, and a security interest in Such Picture is being furnished or will be furnished to SAG-AFTRA and/or the Directors Guild of America, such security interest to the WGA shall attach at the same time and in the same form, but consistent with Article 47 of this Basic Agreement, as the security interest furnished to SAG-AFTRA and/or the Directors Guild of America.

Should the Guild require financial assurances from the Company in the form of a security agreement for a security interest in Such Picture and no security interest in Such Picture is being furnished

or will be furnished to either SAG-AFTRA or the Directors Guild of America, then the Guild may require the Company to provide such security interest prior to the commencement of principal photography of Such Picture.

If the Guild shall require financial assurances from the Company in the form of a security agreement for a security interest in Such Picture, so long as the Residuals are timely paid with respect to all territories, media and term acquired by the Distributor in accordance with Articles 15.B., 51, 58, Appendix B or C and/or Sideletter of the Basic Agreement, as applicable, the Guild shall not exercise any rights under such security agreement which would in any way interfere with the rights of the Distributor to distribute Such Picture and receive all revenues from such distribution, provided that such Distributor has executed and delivered a Television Distributor's Assumption Agreement to the Guild and is in compliance with the terms thereof.

If any "Qualified Residual Payor" assumes in perpetuity under the Television Distributor's Assumption Agreement the obligation to pay the Residuals for all territories and media with respect to Such Picture or guarantees in a written form satisfactory to the Guild (which shall include the Standard Letter of Guaranty) (see p. 726) all of such obligations thereunder, the Guild will release and cause to be discharged of record all such security interests, liens, charges or encumbrances entered into by or obtained from such Company and will not require further financial assurances from such Company; provided, however, the Company’s primary liability as a Company shall not be released thereby.

If any "Qualified Residual Payor" acquires rights to distribute Such Picture in specific territories and media (but not all territories and media) in perpetuity, and has assumed responsibility for the payment of Residuals for such territories and media so acquired pursuant to the Television Distributor's Assumption Agreement or guarantees in a written form satisfactory to the Guild (which shall include the Standard Letter of Guaranty) (see p. 726) all of such obligations thereunder, then if the Company has granted or thereafter grants a security interest in favor of the Guild in Such Picture and related collateral as defined in the WGA Security Agreement, the Guild: (1) agrees to modify the definition of the collateral in the WGA Security Agreement to exclude those territories and media acquired by such Qualified Residual Payor; and (2) acknowledges Qualified Residual Payor's continuing rights of full, unlimited but non-exclusive access to and use of any and all physical items and elements relating to Such Picture.

If any "Qualified Residual Payor" acquires rights to distribute Such Picture in specific territories and media for a limited period of time, and has assumed responsibility for the payment of Residuals for such term and in such territories and media pursuant to the Television Distributor's Assumption Agreement or guarantees in a written form satisfactory to the Guild (which shall include the Standard Letter of Guaranty) (see p. 726) all of such obligations thereunder, then any security agreement or security interest obtained by the Guild from the Company in connection with Such Picture shall remain in effect, but the Guild agrees to: (1) modify the definition of the collateral in the WGA Security Agreement to exclude those territories and media for the term of the rights acquired by the Qualified Residual Payor, including renewals and extensions; and (2) acknowledge the Qualified Residual Payor's continuing rights of full, unlimited but non-exclusive access to and use of any and all physical items and elements relating to Such Picture.

In addition to those distributors who have been deemed "Qualified Residual Payors" by the Guild due to their past bargaining relationship and/or Residuals payment history, the term "Qualified Residual Payor" shall mean a Distributor who satisfies the requirements set forth in subparagraphs (1) and (2) below:

(1) Distributor has the financial history, liquidity, net earnings before interest, taxes and amortization, assets, and net worth to establish its present and future ability to pay Residuals arising from the exploitation of the Guild Pictures being distributed.

(2) The Distributor has been in business for five (5) or more years and has a history of prompt and proper payment of Residuals pursuant to the Guild contracts in five (5) consecutive years immediately prior to seeking Qualified Distributor status.

A Qualified Residual Payor shall have the right to elect, with respect to each Such Picture for which it has distribution rights, whether or not to assume Residuals obligations or guarantee the payment of Residuals in accordance with the Qualified Residual Payor's Letter of Agreement (see p. 723), for the territories, media and term for which it has distribution rights. However, the Qualified Residual Payor shall be entitled to the rights of a Qualified Residual Payor hereunder only when it elects to so assume such obligations or so guarantee the payment of Residuals.

In the event of a dispute as to qualifications of an applicant for Qualified Residual Payor status, Company shall provide such financial assurances as the Guild may deem appropriate, which may include, but are not limited to, a security interest in Such Picture and related collateral, in which case Distributor shall acknowledge same. Said security interest shall remain effective unless and until it is established by agreement or in an arbitration, pursuant to the arbitration provisions contained in the Basic Agreement, that the applicant Distributor meets the aforementioned requirements for qualification. Such applicant shall have the burden of proof that it satisfies the aforementioned requirements for qualification in any arbitration and shall, upon the Guild's request, furnish to the Guild all relevant financial or corporate information relating thereto as the Guild may reasonably require.

Any information submitted to the Guild in order to determine whether a distributor is entitled to status as a Qualified Residual Payor shall, at the Distributor's discretion, be subject to reasonable confidentiality arrangements.

In the event that a Qualified Residual Payor, after notice and a reasonable opportunity to cure, generally fails to report and/or pay Residuals when they are due or generally fails to pay obligations to creditors when they become due or in the event a petition is filed under the Bankruptcy Code by or against a Qualified Residual Payor, the Guild shall have the right to terminate the Distributor's Qualified Residual Payor status. The Distributor shall have the right to invoke the arbitration procedures described above to challenge such termination. Pending the resolution of such challenge, the Qualified Residual Payor's status shall be considered terminated. The Guild agrees that it will not terminate a Qualified Residual Payor's status when there is a *bona fide* dispute as to whether Residuals are due, or a *bona fide* dispute as to the amount of Residuals due to the Guild, if the Distributor has otherwise timely reported and paid Residuals. In addition to the above, if a Guild audit conducted pursuant to the Basic Agreement or other financial information discloses that the Qualified Residual Payor no longer meets the aforementioned standards for qualification, the Guild may initiate an arbitration pursuant to the Basic Agreement to terminate the Qualified Residual Payor's status.

2. <u>Television Buyer's Assumption Agreement</u>

If the Company shall sell, transfer or assign its rights to exhibit Such Picture on free television, basic cable or foreign television, or theatrically or in Supplemental Markets or on new media, it shall

obtain from such buyer, transferee or assignee a separate agreement, made expressly for the benefit of the Writers Guild of America, West, Inc. and its affiliate, Writers Guild of America, East, Inc., as representative of the writers involved, requiring such buyer, transferee or assignee to comply with the provisions of this Basic Agreement with respect to additional payments to credited writers, and pension and health contributions, if any are required, by reason of the exhibition of Such Picture on free television, basic cable or foreign television or the distribution of Such Picture theatrically or in Supplemental Markets or on new media (as applicable), when and as the same become due.

Such agreement shall be substantially in the following form:

"TELEVISION BUYER'S ASSUMPTION AGREEMENT

"For valuable consideration, the undersigned

_____

(Insert Name of Buyer, Transferee or Assignee)

(hereinafter referred to as 'Buyer') hereby agrees with

_____

(Insert Name of Company)

that each motion picture covered by this agreement ('Such Picture') (identified in the attached Exhibit 'A') is subject to the 2020 Writers Guild of America Theatrical and Television Basic Agreement covering television motion pictures and particularly to the provisions of Articles 15.B., 51, 58, Appendix B and C and/or the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media ("Sideletter") thereof (strike those of the following clauses a., b., c., d., e., f., g. or h. which are not applicable):

"a. Article 15.B.1. thereof, pertaining to additional compensation payable to credited writers when television motion pictures are rerun on free television in the United States and Canada and Article 17 thereof, pertaining to applicable pension and health contributions, if any are required;

"b. Article 15.B.2. thereof, pertaining to additional compensation payable to credited writers when television motion pictures are telecast outside the United States and Canada and Article 17

thereof, pertaining to applicable pension and health contributions, if any are required;

"c. Article 15.B.13. thereof, pertaining to additional compensation payable to credited writers when television motion pictures are exhibited theatrically and Article 17 thereof, pertaining to applicable pension and health contributions, if any are required;

"d. Article 51 thereof, pertaining to additional compensation payable to credited writers when television motion pictures are released in Supplemental Markets;

"e. Article 58 thereof, pertaining to additional compensation payable to credited writers when television motion pictures are released to basic cable and Article 17 thereof, pertaining to applicable pension and health contributions, if any are required;

"f. Appendix B thereof, pertaining to additional compensation payable to credited writers of motion pictures produced principally for the pay television and/or videodisc/videocassette market as provided in Sections C.3. and D.3. thereof and Article 17 thereof, pertaining to applicable pension and health contributions, if any are required;

"g. Appendix C thereof, pertaining to additional compensation payable to credited writers of motion pictures made for basic cable pursuant to Paragraph 2.b. thereof and Article 17 thereof, pertaining to applicable pension and health contributions, if any are required; and

"h. Sideletter on Exhibition of Motion Pictures Transmitted Via New Media, pertaining to additional compensation payable to credited writers when television motion pictures are released on new media, and Article 17 thereof, pertaining to applicable pension and health contributions, if any are required.

"Buyer is purchasing rights in the following territories and media (indicate those that are applicable):

"Territory:

_____ Domestic (the U.S. and Canada, and their respective possessions and territories)

_____ Foreign (the world excluding the U.S. and Canada and their respective possessions and territories)

_____ Other (please describe):

"Media:

_____ All

_____ Theatrical

_____ Home Video

_____ Pay Television

_____ Free Television (Domestic)

_____ Foreign Free Television

_____ Basic Cable

_____ New Media

_____ Other (please describe):

_____ See description, attached hereto as Exhibit 'A' and incorporated herein by reference.

"Buyer hereby agrees, expressly for the benefit of the Writers Guild of America, West, Inc. and its affiliate, Writers Guild of America, East, Inc., hereinafter called 'the WGA' or 'the Guild,' as representative of the credited writers of Such Picture, when exhibited on free television, foreign television, basic cable or exhibited theatrically or in Supplemental Markets or on new media (as applicable), to assume and be bound by Company's obligation thereunder to make the additional payments required thereby, if any, with respect to the territories and media referred to above and the pension and health contributions required thereby, if any, as provided in the applicable Articles, Appendices and Sideletter referred to hereinabove (all such payments are collectively hereinafter referred to as 'Residuals'), and to cause the requisite screen and advertising credits to be given. Buyer, for and on behalf of the Company, shall make all Social Security, withholding, unemployment insurance and disability insurance payments required by law with respect to the additional compensation referred to in the preceding sentence.

"It is expressly understood and agreed that the right of Buyer to license Such Picture for exhibition on free television, foreign

television, basic cable, theatrically, in Supplemental Markets or on new media (as applicable), or to exhibit or cause or permit Such Picture to be exhibited on free television, foreign television, basic cable, theatrically, in Supplemental Markets or on new media (as applicable), shall be subject to and conditioned upon the prompt payment of Residuals with respect to the territories and media referred to above in accordance with said applicable Article(s), Appendices and/or Sideletter, and upon Buyer abiding by the credits provisions of the Basic Agreement. It is agreed that the Guild, in addition to all other remedies, shall be entitled to injunctive relief and damages against Buyer in the event such payments are not made or such credit is not given.

"To the extent that Company has executed a security agreement and financing statement in the Guild's favor in Such Picture and related collateral as defined in the WGA-Company Security Agreement ('WGA Security Interest'), Buyer agrees and acknowledges that Buyer's rights to Such Picture acquired pursuant to the Purchase Agreement (to the extent those rights are included in the collateral covered by the Security Agreement) are subject and subordinate to the WGA Security Interest. Buyer further agrees to execute a security agreement, mortgage of copyright, UCC-1, and other UCC documentation and any other document required under the Basic Agreement or necessary or desirable in the Guild's discretion to continue the WGA Security Interest. The Guild agrees that, so long as Residuals with respect to Such Picture for all the territories and media referred to above are timely paid in accordance with said applicable Articles and Appendices, the Guild will not exercise any rights under the WGA Security Interest which would in any way interfere with the rights of the Buyer to distribute Such Picture and receive all revenues from such distribution.

"The Guild further agrees that if it exercises its rights as a secured party, it will dispose of collateral which encompasses any of Buyer's rights or interests in, or physical items relating to, Such Picture, only to a transferee which agrees in writing to be bound by the Guild's obligations under this Assumption Agreement.

"Buyer agrees to keep or have access to (1) complete records showing all cities in the United States and Canada in which Such Picture has been telecast and the number of telecasts in each such city, the television stations on which telecast, and the dates thereof; (2) complete records showing Distributor's Foreign Gross for Such Picture to the extent that such records are pertinent to the computation of payments for foreign telecasting; (3) complete records

showing Company's accountable receipts from basic cable exhibition and/or from the distribution of Such Picture in Supplemental Markets; (4) records showing the date on which Such Picture is first exhibited in theatrical exhibition anywhere in the world and the place of such exhibition; and (5) with respect to motion pictures produced principally for the pay television and/or videodisc/videocassette market, complete records showing Company's receipts from use of Such Picture in the pay television and/or videodisc/videocassette market, except that for any Such Picture which is a dramatic program of a type generally produced for prime time network television which is produced principally for pay television, Buyer shall keep or have access to complete records showing the date of the initial exhibition and the number of exhibition days on each pay television service in the United States and Canada in the first exhibition year, and the fee or other payment received from sales of Such Picture in the videodisc/videocassette market. The Guild shall have the right, at all reasonable times, to inspect any and all such records. If Buyer shall fail to make such payments as and when due and payable, Buyer shall pay interest as specified in the applicable provision of the Basic Agreement, if any. The undersigned Buyer shall also keep or have access to such records as are necessary for the computation of Residuals for reruns, foreign telecasting, basic cable exhibition, theatrical exhibition, Supplemental Market use or on new media for so long as such Residuals may be due or payable.

"In the event of any sale, assignment or transfer of Buyer's distribution or exhibition rights in Such Picture, Buyer shall remain liable for the Residuals, with respect to the territories, media and term referred to above, unless Buyer obtains an executed Television Buyer's Assumption Agreement and other documents required by the Guild from such purchaser, assignee or transferee and the Guild approves in writing the financial responsibility of the party obtaining such rights. The Guild agrees that it will not unreasonably withhold its approval of the financial responsibility of any such purchaser, assignee or transferee. Nothing herein shall release the Company of its obligations under the Basic Agreement or any other agreement between Company and the Guild relating to Such Picture, unless the Company has been relieved of liability pursuant to the provisions of this Article 65.B.2.

"If the Guild does not approve in writing the financial responsibility of the party obtaining such rights, this Television Buyer's Assumption Agreement shall remain effective and binding upon Buyer.

"Buyer and the Guild hereby agree that all disputes based upon, arising out of or relating to this Assumption Agreement, other than the

Guild's entitlement to injunctive or other equitable relief, shall be submitted to final and binding arbitration in accordance with the arbitration provisions contained in Articles 10 and 11 of the Basic Agreement. Notwithstanding the foregoing, Buyer agrees and acknowledges that the Guild is not precluded by this or any other provision of this Assumption Agreement from obtaining from a court injunctive relief or any other legal remedy at any time prior to arbitration or issuance of an arbitration award. The right to obtain injunctive relief from a court shall be applicable whether an arbitration proceeding has or has not been initiated and, further, without limitation, shall be applicable in conjunction with a proceeding to confirm and enforce an arbitration award against Buyer.

"If Buyer has acquired the rights to distribute Such Picture on free television, Buyer shall give the Guild prompt written notice of the date on which Such Picture is first telecast in any city in the United States or Canada for the second run and for each subsequent run thereafter. If the second or third run is on a network or the run is in network prime time, the notice shall state that fact.

"If Such Picture is distributed for foreign telecasting and if Buyer has acquired the rights to distribute Such Picture for foreign telecasting, Buyer shall furnish reports to the Guild showing 'Buyer's Foreign Gross' derived from the Picture until (1) Such Picture has been withdrawn from distribution for foreign telecasting; or (2) the credited writer(s) of Such Picture has (have) received the full additional payments for such foreign telecasting to which they are entitled pursuant to the Basic Agreement. Such reports shall be rendered to the Guild on a quarterly basis during the first three (3) years in which Such Picture is distributed for foreign telecasting, on a semi-annual basis for the next following two (2) years, and on an annual basis thereafter.

"If Such Picture is distributed in Supplemental Markets and if Buyer has acquired the rights to distribute Such Picture in Supplemental Markets, Buyer shall furnish reports to the Guild, quarterly during each calendar year, showing Buyer's gross receipts derived from such Supplemental Market use for as long as Buyer receives any such gross receipts.

"If Such Picture is distributed theatrically and if Buyer has acquired the rights to exhibit Such Picture theatrically, the Buyer shall give prompt written notice to the Guild of the date on which Such Picture is first exhibited theatrically (1) in the United States, its commonwealths,

territories and possessions and Canada and/or (2) in all other countries.

"If Such Picture is distributed on basic cable and if Buyer has acquired the rights to distribute Such Picture on basic cable, the Buyer shall furnish reports to the Guild, quarterly during each calendar year, showing Buyer's gross receipts derived from such distribution for so long as Buyer receives any such gross receipts.

"If Such Picture is distributed on new media and if Buyer has acquired the rights to distribute Such Picture on new media, Buyer shall furnish reports to the Guild, quarterly during each calendar year, showing Buyer's gross receipts derived from such new media use for as long as Buyer receives any gross receipts.

"Buyer agrees to cooperate in responding to reasonable requests from the Guild as to whether Such Picture is currently being rerun on television, distributed for foreign telecasting, on basic cable, theatrically or in Supplemental Markets. An inadvertent failure to comply with any of the notice or reporting provisions hereof shall not constitute a default by Buyer hereunder, provided said failure is cured promptly after written notice thereof from the Guild.

"THIS TELEVISION BUYER'S ASSUMPTION AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA AND THE UNITED STATES, AS THE SAME WOULD BE APPLIED BY A FEDERAL COURT IN CALIFORNIA WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS. The Guild and Buyer agree that any arbitration or legal action or proceeding brought to interpret or enforce the provisions of this Television Buyer's Assumption Agreement (including an action to compel arbitration or a petition to vacate an arbitration award) shall be held or brought in Los Angeles County, California, and Buyer irrevocably submits to the jurisdiction of the federal and state courts therein. Notwithstanding the foregoing, the Guild, at its option, may bring a legal action or proceeding outside California under the following circumstances: (1) if Buyer has no principal place of business in California; or (2) whether or not Buyer has a principal place of business in California, to enforce or execute upon an arbitration award or court order or judgment, in any jurisdiction in which Buyer's assets are located (and Buyer irrevocably submits to the jurisdiction of the courts of such places for purposes of such execution or enforcement). Buyer consents to service of process by personal delivery or by certified or registered mail, return receipt requested, to Buyer's general counsel or to Buyer's

representative identified below or by first class mail to Buyer when Buyer has not designated a representative or a general counsel, or by any other method permitted by law.

“DATE: _____

“BUYER: _____

“ADDRESS:_____

_____

“BY: _____

“Please print name: _____

“BUYER'S REPRESENTATIVE OR GENERAL COUNSEL:

_____"

The Company agrees to deliver to the Guild an executed copy of the above referred to Television Buyer's Assumption Agreement within thirty (30) days after the sale, assignment or transfer of Such Picture, with the name and address of the purchaser or assignee.

Any inadvertent failure on the part of the Buyer to comply with any of the reporting provisions of this Article 65.B.2. shall in no event constitute a default by the Company or such Buyer or a breach of this Agreement, provided that such failure is cured promptly after notice in writing thereof from the Guild.

Upon delivery of such Television Buyer's Assumption Agreement and other documents from Buyer required under this Assumption Agreement and on condition that the Guild approves in writing the financial responsibility of the purchaser, assignee or transferee, Company shall not be further liable for the keeping of any such records, or for the payment of Residuals in accordance with said applicable Articles and Appendices, it being agreed that the purchaser, assignee or transferee shall solely be liable therefor.

The Guild agrees that it will not unreasonably withhold its approval of the financial responsibility of any such purchaser, assignee or transferee, it being further agreed that if the Guild, within twenty-one (21) days of receipt of written notice of any such sale, assignment or transfer, has not advised the Company that it disapproves the financial responsibility of such purchaser, assignee or transferee, the

Guild will be deemed to have approved the financial responsibility thereof. If any such purchaser, assignee or transferee is a Qualified Residual Payor, then the financial responsibility of such purchaser, assignee or transferee shall be deemed automatically approved. In the event the Guild advises the Company within such twenty-one (21) day period that it disapproves the financial responsibility of any such purchaser, assignee or transferee and Company disputes such disapproval, the Company shall have the right, at its election, to cause to be immediately submitted to arbitration pursuant to the provisions of Articles 10 and 11 hereof, the issue of whether the Guild has unreasonably withheld the approval of the financial responsibility of such purchaser, assignee or transferee for payments due hereunder.

To the extent that Company has granted a security interest in favor of the Guild in Such Picture and related collateral as defined in any WGA Security Agreement, Buyer's rights in Such Picture acquired pursuant to the Purchase Agreement shall be subject to the following:

So long as the Buyer timely pays Residuals for Such Picture with respect to all territories and media in which Buyer has distribution rights in accordance with Articles 15.B., 51, 58, Appendices B or C and/or Sideletter of this Basic Agreement, as applicable, the Guild shall not exercise any rights under such security agreement which would in any way interfere with the rights of the Buyer to distribute Such Picture and receive all revenues from such distribution, provided that such Buyer has executed and delivered a Television Buyer's Assumption Agreement to the Guild and is in compliance with the terms thereof.

If any “Qualified Residual Payor” assumes in perpetuity under the Television Buyer's Assumption Agreement the obligation to pay the Residuals for all territories and media with respect to Such Picture or guarantees in a written form satisfactory to the Guild (which shall include the Standard Letter of Guaranty) (see p. 726) all of such obligations thereunder, the Guild will release and cause to be discharged of record all such security interests, liens, charges or encumbrances entered into or obtained from such Company and will not require further financial assurances from such Company.

If any "Qualified Residual Payor" acquires rights to distribute Such Picture in specific territories and media (but not all territories and media) in perpetuity, and has assumed responsibility for the payment of Residuals for such territories

and media so acquired pursuant to the Television Buyer's Assumption Agreement or guarantees in a written form satisfactory to the Guild (which shall include the Standard Letter of Guaranty) (see p. 726) all of such obligations thereunder, then if the Company has granted a security interest in favor of the Guild in Such Picture and related collateral as defined in the WGA Security Agreement, the Guild: (1) agrees to modify the definition of the collateral in the WGA Security Agreement to exclude those territories and media acquired by such Qualified Residual Payor; and (2) acknowledges Qualified Residual Payor's continuing rights of full, unlimited but non-exclusive access to and use of any and all physical items and elements relating to Such Picture.

In addition to those buyers who have been deemed "Qualified" by the Guild due to their past bargaining relationship and/or Residuals payment history, the term "Qualified Residual Payor" shall mean a Buyer who satisfies the requirements set forth in subparagraphs (1) and (2) below:

(1) Buyer has the financial history, liquidity, net earnings before interest, taxes and amortization, assets, and net worth to establish its present and future ability to pay all Residuals arising from the exploitation of the Guild Pictures being distributed.

(2) The Buyer has been in business for five (5) or more years and has a history of prompt and proper payment of Residuals pursuant to the Guild contracts in five (5) consecutive years immediately prior to seeking Qualified Buyer status.

A Qualified Residual Payor shall have the right to elect, with respect to Such Picture for which it has distribution rights, whether or not to assume Residuals obligations or guarantee the payment of Residuals in accordance with the Qualified Residual Payor's Letter of Agreement (see p. 723), for the territories and media for which it has distribution rights. However, the Qualified Residual Payor shall be entitled to the rights of a Qualified Residual Payor hereunder only when it elects to so assume such obligations or so guarantee the payment of Residuals.

In the event of a dispute as to qualifications of an applicant for Qualified Residual Payor status, Company shall provide such financial assurances as the Guild may deem appropriate, which may include, but are not limited to, a security interest in Such Picture and related collateral, in which case Buyer shall acknowledge same. Said

security interest shall remain effective unless and until it is established by agreement or in an arbitration, pursuant to the arbitration provisions contained in the Basic Agreement, that the applicant Buyer meets the aforementioned requirements for qualification. Such applicant shall have the burden of proof that it satisfies the aforementioned requirements for qualification in any arbitration and shall, upon the Guild's request, furnish to the Guild all relevant financial or corporate information relating thereto as the Guild may reasonably require.

Any information submitted to the Guild in order to determine whether a Buyer is entitled to status as a Qualified Residual Payor shall, at the Buyer's discretion, be subject to reasonable confidentiality arrangements.

In the event a Qualified Residual Payor, after notice and a reasonable opportunity to cure, generally fails to report and/or pay Residuals when they are due or generally fails to pay obligations to creditors when they become due or in the event a petition is filed under the Bankruptcy Code by or against a Qualified Residual Payor, the Guild shall have the right to terminate such Qualified Residual Payor status. The Qualified Residual Payor shall have the right to invoke the arbitration procedures described above to challenge such termination. Pending the resolution of such challenge, the Qualified Residual Payor's status shall be considered terminated. The Guild agrees that it will not terminate a Qualified Residual Payor's status when there is a *bona fide* dispute over whether Residuals are due to the Guild, or a *bona fide* dispute as to the amount of Residuals due to the Guild, if the Distributor has otherwise timely reported and paid Residuals. In addition to the above, if a Guild audit conducted pursuant to the Basic Agreement or other financial information discloses that the Qualified Residual Payor no longer meets the aforementioned standards for qualification, the Guild may initiate an arbitration pursuant to the Basic Agreement to terminate the Qualified Residual Payor's status.

C. DEFINITION OF COMPANY FOR PURPOSES OF ARTICLE 65.A. AND B.

As used in Article 65.A. and B., the term “Company” encompasses transferees of the relevant literary material and/or persons or entities with the rights to produce motion pictures based thereon, when the production of a motion picture based on said literary material may generate the obligation to pay Residuals.

D. COMPANY'S DISSOLUTION (GENERAL)

If Company dissolves and if a Distributor assumes all of the obligations of the Company for the payment of Residuals, and the financial responsibility of the Distributor is approved by the Guild in its discretion, then Company shall thereupon be released of any obligation with respect to any payments due hereunder.

E. NETWORKS AND TELEVISION STATIONS (GENERAL)

No television network, station, sponsor or advertising agency shall be required to execute any Distributor's Assumption Agreement, Buyer's Assumption Agreement or Literary Material Assumption Agreement, unless it is the distributor of such theatrical or television motion picture or the buyer of the Company's theatrical or television rights in such motion picture, as the case may be.

ARTICLE 66 - TRAINING PROGRAM FOR EPISODIC TELEVISION WRITERS

Under the 2004 WGA Theatrical and Television Basic Agreement, a labor-management cooperative committee was established pursuant to Section 6(b) of the Labor Management Cooperation Act, 29 U.S.C. Section 175a, for the creation of a Training Program for Episodic Television Writers ("Training Program"). The purpose of the Training Program is to provide training to episodic writers who are or have been also employed in additional capacities under Article 14 in order to enable them to develop the skill sets required to be a successful showrunner/executive producer. The program will focus on various subjects, including defining the scope of the showrunner/executive producer's responsibilities, providing practical training in management and production principles, examining philosophical approaches to problem solving at the showrunner/executive producer level, and managing the costs of series television. A primary goal of the Training Program is to expand and improve working relationships between labor and management and to explore innovative approaches to achieving organizational effectiveness.

The Companies and the Networks (the latter consisting collectively of American Broadcasting Companies, Inc., CBS Broadcasting Inc., NBCUniversal Media, LLC and Universal Television LLC) will contribute in the aggregate the following sums to the WGA-supervised fund, to be used as funding for the purpose of implementing the Training Program described herein: (A) a payment of $250,000 to be made within thirty (30) days following ratification of this 2020 WGA Theatrical and Television Basic Agreement and (B) thereafter, two additional payments in the amount of $250,000 each, to be paid upon the

respective effective date of the second and third regularly-scheduled minimum increases during the term of this Basic Agreement.

One representative of the Companies, to be appointed by the AMPTP, and one representative appointed by the Networks, shall serve as consultants to the Training Program.

The Companies and the Networks agree to cooperate in the implementation of the Training Program by, for example, providing appropriate personnel to participate in panel discussions or other training sessions and by providing materials such as sample budgets.

The WGA shall periodically report on the status of the Training Program to the Committee on the Professional Status of Writers - Television. The Committee shall review the Training Program as each group of candidates completes the Program.

ARTICLE 67 - OPTIONS AND EXCLUSIVITY (TELEVISION)

A. Except as provided in subparagraph B. below, the following shall apply to an agreement between a writer and the Company for employment under Article 13.B.7.s. or under Article 14 on an episodic series or serial, which agreement is entered into on or after May 2, 2020:[30]

1. Company may freely bargain with respect to options and exclusivity with any writer (other than a writer of children's programming) who is guaranteed or who earns at least $280,500 (which amount shall be increased to $325,000 with respect to any such agreement entered into on or after May 2, 2021) for the performance of writing services and/or for the performance of services as a writer also employed in additional capacities during the then-current contract year (which shall not exceed twelve (12) months). With respect to a writer of children's programming, Company may freely bargain with respect to options and exclusivity with a writer who is guaranteed or who earns at least $250,000.

2. With respect to any writer who is guaranteed or who earns less than the amount specified in subparagraph 1. above for the performance of writing services and/or for the performance of services as a writer

[30] See Article 67 of the 2017 MBA with respect to contracts entered into between May 2, 2017 and May 1, 2020.

also employed in additional capacities during the then-current contract year (which shall not exceed twelve (12) months):

a. Company may not require that the services of the writer remain exclusive to the Company after the last payment to the writer under the employment agreement for a given contract year becomes due.

b. Company may negotiate an option with a writer for future services as a writer under Article 13.B.7.s. or under Article 14 on a series or episodic serial as part of the writer's employment agreement. Such option shall be subject to the following minimum terms. The option period shall commence when the last payment to the writer under the employment agreement for a given contract year becomes due, and shall terminate no later than one year thereafter. No additional remuneration is required for the first sixty (60) days of the option period, during which the Company shall be in "first position" under the option, meaning that it shall have the right to recall the writer to perform services for the Company should the Company exercise its option, including during any period that the writer is rendering services for another company. Should the Company exercise the option before the end of the first sixty (60) days of the option period, no additional remuneration shall be due to the writer so long as the writer commences services within fourteen (14) days after the expiration of the first sixty (60) days of the option period.

   At any time after the first sixty (60) days of the option period (or in the event that Company exercised the option before the end of that time period, but the writer, for reasons other than incapacity or unwillingness, has not commenced writing services within fourteen (14) days after such period), the Company may continue to hold the writer under option, and remain in "first position" by paying to the writer one-third (⅓) of the current applicable minimum weekly compensation rate under Article 13.B.7.s. or under Article 14.K., as applicable, plus pension and health contributions thereon, for each week thereafter until the writer commences services if the option is exercised or until the Company provides the writer with written notice releasing the writer from his/her obligations under the option contract.

   As an alternative to the payment described in the preceding paragraph, Company may, by mutual agreement with the writer, engage the writer for other writing and/or producing assignments, and the compensation paid to such writer for such assignments

shall be deemed to satisfy the payment required by the preceding paragraph for that number of weeks obtained by dividing the compensation for such assignments by the payment described in the preceding paragraph.

Even if the Company does not pay such weekly compensation to the writer, nor engage the writer as provided in the preceding paragraph, the writer shall remain under option to the Company, and the Company shall remain in "first position" for the remainder of the option period, except that if, after the first sixty (60) days of the option period, the writer provides written notice to the Company that he/she has a *bona fide* offer of employment as a writer under Article 13.B.7.s. or under Article 14 or as a member of the writing staff on any other television or High Budget SVOD series or serial covered under this Agreement from another company, together with a copy of the offer signed and dated by an authorized representative of such other company, the Company must, within three (3) business days after such notice, either: (a) exercise the option for the writer's services if the series or serial has been renewed and return the writer to work within fourteen (14) days; or (b) relinquish first position, so that the writer may accept the offer of employment and the Company is then in second position until the earlier of: the end of the other employment, the termination of the option or the date the Company provides the writer with written notice releasing the writer from his/her obligations under the option agreement.

c. The provisions of this subparagraph A.2. shall not apply to: (a) any writer employed under Article 13.B.7.s. or under Article 14 on an episodic series or serial which either consists of 22 or more episodes, or which provides the writer with at least 40 weeks of employment, during the then-current contract year (which shall not exceed twelve (12) months); and (b) any writer who enters into an acquisition or employment agreement for a pilot, for a pilot and series or for a new series produced without a pilot, which agreement provides that the writer is "locked" based on the writer's receipt of the requisite writing credit.

B. The following shall apply to an agreement entered into on or after August 2, 2020 between a writer and the Company for initial employment of eight (8) consecutive weeks or less to perform writing services under Article 13.B.7.s. and/or to perform services as a writer also employed in additional capacities under Article 14 on an episodic series or serial in a mini-room:

Company may not negotiate an option with the writer for future services as a writer under Article 13.B.7.s. or under Article 14 on the series or serial, unless the option is for the period of employment immediately following expiration of the initial period of employment.

The foregoing shall apply only to a writer who is guaranteed or earns less than $280,500 under the agreement on programs other than children's programs (less than $325,000 under an agreement on programs other than children's programs entered into on or after May 2, 2021) or a writer who is guaranteed or who earns less than $250,000 under an agreement on children's programs.

C. Nothing herein alters the rule that a *bona fide* team of two writers shall be considered a unit and deemed to be one writer.

ARTICLE 68 - PARENTAL LEAVE

A. A writer employed on a term deal on an episodic series or serial made for television or new media shall be entitled to up to eight (8) consecutive weeks of unpaid leave to bond with a newborn child, newly adopted child or newly placed foster child. The leave must be taken within one year of the birth, adoption or placement of the writer's child. A writer shall request such leave at least 30 days in advance of the start of the leave, unless such notice is impracticable, in which case the writer shall make the request within a reasonable time in advance of the leave.

B. In the event Company engages a replacement writer to fill in for a writer on leave, the Company may request from the Guild a waiver of a contractual guarantee that would otherwise apply to the replacement writer, which request the Guild shall not unreasonably deny.

C. Any writer who takes a leave of absence hereunder shall be entitled to be reinstated to his or her original position on the series upon conclusion of the leave, provided that such position continues to exist at the end of the leave. The writer shall have no greater employment right than if the writer had been continuously employed during the leave of absence.

D. The leave provided for hereunder shall run concurrently with any other leave entitlement.

ARTICLE 69 - CALIFORNIA SICK LEAVE

A. ACCRUAL

Commencing May 2, 2020, eligible writers (as described in subparagraph B. below) shall be entitled to accrue paid sick leave on an up-front basis or hourly basis as follows:

1. Provided that advance notice is given to the writer, a Company may elect to provide writers, upon their eligibility to use sick leave as provided below (*i.e.*, upon working thirty (30) days in California for the Company within a one (1) year period and after their ninetieth (90th) day of employment in California with the Company (based on days worked or guaranteed)), with a bank of twenty-four (24) hours or three (3) days of sick leave at the beginning of each year, such year to be measured, as designated by the Company, as either a calendar year or starting from the writer's anniversary date. Under this elected option, such banked sick leave days may not be carried over to the following year.

2. Alternatively, eligible writers shall accrue one (1) hour of paid sick leave for every thirty (30) hours that the writer renders services in California for the Company, up to a maximum of forty-eight (48) hours or six (6) days. Absent an agreement to the contrary (such as if a writer is employed for fewer than five (5) days a week or on a part-time basis), writers are deemed to work forty (40) hours per week.

A writer shall not forfeit sick leave earned during employment with the Company before May 2, 2020; however, such sick leave shall be counted towards the maximum accrued sick leave set forth above. Nothing herein alters the administration of any sick leave accrued before May 2, 2020.

B. To be eligible to accrue paid sick leave, the writer must have been employed to perform writing services for the Company for at least thirty (30) days in California within a one (1) year period, such year to be measured, as designated by the Company, as either a calendar year or starting from the writer's anniversary date. Sick leave may be used in minimum increments of four (4) hours upon oral or written request after the eligible writer has been employed by the Company in California for ninety (90) days (based on days worked or guaranteed), such period to be measured, as designated by the Company, as either a calendar year or starting from the writer'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 Company may limit the use of such accrued time to no

more than twenty-four (24) hours or three (3) days during each year of employment as defined by the Company in advance.

C. For writers employed on a weekly basis under Article 13.B.7.s. or Article 14.K. or Appendix A, a day of sick leave pay shall be equal to one-fifth (1/5th) of the writer's minimum weekly rate provided therein (or fifty percent (50%) thereof for a four (4) hour increment of sick leave taken). For other writers not employed on a weekly basis, there shall be no deduction from compensation for the use of accrued sick leave provided herein.

D. Sick leave may be taken for the diagnosis, care or treatment of an existing health condition of, or preventive care for, the writer or the writer's "family member."[31] Sick leave also may be taken by a writer who is a victim of domestic violence, sexual assault or stalking.

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

F. At the Company's election, the Company shall either:

1. Show the amount of available paid sick leave on the writer's pay stub or a document issued together therewith; or

2. Include in the writer's deal memo or contract the contact information for the designated Company representative whom the writer may contact to confirm eligibility and the amount of accrued sick leave available.

Company shall notify writer with respect to the year period (*i.e.*, calendar year or the writer's anniversary date) that the Company selected to measure the thirty (30) day and ninety (90) day eligibility periods and the cap on accrual set forth in subparagraph B. above or, alternatively, if the Company elected to provide writers with an up-front sick leave bank, the year period (*i.e*., calendar year or the writer's anniversary date) that the

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

Company selected for the up-front bank of three (3) sick days as provided in subparagraph A.1. above.

G. Any Company that has a sick leave policy, or paid leave or paid time off policy that permits the use of paid sick time and exceeds or substantially meets the requirements of this Article 69, as of May 1, 2020, may continue such policy in lieu of the foregoing. Nothing shall prevent an Company from negotiating a sick leave policy with better terms and conditions. There shall be no discrimination or retaliation against any writer for exercising his or her right to use paid sick leave.

H. Any dispute with respect to sick leave for writers covered under this Agreement shall be subject to the grievance and arbitration procedures provided herein.

ARTICLE 70 - WAIVER OF SICK TIME LAWS

The Guild expressly waives, to the full extent permitted by law, the application of the following to all employees employed under this Agreement: the New York City Earned Safe and Sick Time Act of 2013 (N.Y.C. Admin. Code, Section 20-911 *et seq.*); the New York State paid sick leave law of 2020 (Part J of Senate-Assembly Bill A9506-b/S7506-b, including subparagraph 9 of Part J); the Westchester County Earned Sick Leave Law (Section 700.36 *et seq.* of the Laws of Westchester County); Section 1-24-045 of the Municipal Code of Chicago; the Cook County Earned Sick Leave Ordinance (Ordinance No. 16-4229); the San Francisco Paid Sick Leave Ordinance (San Francisco Administrative Code Section 12W); the Paid Sick Leave Ordinance of Berkeley, California (Municipal Code Chapter 13.100); all requirements pertaining to "paid sick leave" in Chapter 37 of Title 5 of the Municipal Code of Emeryville, California (including, but not limited to, Chapter 37.0.1.e), 37.03, 37.07.a)1)B.ii. and 37.07.f)); the City of Los Angeles Emergency Order regarding Supplemental Paid Leave Due to COVID-19 (issued April 7, 2020); the Los Angeles County COVID-19 Worker Protection Ordinance; the Oakland Sick Leave Law (Municipal Code Section 5.92.030.); Chapter 4.62.025 of the Santa Monica Municipal Code (enacted by Ordinance No. 2509); Chapter 18.10 of Title 18 of the Municipal Code of the City of Tacoma, Washington (enacted by Ordinance No. 28275); Article 8.1 of Title 23, Chapter 2 of the Arizona Revised Statutes; the New Jersey Paid Sick Leave Act (C.34:11-56a *et seq.*); Chapter 160 of the Ordinances of the Township of Bloomfield, New Jersey (enacted by Ordinance No. 15-10); the Paid Sick Time for Private Employees Ordinance of East Orange, New Jersey (Ordinance No. 21-2014; East Orange Code Chapter 140, Section 1 *et seq.*); the Paid Sick Time Law of Jersey City, New Jersey (Chapter 4 of the Jersey City Municipal Code); Chapter 8.56 of the Revised General Ordinances of the City of New Brunswick, New Jersey; Chapter 8, Article 5 of the Municipal Code of the City of Plainfield, New Jersey; the Sick

Leave for Private Employees Ordinances of Elizabeth, New Jersey (Ordinance No. 4617); Irvington, New Jersey (Ordinance No. MC-3513); Montclair, New Jersey; Morristown, New Jersey (Ordinance No. O-35-2016); 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 (Ordinance No. 14-45); and any other ordinance, statute or law requiring paid sick leave that is hereafter enacted. It is understood that the Guild and the AMPTP shall memorialize any such waiver for any newly-enacted law by letter agreement.

ARTICLE 71 - PAID PARENTAL LEAVE FUND

The parties shall agree to recommend to the Trustees of the Writers Guild-Industry Health Fund to establish a Paid Parental Leave Fund to provide eligible writers with a paid leave benefit for the purpose of bonding with a newborn child, newly adopted child or newly placed foster child. The Paid Parental Leave Fund shall be jointly administered by the Trustees of the Writers Guild-Industry Health Fund and shall be funded through Company contributions of one-half percent (0.5%) of writer's gross compensation, as that term is defined in, and subject to the same ceilings and exceptions provided for in, Article 17.B.1., effective May 2, 2020. No additional contributions shall be required of any Company at any time to support the Fund. No funds from the Writers Guild–Industry Health Fund or the Pension Plan shall be used to support the Paid Parental Leave Fund.

Benefits from the Fund are to be provided no earlier than May 2, 2021. Benefits shall be available for leaves taken within one year of the birth, adoption or placement of the writer's child. The benefit shall be available to any writer who earns eligibility for health coverage through the Writers Guild-Industry Health Fund or who has eligibility for health coverage through Extended Care Points, under the criteria established by the Trustees of the Writers Guild-Industry Health Fund. The paid benefit provided hereunder shall be coordinated with any income replacement benefit to which the employee may be entitled under local, state or federal law, subject to rules to be developed and adopted by the Health Fund Trustees. Tax obligations shall be the responsibility of the recipient of any benefit.

ACCEPTED AND AGREED:

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young
Executive Director, WGAW

The named respective signatory companies represented by the
ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS, INC.

By: /s/ Carol A. Lombardini
Carol A. Lombardini
President

THEATRICAL SCHEDULE A

THEATRICAL CREDITS

1. Credit shall be given on the screen for the screenplay authorship of feature-length motion pictures and shall be worded "Screenplay by." The term ***"screenplay"*** means the final script (as represented on the screen) with individual scenes and full dialogue, together with such prior treatment, basic adaptation, continuity, scenario and dialogue as shall be used in and represent substantial contributions to the final script.

   In the exceptional case in which a writer has contributed to the development of the final screenplay but is not given screenplay credit hereunder, credit in the form *"Adaptation by"* may be given, but such credit shall be subject to automatic credit arbitration as provided in Paragraph 18 of this Schedule A. In the event the credit arbitration determines such credit to be appropriate, *"Adaptation by"* credit shall be given on the screen.

   The credits specified in this Schedule A (such as *"Screenplay by," "Story by," "Written by,"* etc.) shall not be varied or embellished in any manner whatsoever without prior approval by the Guild.

   In its distribution and licensing agreements with both theatrical exhibitors and broadcasters, the Company will include a provision prohibiting the licensee from eliminating or changing the writing credits as they appear on the positive prints of the motion picture.

   Subject to contractual commitments which may exist on May 2, 2020, a writer who is entitled to credit on the screen and who has been paid, or is guaranteed payment of less than $200,000.00 for his/her services or literary materials relating to the particular motion picture shall have the right to have credit given to him/her on the screen, advertising or otherwise, in a reasonable pseudonymous name. The writer shall exercise this right within five (5) days after the final determination of credits under this Schedule A. (None of the writer's rights, including but not limited to compensation of any kind, shall be affected by the use of said pseudonymous name.)

2. The term ***"story,"*** as used throughout this Schedule A, means all writing representing a contribution distinct from screenplay and consisting of basic narrative, idea, theme or outline indicating character development and action. The term ***"source material"*** means all material upon which the screenplay is based other than story as hereinabove defined, including other material on which the story is based. Credit shall be given on the screen for story authorship of feature-length motion pictures to the extent and in the forms provided in the following subparagraphs a. to e., inclusive.

a. When the screenplay is based upon a story and not upon source material, screen credit for story authorship shall be given the screen writer, and shall be worded, *"Story by,"* if the story was written under employment of the Company or is an unpublished and unexploited story purchased from a professional writer.

b. Subject to contractual commitments of the Company which may exist on March 1, 1977, when the screenplay is based upon source material whose acquisition is not covered by this Basic Agreement, screen credit for story authorship shall not be given in the form *"Story by"* but may be given by the Company to the source material author and may be worded *"From a Story by"* or *"Based on a Story by"* or other appropriate wording indicating the form in which it is acquired.

c. When the screenplay is based upon both story and source material and the story is substantially new or different from the source material, credit for story authorship shall be worded *"Screen Story by,"* which credit shall be subject to automatic credit arbitration as provided in Paragraph 18 of Schedule A. The Company shall not thereby be limited from giving credit to the author of source material provided such credit shall indicate the form in which it is acquired. The following examples are illustrative and are not intended to cover all situations: *"From a Play by," "From a Novel by," "From a Saturday Evening Post Story by," "From a Series of Articles by," "From an Unpublished Story by," "Based on a Story by," "Ernest Hemingway's Old Man and the Sea,"* or other appropriate wording indicating the form in which it is acquired.

"Based Upon a Screenplay by" is appropriate source material credit when literary material is acquired or writers are employed under circumstances in which the credit provisions of this Basic Agreement do not apply, and under contracts whereby purchaser or employer agrees to give writing credits, and if Company takes over the employment contract or acquires the material written under such contract, and subsequently employs, in relation to such material, a writer subject to this Basic Agreement.

Notwithstanding anything in Article 1.A.12. or Article 1.B.1.b. and 1.C.1.b. to the contrary, when a Company buys literary material and there is a commitment for publication or exploitation of that material, Company may agree to give appropriate source material credit permissible under this subparagraph 2.c.

d. When the screenplay is based upon a sequel story written by an employed writer, story credit for such sequel shall be given in the form *"Story by."* The writer entitled to separation of rights in a theatrical motion picture shall receive credit in the form *"Based on Characters*

Created by" on each theatrical sequel; for purpose of placement and size on the screen, such credit shall be deemed a source material credit under Paragraph 8 of this Theatrical Schedule A. When there are no separated rights, the author of the source material upon which such sequel is based may be given credit *"Based Upon Characters Created by"* or other appropriate form of credit. The foregoing provisions of this subparagraph d. shall not apply when there is a contrary contractual commitment entered into prior to March 2, 1977.

In the case of a remake, credit to the writer(s) of a prior motion picture upon which the remake is based (in whole or in part) may be in the form of *"Based Upon a Screenplay by...."* The preceding sentence shall not apply if it conflicts with contractual commitments entered into prior to March 2, 1981, if said commitments were valid at the time the contractual commitments were made.

e. The Company may engage any person to write any source material (including, but not limited to, the source material referred to in subparagraph c. above) as an independent contractor, and may guarantee source material credit to such person as above provided.

Prior to a writer's acceptance of employment in connection with a designated motion picture, or at the time of assignment of a then employed writer to a designated motion picture, the Company shall notify the writer in writing of any then existing contractual obligation to give credit for source material in connection with such motion picture. The same notice must be given to a writer if the agreement to give source material credit is made while the writer is rendering his/her services. Notice shall include the wording of the source material credit if known to the Company. The Company shall not be thereby limited from making subsequent contractual obligations to give source material credit, as above provided, in connection with such photoplay. Neither the existence of any form of credit obligation nor the giving of any such credit information shall relieve a writer from his/her obligation to render services and otherwise perform as provided in his/her employment agreement. A Company which furnishes a writer hereunder with inaccurate or incorrect credit information shall not be deemed to be in breach of this Basic Agreement or its employment agreement with such writer, if the Company at the time of giving such credit information believes in good faith such information is correct.

The Company shall be deemed to be contractually obligated in any of the cases above mentioned if the Company in good faith considers itself so obligated.

Nothing herein contained shall limit the Company from using and purchasing source material, from entering into agreements to give source material credit therefor, as above provided, or from carrying out such credit obligations as may be therein provided.

3. Screen credit on motion pictures on which one or more writers or teams has written both the story and the screenplay shall be worded *"Written by."*

   If a writer is entitled to *"Written by"* credit on a motion picture which he/she also produces or directs, unless the writer objects nothing herein shall prevent according credit on the screen and/or in paid advertising in the following forms:

   "Written and Produced by _____," or
   *"Written and Directed by*_____," or
   "Written, Produced, and Directed by _____."

4. Screen credit for screenplay will not be shared by more than two (2) writers, except that in unusual cases, and solely as the result of arbitration, the names of three (3) writers or the names of writers constituting two (2) writing teams may be used. A writing team is two (2) writers who have been assigned at about the same time to the same script, or three (3) writers when employed pursuant to the provisions of Article 13.A.9., and who work together for approximately the same length of time on the script. The intention and spirit of the award of credits being to emphasize the prestige and importance of the screenplay achievement, the one (1), two (2) or at most three (3) writers, or two (2) teams, chiefly responsible for the completed work will be the only screen writers to receive screenplay credit. Story credit will not be shared by more than two (2) writers.

5. The limitation on the number of credits provided for in Paragraph 4 shall apply to all feature-length motion pictures except episodic pictures (such as *"Tales of Manhattan"* and *"If I Had a Million"*) and revues. A revue is a feature-length motion picture in which the story is subordinate to specialties, musical numbers or sketches, and in connection with which star or featured billing is given to the actors, singers, dancers, or musicians appearing in these separate specialties, musical numbers or sketches.

6. Unless the story and/or screenplay writing is done entirely without any other writer, no designation of tentative story or screenplay credit to a production executive shall become final or effective unless approved by a credit arbitration as herein provided, in accordance with the Guild rules for determination of such credit.

7. When more than one writer has participated in the authorship of a motion picture, then all participants will have the right to agree unanimously among themselves as to which of them shall receive writing credits on the screen, provided that: (a) the form of credit agreed upon is in accordance with the terms of this Schedule A; (b) the agreement is reached in advance of arbitration; and (c) the form of such credit is not suggested or directed by the Company. If such unanimous agreement is communicated to the Company before a final determination of credits hereunder, the Company will accept such designation of credits, and such agreed credits shall become final hereunder. The Company will confirm such agreed credits by sending notice thereof to all participants and the Guild, in the manner hereinafter provided in Paragraphs 11 and 12 hereof.

   In any case in which a foreign law or government regulation applicable to the employment of a writer requires credit to be given, Company shall furnish the Guild with a copy of such law or governmental regulation together with the tentative notice of credit and the Guild agrees that credits determined shall include the minimum credit necessary to comply with such legal requirements.

8. Writing credits as finally determined hereunder shall appear on the screen. If the writing credits appear in the main titles, they shall appear on a title card immediately preceding the card on which appears credit to the director of the motion picture, provided such writing credits shall not be more than the second personal credit prior to the beginning of the motion picture.[1] If there are no personal names or portions of personal names whatsoever in the main titles, except as part of the name of an entity, which name or portion of personal name does not appear in any other capacity on the motion picture, then the writing credits as finally determined hereunder may appear as the first credit in the end titles or immediately following the card on which appears the credit to the director and the writing credits may not appear in a position later than the second credit in the end titles after the body of the motion picture. Notwithstanding the foregoing, if the director is also the only person receiving *"Produced by"* credit on the motion picture, the credit to the director may be combined in the form *"Produced and Directed by"* or *"Directed and Produced by"* on a single card.[2] Writing credit shall appear on a separate card, except that when the sole credited writer of the screenplay is also the author of the

[1] Changes in this Paragraph 8 of Theatrical Schedule A from the Writers Guild of America Theatrical and Television Agreement - 1992 Extension Agreement are subject to contractual commitments with individual producers existing on May 27, 1995. As to those theatrical motion pictures for which contractual commitments exist prior to May 27, 1995, the provisions of the Writers Guild of America Theatrical and Television Agreement - 1992 Extension Agreement shall apply.

[2] See footnote 1 above.

source material, the source material credit may appear on the same card immediately below the *"Screenplay by"* credit.

Source material credits (if they appear on the screen) and writing credits finally determined hereunder shall, subject to the foregoing, appear only in the following manner:

a. On one (1) title card on which there appear only writing and source material credits.

b. On separate title cards on each of which there may appear any one (1) or more of such credits, and no other credits.

c. On the main title card of the motion picture on which there may appear any one (1) or more of such credits together with other credits.

Screen credit for the writer of the screenplay shall be accorded in the same style and size of type as that used to accord screen credit to the individual producer or director of the motion picture, whichever is larger.

Whenever source material credit appears on the same title card as the "Screenplay by" credit as described above, the screenplay credit must be the initial credit and must occupy not less than fifty percent (50%) of the credit card in type at least as large in all respects as that accorded the source material credit.

Whenever story credit, but no source material credit, appears on the same title card as the screenplay credit, the story credit and screenplay credit shall be in the same size type, the screenplay credit shall be the initial credit and shall occupy the top fifty percent (50%) of the card, and the story credit shall occupy the bottom fifty percent (50%) of the card, except that the requirements of this sentence shall not apply when there is a contrary contractual commitment entered into prior to March 2, 1977. The Company shall have the right to place the source material credit on another card so long as such other card is not inserted between the screenplay credit and the director's credit. The foregoing provisions of this subparagraph and the preceding subparagraph shall not be applicable to contract commitments entered into prior to December 13, 1963 which contain terms contrary thereto.

With regard to on-screen credits, the words *"Written by," "Screenplay by," "Story by," "Adaptation by"* or *"Screen Story by"* shall be at least one-half of the size of type used for the name(s) of the writer(s).

The Company shall submit to the WGA for review proposed on-screen credits (main and end titles) before prints are prepared. If, within five (5) days after such submission, the Guild protests in writing to the Company that such credits do not conform to the provisions of Theatrical Schedule A, then the Guild may, within twenty-four (24) hours after making such protest, submit the dispute to arbitration in accordance with the provisions of Paragraph 26 of Theatrical Schedule A. The arbitrator shall make his/her decision and deliver it to the respective offices of the Guild and the Company within twenty-four (24) hours after the dispute has been submitted to him/her. In the event of an emergency and upon the Company's request, the Guild agrees to cooperate as fully as possible to review the main and end titles within twenty-four (24) hours.

In the event that the Company fails to submit its proposed on-screen credits to the Guild, the remedy for a third failure to do so shall be a payment of $500 to the credited writer(s) of the picture for which credits were not submitted; for a fourth failure, a payment of $1,000 to the credited writer(s) of the picture, and for each subsequent failure, a payment of $2,000 to the credited writer(s). Notwithstanding the foregoing, if the Company fails to submit proposed on-screen credits and the on-screen credits violate the provisions of Theatrical Schedule A, the Guild may seek applicable remedies pursuant to Articles 10, 11 and 12.

9. A writer who has participated in the writing of a screenplay, or a writer who has been employed by the Company on the story and/or screenplay, or who has sold or licensed literary material subject to this Basic Agreement, shall, for the purpose of this Basic Agreement, be considered a participant. As a participant, the writer shall be entitled to participate in the procedure for determination of screen credits. In addition, in the case of a remake, any writer who has received credit under this Agreement or a predecessor agreement to this Agreement for story or screenplay or teleplay in connection with a prior version of the motion picture previously produced for theatrical release, for free television or basic cable exhibition or for pay television or the videocassette/videodisc market shall also be considered a participant. The preceding sentence shall not apply if it conflicts with contractual commitments entered into prior to March 2, 1981.

10. Prior to the final determination of screen credits, as provided herein, the work of participants not receiving screen credit may be publicized by the Company. After such a determination of screen credits, only persons receiving screen credits or source material credit may be so publicized.

11. Before the writing credits for a motion picture are finally determined and as soon as practicable following completion of principal photography of such motion picture, the Company will send to each participant, or to the current agent of a

participant if that participant so elects, and to the Guild concurrently a written notice which will state the Company's choice of credit on a tentative basis, together with the names of all participants, their addresses last known to the Company, and if a participant is then also a director or producer of the motion picture, the notice will so indicate. A copy of the final shooting script (or if such script is not available, the latest revised script available) will be sent with the notice of tentative credits to each of the participating writers, or to the current agent of a participant if that participant so elects. When the Company deems its record of participants incomplete, it may comply with the foregoing by giving notice to each writer whose name and address is furnished by the Guild within five (5) days after the Company's request for such information, in addition to giving notice to each participant shown on its own records.

If there is confusion as to the identity of a participating writer listed on the Company's notice of tentative credits because two (2) or more writers have the same first and last name, then Company shall, upon request of the Guild, furnish to the Guild such writer's Social Security number, if known to the Company, or the employer identification number of such writer's loan-out company.

The Company shall on such notice of tentative credits, for the information of the Guild and participants, state the form of any source material credit which Company intends to use in connection with the motion picture. Such credits shall not be subject to the provisions for protest and arbitration as hereinafter provided, but the Guild shall have the right to object to the form of such a credit.

Notice of tentative credits shall be in the following form, which form has been approved by the Guild:

NOTICE OF TENTATIVE WRITING CREDITS - THEATRICAL

To: Writers Guild of America, West, Inc., 7000 West Third Street, Los Angeles, California 90048, or to Writers Guild of America, East, Inc., 250 Hudson Street, New York, New York 10013

AND

All Participating Writer(s) (or to the current agent, if a participant so elects)

NAME(S) OF PARTICIPATING WRITER(S)	ADDRESS(ES)
_____	_____
_____	_____
_____	_____

TITLE OF MOTION PICTURE: _____

EXECUTIVE PRODUCER: _____

DIRECTOR:_____

OTHER PRODUCTION EXECUTIVE(S), AND THEIR TITLE(S), IF PARTICIPATING WRITER(S): _____

Writing credits on this production are tentatively determined as follows:

ON SCREEN: _____

ON SCREEN, SOURCE MATERIAL CREDIT, IF ANY:_____

_____

ON SCREEN AND/OR IN ADVERTISING, presentation and production credit, IF ANY:

_____

SOURCE MATERIAL upon which the motion picture is based, IF ANY:_____

_____

_____

The final shooting script is being sent to all participating writers with the notice of tentative writing credits.

The above tentative writing credits will become final unless a protest is communicated to the undersigned not later than 6:00 p.m. on _____.
(date)

_____ By: _____
(Company)

Name:_____

Address:_____

Date:_____ Telephone No.:_____

At the Company's request, the Guild may, but shall not be obligated to, make a determination of screen credits and shall so notify the participants. When a Guild determination is so made, it shall be considered a final determination.

At the request of the Guild made to the Company on commencement of principal photography of such motion picture, the Company shall furnish the Guild with a list of all persons who, to the best of the Company's knowledge, are or were participants (see Paragraph 9 above) with respect to such motion picture. If, thereafter, any other writer is engaged by Company to render writing services on or in connection with such motion picture during principal photography, the Company will promptly notify the Guild of that fact. If the motion picture involved is a remake of an earlier motion picture produced by Company, the list of writers to be supplied by the Company pursuant to this paragraph shall include the name of any writer employed by the Company to render writing services with respect to the most recent prior production by Company of such earlier motion picture and who received screen credit for such writing services.

A casual or inadvertent failure by the Company to forward the notices, list, names or other information to the Guild or persons specified at the times or places designated pursuant to this Paragraph 11 shall not be deemed to be a breach of this Basic Agreement.

12. The notice specified in Paragraph 11 hereof will be sent by email, messenger, certified mail or a trackable service such as FedEx, UPS or DHL to the Guild and to all participating writers. In the case of a remake, the Company shall not be under any obligation to send any notice to any writer contributing to the

screenplay or story of the original production unless such writer received screen credit in connection with such original production.

Notices may be sent by certified mail, return receipt requested; by a trackable service such as FedEx, UPS or DHL; or by personal delivery as above provided. Failure of the addressee to sign or return the receipt on a notice sent via certified mail shall not invalidate the notice.

Notices may be sent to a participating writer by email only if the writer's representative is also given email notice and the writer's personal services contract (or an amendment thereto) contains all of the following: (1) the writer's express agreement to receive notices by email; (2) the writer's email address; and (3) the email address of at least one of the writer's representatives. The email address of the writer's representative must be an individual address, not a general company mailbox, and must appear on the face of the notice. Company shall retain the record of the email transmission, reflecting the date and time that the notice was sent to the writer and the writer's representative, for one (1) year following the final determination of credits.

13. The Company will keep the final determination of screen credits open until a time specified in the notice by the Company, but such time will not be earlier than 6:00 p.m. of the tenth business day following the next day after the dispatch of the notice above specified; provided, however, that if, in the good faith judgment of the Company, there is an emergency requiring earlier determination and the Company so states in its notice, such time may be no earlier than 6:00 p.m. of the fifth business day following the next day after the dispatch of the notice above specified. In the event of an emergency and on Company's request, the Guild may reduce such "fifth business day" period. The Guild agrees to cooperate as fully as possible in considering such requests.

    If, within the time specified, a written protest of the tentative credits has not been delivered to the Company from any participant or from the Guild, the tentative credits shall become final. Every protest, including that of the Guild, shall state the grounds or basis therefor in the notice thereof. The Guild agrees not to use its right of protest indiscriminately.

14. Notwithstanding the foregoing, if an arbitration has been conducted pursuant to the Basic Agreement to determine preliminary separation of rights, and if no additional writing is done thereafter, then the credits determined in the preliminary separation of rights arbitration shall become the final writing credits without the need for an additional credits arbitration. The Company nonetheless is required to submit a notice of tentative writing credits concurrently to the Guild, to each participating writer or to the current agent of each participating writer pursuant to Paragraph 11 of this Schedule A.

15. Upon receipt of a protest, the Company shall notify the participants and the Guild informing them of the name of the protesting party and the new time set for final determination.

16. If a unanimous designation of credits as provided for in Paragraph 7 hereof or a request for arbitration as hereinafter provided is not communicated to the Company within the time limit set for the final determination of credits, the Company may make the tentative credits final.

17. Any notice specified in the foregoing paragraphs shall, unless a specified form of service thereof is otherwise provided for herein, be sent by the Company by mailing or delivering the same to the last known address of the writer or may be delivered to the writer personally. If the notices are mailed, registered or certified mail shall be used with return receipt requested; the failure of the addressee to sign or return the receipt shall not invalidate the notice.

18. Unless a unanimous agreement has been reached in accordance with Paragraph 7 hereof, any participant or the Guild may, within the period provided for in Paragraph 13 hereof, file with the Company at its studio and the Guild at its Los Angeles or New York office a written request for arbitration of credits. In any case in which automatic credit arbitration is required under this Schedule A, the Guild will be deemed to have made a written request for arbitration of credits at the time the Company submits the notice of tentative credits and, in such case, Company will immediately make available to the Guild the material as provided for under this subparagraph.

    The Guild, through its arbitration committee, shall make and advise the Company of its decision within the limitations of this Schedule A. Said decision shall be made and advised within twenty-one (21) business days of the request(s) for arbitration referred to in the immediately preceding paragraph. If, in the good faith judgment of the Company, there is an emergency requiring an earlier decision and the Company so notifies the Guild, said decision shall be made and advised within ten (10) business days of the request(s) referred to in the immediately preceding paragraph. If the arbitration committee does not render a decision within said period, as the same may have been extended by the Company, the Company may make the tentative credits final, provided the terms and provisions of this Paragraph 18 have been fully complied with by the Company.

    In the event of an emergency and upon the Company's request that the time for arbitration be shortened, the Guild agrees to cooperate as fully as possible. If the material is voluminous or complex, or if other circumstances beyond the control of the Guild necessitate a longer period in order to render a fair decision, and the Guild requests an extension of time for arbitration, the Company agrees

to cooperate as fully as possible. The Company will not unreasonably deny the Guild's request for an extension of time. Agreement for extensions of time shall be in writing and shall specify the new date by which the Company will be advised of the arbitration decision.

Prior to the rendition of the decision, a special committee of writers may make such investigations and conduct such hearings as may seem advisable to it. Immediately upon receipt of a request for arbitration, the Company shall make available to the Guild three (3) copies of the script, and three (3) copies of all available material written by the participants and three (3) copies of all available source material. In addition, the Company shall cooperate with the arbitration committee to arrive at a just determination by furnishing all available information relative to the arbitration. Upon request of the arbitration committee, the Company shall provide the committee with a copy of the cutting continuity if it is available at the time of arbitration. If no final shooting script is available, Company will provide the Guild with a videocassette or print of the motion picture.

The decision of the Guild arbitration committee, and any Policy Review Board established by the Guild in connection therewith, with respect to writing credits, insofar as it is rendered within the limitations of this Schedule A, shall be final, and the Company will accept and follow the designation of screen credits contained in such decision and all writers shall be bound thereby.

19. The decision of the Guild arbitration committee may be published in such media as the Guild may determine. No writer or Company shall be entitled to collect damages or shall be entitled to injunctive relief as a result of any decision of the committee with regard to credits. In signing any contract incorporating by reference or otherwise all or part of this Basic Agreement, any writer or Company specifically waives all rights or claims against the Guild and/or its arbiters or any of them under the laws of libel or slander or otherwise with regard to proceedings before the Guild arbitration committee and any full and fair publication of the findings and/or decisions of such committee. The Guild and any writer signing any contract incorporating by reference or otherwise or referring to this Schedule A, and any writer consenting to the procedure set forth in this Schedule A, shall not have any rights or claims of any nature against any Company growing out of or concerning any action of the Guild or its arbiters or any of them, or any determination of credits in the manner provided in this Schedule A, and all such rights or claims are hereby specifically waived.

20. In the event that, after the screen credits are determined as hereinabove provided, material changes are made in the literary material, either the Company or a participant and the Guild jointly may reopen the credit determination by making a claim to the Guild or Company, as the case may be,

within forty-eight (48) hours after completion of the writing work claimed to justify the revision of credits. The procedure for determining revised credits in such cases will be the same as that provided for the original determination of credits.

The Company agrees to make revisions in advertising material previously forwarded to the processor or publisher to reflect such redetermined credits, provided that: (a) such revisions can physically and mechanically be made prior to the closing date of such processor or publisher and at reasonable expense; and (b) the processor or publisher has not yet commenced work on that part of the material which the change would affect.

21. No writer shall claim credit for any participation in the screen authorship of any motion picture for which the credits are to be determined by the procedure herein provided prior to the time when such credits have in fact actually been so determined, and no writer shall claim credits contrary to such determination.

22. a. In any publicity issued or released prior to the final determination of credits as herein provided, the Company may include such screenplay or screenplay and story credits as the Company may in good faith believe to be a fair and truthful statement of authorship. After such final determination of credits, the Company shall not issue or release any publicity which shall state screenplay or screenplay and story authorship contrary to such determination. No casual or inadvertent breach of the foregoing shall be deemed to constitute a breach by the Company.

b. Writing credit, but not necessarily in the form specified in this Schedule A, shall be included in publicity releases issued by the Company relating to the picture when the producer and the director are mentioned, whether in the form of a "production" or "presentation" credit or otherwise, except when such release is restricted to information about such individual or individuals. The writing credit shall also be included in all other publicity and promotional matter, including screening invitations issued by the Company, when the credit of the producer or director is included, whether in the form of a "production" or "presentation" credit or otherwise. Prior to a final determination of credits, the Company shall include those credits which it in good faith believes to be a fair and truthful statement of authorship.

In addition to the requirements of subparagraphs a. and b. above, and in recognition of the writer's essential contribution to the creative process, the Company will include the identity, background and filmography of the credited writer(s) in standard print and electronic press kits for the picture, if such information about the director is also included. Each participating writer shall supply a copy of his/her filmography to the

Company's advertising/publicity department at the time of final submission of his/her literary material to the Company. It is understood that the Company may edit the writer's filmography for use in such press kits.

Unless notified otherwise by the Company, each credited writer will be interviewed for the purpose of including material about the credited writer(s) in the standard electronic and print press kits for the motion picture or on DVDs or laserdiscs containing the motion picture, if the Company interviews the director for the same purpose. The Company shall not be required to provide transportation or accommodations for interview sessions for such writers. (If interviews are conducted prior to the final determination of writing credits, the writer(s) whom the Company in good faith believes will be entitled to writing credit will be interviewed.) However, the decision to include or exclude all or any part of the interview material, and the form of the material to be included, shall rest solely within the discretion of the Company, except that the Company will not include interview material with uncredited writers in press kits issued after a final determination of credits, if practicable, and the Company will not include interview material with uncredited writers on DVDs or laserdiscs.

The second and third unnumbered paragraphs of this subparagraph are subject to the Article 48.E. "Hot Line Dispute Resolution" mechanism, but are not subject to grievance or arbitration.

c. If the Company has submitted the Notice of Tentative Writing Credits to the Guild within ten (10) business days after completion of principal photography, and if there is a good faith emergency which requires the Company to print the cover or sleeve of a sound track album, cassette or compact disc prior to the final determination of writing credits, then Company may include thereon the name of the writer whom the Company in good faith believes to be the writer of the motion picture. After the final determination of credits, the Company shall not print any such covers or sleeves which do not comply with subparagraph p. of this Paragraph 22.

d. If the Company has submitted the Notice of Tentative Writing Credits to the Guild within ten (10) business days after completion of principal photography, and if there is a good faith emergency which requires the Company to print the cover, jacket or title page of any novel prior to the final determination of writing credits, then Company may include thereon such writing credit(s) as the Company may in good faith believe to be a fair and truthful statement of authorship, rather than the credits as finally

determined. After the final determination of credits, the Company shall not print any such covers, jackets or title pages which do not comply with subparagraph m. of this Paragraph 22.

e. Screenplay or screenplay and story credit in accordance with the final determination of such credit will be given on any paid advertising issued anywhere in the world, provided such advertising is prepared by the Company in the continental United States and is controlled by the Company when such advertisement is used; it being understood that in such advertising prepared prior to final determination of screenplay and story credits, the Company shall include such screenplay or screenplay and story credit as the Company may in good faith believe to be a fair and truthful statement of authorship. After final determination of credits, the Company shall not prepare for issuance any advertising which shall state screenplay or screenplay and story authorship contrary to such final determination.

f. When there is only a single writer on a project and if a paid advertisement is issued in which that writer would have received credit hereunder had there been a final determination of credit at that time, then such writer shall be given credit in such advertisement in accordance with the credit requirements of this Schedule A.

g. In forms of advertising covered hereunder, the names of the individual writers accorded screenplay or screenplay and story credit for the motion picture will appear in the same size and style of type as that in which the name of either the individual producer or the director of the motion picture shall appear in such advertising, whichever is larger. Provided, however, that:

(1) If three (3) or more writers share screenplay credit, then the Company shall not be required to use, for the advertising credit to which such three (3) or more writers are entitled, an area in excess of the minimum area that would be occupied by the names of the first two (2) of such writers, if only such first two (2) writers were entitled to share screenplay credit; it being understood that for such purpose, the Company may diminish height of the type in which the names of the three (3) or more writers appear in addition to narrowing from side to side the names of such three (3) or more writers; it being further understood that for the purpose of determining which of the writers are the first two (2), the order in which such writers appear in the notification of the Guild's determination reached in its credit arbitration proceedings shall control; and

(2) When a writer entitled to screenplay credit is also entitled to credit as the director and/or producer of the motion picture, then the name of such writer need only be mentioned once in such advertising, provided, however, that he/she receives credit as a writer; provided further, that the order of credit as between writer, producer and director shall be the same as the order with respect to which such credits are given on the screen; and

(3) In giving such credit on twenty-four (24) sheets, the names of the individual writers shall in no event appear in type less than three and one-half (3½) inches in height, or if the screenplay or story credit is shared by more than two (2), in type less than two and one-half (2½) inches in height; and

(4) In giving such credit in forms of advertising covered hereunder, other than on twenty-four (24) sheets, the names of the individual writers shall in no event appear in type of a height less than fifteen percent (15%) of the height of type used for the title of the motion picture, or if there are two (2) titles of the motion picture, the larger title. The Company may seek a waiver of the double billing provision, in particular cases such as the *"Beau Geste"* ads and the Guild will not unreasonably withhold such waivers.

(5) Writing credits shall be given as provided herein in advertising which features a quotation(s) from a review(s) of the motion picture if the name of an individual producer or director appears in any of the quotations; provided, however, if the name of individual producer or director in the quotation(s) shall be in the same size and style of type as the remainder of the quotation(s), then the writing credit need not conform in size or style of type to the name in the quotation, but shall otherwise conform in size and style of type as provided in this Paragraph 22.

h. In all cases, the location of the credit accorded to any writer under this Paragraph 22 shall be discretionary with the Company.

i. When the title of the motion picture is in letters of varying sizes, the percentage above referred to shall be based on not less than the average size of all the letters in such title.

j. The foregoing obligation to accord credit in paid advertising shall be limited to story, screenplay, or screen story, adaptation and written by credits and shall not apply:

(1) To so-called "teaser" advertising, except that if a *"Produced by"* or *"Directed by"* credit is included, the writing credit shall also be included.

(2) To advertisements less than four (4) column inches in size, but if such advertising contains a *"Produced by"* or *"Directed by"* credit, the writing credit shall also be included.

(3) To radio or the audio portion of television advertising.

(4) When credit is given neither to the individual producer nor director of the motion picture.

(5) To special advertising relating only to the source material on which the picture is based, or author thereof, any member or members of the cast, the director, individual producer, or other personnel concerned in its production, or similar matters.

k. In any case in which there would be an obligation to accord an advertising credit to a writer if credit were given to the producer or the director, such obligation shall also exist if credit is given to the executive producer as an individual.

l. Advertising shall be deemed to have been prepared hereunder when the Company has forwarded the finished copy therefor to the processor or publisher. The Company agrees, however, to revise advertising prepared prior to the final determination of credits so as to show the screenplay or screenplay and story credit as finally determined, if such revision can physically and mechanically be made prior to the closing date of such processor or publisher and at reasonable expense, and provided the processor or publisher has not yet commenced work on that part of the material which the change would affect.

m. The Company shall require that all writing credits as they appear on the screen appear in any published version of the whole or substantial part of a picture script, and in any novel based on the screenplay, provided that with respect to any novel based on such screenplay the credit shall indicate that such novel is based on such screenplay. Such writing credit shall appear on the title page in the same size and style of type used for the writer of the novel. If the name of the writer of the novel appears on the cover, the *"Screenplay by"* or *"Written by"* credit shall also appear on the cover in the same size and style of type as the writer of the novel; provided, however, that the writing credit need not so appear if the writer of the screenplay is the writer of the novel. The contract with the

publisher shall provide that this provision is for the express benefit of the writer and the Guild, and that the publisher will comply with such requirements. But the failure of a publisher to comply with any of such requirements shall not constitute a breach by the Company.

n. In connection with the radio or television broadcast of a half-hour or more in length, the whole or nearly the whole of the entertainment portion of which consists of the adaptation of a screenplay or substantial part thereof, the screenplay or screenplay and story credit as it appears on the screen shall be given either orally or visually.

o. When the major writing contribution to a motion picture is in the form of narration, credit for such narration shall be given and worded in the following form: *"Narration Written by."* When a narration credit is given in lieu of a screenplay credit on any motion picture, then such narration credit shall be subject to all of the rights and limitations as are provided in this Paragraph 22 with respect to screenplay credit.

p. If, hereafter, the Company distributes or licenses the distribution of a souvenir program or theatrical program of a motion picture hereunder, or a phonograph record or phonograph album made from the sound track of a motion picture hereunder, and the individual producer or director of such picture is named in his/her capacity as such in such program or on the liner, cover or jacket of such album or records, then the writer shall also be named. The size of such credit as specified under this Schedule A shall be related to the size of the title as it is used in the listing of credit for such picture on such program, liner, cover or jacket. If Company includes the director or individual producer credits in any catalogue or sales brochure it issues to the public, the applicable writer's credit will also be included.

q. If, in giving credits with relation to a product, the Company gives a *"Produced by"* and also a *"Directed by"* credit, then Company shall require the writers' credits to be given in accordance with the provisions of this Schedule A. The failure of a third party to comply with such requirement shall not constitute a breach by Company.

r. When the Company supplies written handouts to reviewers and critics, it will list writing credits, if they have theretofore been determined.

s. No casual or inadvertent breach of any of the foregoing shall be deemed to constitute a default or a breach by the Company of this Basic Agreement.

t. The Guild agrees to discuss with the Companies its policy regarding issuance of waivers for the inclusion of names of corporate employers in paid advertisements.

u. If the domestic version of the laserdisc or DVD containing the motion picture, or the Internet web page dedicated to the motion picture, contains a filmography of the director, it will also contain a filmography of the credited writer(s). Each participating writer shall supply a copy of his/her filmography to the Company's advertising/publicity department at the time of final submission of his/her literary material to the Company. It is understood that the Company may edit the writer's filmography for inclusion on the laserdisc, DVD or Internet web page.

The provisions of this subparagraph u. are subject to the Article 48.E. "Hot Line Dispute Resolution" mechanism, but are not subject to grievance or arbitration.

23. In connection with "sneak" previews before the first general release of a motion picture in the United States, the Company shall give such screenplay or screenplay and story credits as the Company may in good faith believe to be a fair and truthful statement of authorship, but it shall be the obligation of the Company in good faith to have such credit determined prior to such sneak previews; and there shall be no other preview or theatrical showings of any kind, except sneak previews, until correct writing credit has been determined as herein provided and included in the main title.

24. The provisions of this Schedule A shall govern the determination of writing credits for shorts (as defined in the Basic Agreement) based upon written scripts, except that:

a. Such writing credits shall appear in forms selected by the Company. In this connection, the Company agrees to use forms of credit which represent a fair and truthful statement of authorship.

b. The location of screen credit shall be discretionary with the Company and such credit may appear on a card with other credits.

c. The right of protest shall be limited to participants. Protests shall be directed only to improper or untruthful statements of the facts of authorship, rather than to the form in which such authorship is stated.

d. If a written protest of the tentative credits is received by the Company from a participant within the time specified in Paragraph 13 hereof, the Company will withhold the final determination of credits until a time to be

specified by the Company which time will not be earlier than forty-eight (48) hours, exclusive of Sundays and holidays, after the scripts are delivered to the Guild office in Los Angeles, or forty-eight (48) hours after the Guild is notified that the scripts are available at the Company's studio, whichever is earlier. In the event of an emergency and on the Company's request, the Guild may grant a reduction of such forty-eight (48) hour period. The Guild agrees to cooperate as fully as possible in considering such requests.

e. The period of time specified in Paragraph 18 shall be three (3) business days in place of twenty-one (21) business days, and the arbitration decision shall not affect the form of the writing credit.

f. The provisions of Paragraph 22 requiring the giving of advertising credit shall not apply to shorts, but if such writing credits are advertised, they shall be a fair and truthful statement of authorship.

25. In connection with the sale, assignment or licensing of any literary material or rights therein, which material is subject to the credit provisions of this Schedule, Company shall obtain an acknowledgment in writing that the purchaser, assignee or licensee, as the case may be, will abide by all of the obligations incurred to writers by Company under the terms and provisions of this Schedule A. Upon the execution of such an acknowledgment, Company shall be considered to have fully complied hereunder and thereupon shall be relieved of all obligations under this Schedule A, with respect to such material or rights therein, as the case may be.

26. a. (1) Company will submit to the office of the Guild, 7000 West Third Street, Los Angeles, California 90048, attention of its Executive Director, a copy of the initial and subsequent campaign advertising material, and any changes in that material made either for the initial release or for a reissue, prior to the issuance or distribution of such advertising material. If at the time of such submission, the Company has the copy of the souvenir program, theatrical program, liner, cover or jacket referred to in Paragraph 22 above or the copy of the title and cover page of the novelization referred to in Paragraph 22 above, the Company will also furnish such copy to the Guild at such time. If the exigencies of time so require, Company may comply with the above by submitting such advertising material to the office of Writers Guild of America, East, Inc., 250 Hudson Street, New York, New York 10013, attention of its Executive Director. If, within twenty-four (24) hours after such submission in Los Angeles, or if within thirty-six (36) hours after such submission in New York, the Guild protests by telegram, delivered (collect if desired) to the Company, that such advertising material does not conform to the provisions of this Schedule A, Paragraph 22 above, then the Guild may, within

twenty-four (24) hours after making such protest, submit the dispute to arbitration under this Paragraph 26. The arbitrator shall make his/her decision and deliver it to the respective offices of the Company and Guild within twenty-four (24) hours after such submission to arbitration.

(2) Notwithstanding anything in this Paragraph 26 to the contrary, if exigencies of time exist such that it is not possible to include, in a timely fashion, any quotation(s) from a review(s) of the motion picture in the advertising material submitted to the Guild, then the Company need not include such quotation(s) in its submission to the Guild, but shall indicate where the quotation(s) shall appear in the advertising. When the quotation(s) is available, the Company shall resubmit to the Guild the advertising material, including the quotation(s) used. In the event that the Company inadvertently fails to resubmit such advertising material to the Guild, but such advertising material otherwise comports with the requirements of Theatrical Schedule A, then the Company shall not be deemed to have violated the Agreement by reason of such inadvertent failure to resubmit the advertising material.

(3) The arbitrator shall be selected in accordance with the following procedure. Within twenty-four (24) hours following the Company's receipt of the arbitration claim, the parties shall select a disinterested arbitrator either by mutual agreement or, failing such mutual agreement, by use of the following "strike process:"

(a) The arbitrators listed in this subparagraph 26.a. shall constitute the list of arbitrators.

(b) On a Company-by-Company basis, the Guild and the Company shall alternate on a case-by-case basis in first striking a name from the list of arbitrators. Thereafter, the other party shall "strike" a name from the list. The parties shall continue to alternate in striking names from the list until one arbitrator's name remains.

(c) The arbitrator whose name remains (after the strike process is completed) shall be the arbitrator.

(d) In the event that one of the parties fails to participate in the strike process, or fails to strike in order and/or timely, the other party may thereupon select the arbitrator to hear the matter.

(e) If more than one Company is a party, then the Company which is the real party in interest shall participate in the strike process with

the Guild. In the event that such Companies cannot agree on which of them is the real party in interest, then such Companies shall determine by lot which Company shall participate in the strike process with the Guild.

The initial panel of arbitrators is:

LOS ANGELES

Sara Adler	Joel Grossman
Norman Brand	Fredric R. Horowitz
Mark Burstein	Najeeb Khoury
Douglas Collins	Fred Kuperberg
Paul E. Crost	Kenneth Perea
Greg David Derin	Sol Rosenthal
Dixon Dern	Robert Steinberg
Edna Francis	Gail Migdal Title
William Gould IV	

NEW YORK

Noel Berman	Susan MacKenzie
Daniel Brent	Joan Parker
Howard Edelman	Janet Spencer
Melinda G. Gordon	Carol Wittenberg
Joshua Javits	

Additional names may be added from time to time during the term of the contract by mutual agreement of the parties.

(4) The situs of arbitration proceedings shall be Los Angeles, California, unless the parties mutually agree to New York, New York or some other situs.

If the parties agree to New York, New York, the arbitrator shall be selected from the New York list of arbitrators set forth in this subparagraph 26.a. The cost of such arbitration shall be borne equally by the Company and the Guild.

(5) If the arbitrator decides that the Guild's protest is valid, he/she must designate in what respect such advertising material does not conform to the provisions of this Schedule A, Paragraph 22 above. This shall be the limit of the arbitrator's authority. The decision of the arbitrator shall be binding upon the Company, the Guild, and the writer or writers involved. Company shall not issue any such advertising material which would violate such decision.

(6) It is hereby agreed that if the arbitrator in any arbitration under the provisions of this Paragraph 26 does not make his/her decision and deliver it to the respective offices of the Company and Guild within twenty-four (24) hours after the dispute has been submitted to him/her under this Paragraph 26, then, at any time thereafter prior to the making and delivering of such decision, either the Guild or the Company may elect to remove the dispute from such arbitrator and resubmit it to the next arbitrator in rotation. If so resubmitted, such next arbitrator in rotation shall make his/her decision and deliver it to the respective offices of the Company and Guild within twenty-four (24) hours after such resubmission. The aforesaid election and resubmission shall be exercised and effected by written notice by the Guild or the Company, as the case may be, to the other party. If the first arbitrator shall make and deliver his/her decision after the expiration of twenty-four (24) hours after the dispute has been submitted to him/her and prior to the resubmission of the dispute to the next arbitrator in rotation as aforesaid, such decision shall have the same effect as though it had been made and delivered by the first arbitrator within twenty-four (24) hours after the original submission of the dispute to him/her.

(7) If the Guild fails to submit its protest in the manner and within the time period specified above, or if the Guild fails to submit the dispute to arbitration in the manner and within the time period specified above, then, in either of such events, the Guild shall be conclusively deemed to have approved such advertising material and such approval shall be binding upon the Guild and the writer or writers involved. The Company shall not issue or distribute any advertising material prior to the expiration of the period within which the Guild may protest nor in the event of a protest by Guild (submitted in the manner and within the time period specified above) prior to the expiration of (a) seventy-two (72) hours after such advertising material has first been submitted as aforesaid by Company to the Guild in Los Angeles, or (b) eighty-four (84) hours after such advertising material has first been submitted as aforesaid by Company to the Guild in New York, as the case may be.

In determining any twenty-four (24) or thirty-six (36) hour period referred to above in this subparagraph 26.a., there shall be excluded Saturdays, Sundays and the six (6) holidays recognized in the motion picture industry, to wit: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving and Christmas.

Time is of the essence as to all of the provisions of this Paragraph 26.

b. Company will forward, whenever practical, by air mail, to the Guild, to the attention of its Executive Director, a copy of each of its press books immediately upon its publication and before its general distribution. The present address of the Guild is 7000 West Third Street, Los Angeles, California 90048.

Such press books shall conform to the provisions of this Schedule A, Paragraph 22, above.

The Guild shall send a written answer to the Company immediately upon receipt of the Company's press book. If Company does not receive such an answer from the Guild within six (6) days from the time the Company has sent the press book to the Guild, the Guild shall be considered to have approved the press book, and such approval shall be binding upon the Guild and the writer or writers involved. If, within such six (6) days, the Guild should protest to the Company that any advertising contained in such press book, neither previously approved as part of initial advertising material nor as part of subsequent advertising material, does not conform with the advertising provisions quoted above, the Guild and the Company shall appoint a joint committee which shall immediately determine the validity of the Guild's protest. If the committee determines it is a valid protest, it may specify the corrections, if any, necessary to conform the advertising with the above-mentioned advertising provisions.

27. If the Company shall sell or license the so-called stage presentation rights to a screenplay with respect to which a writer has received a *"Written by," "Story by,"* or *"Screen Story by"* screen credit, then Company shall provide in the contract of sale or in the license that the writer shall be accorded appropriate credit reflecting such screen credit in:

a. the program for the stage presentation based upon such screenplay,

b. newspaper advertising of one-half page or larger for the Broadway showings of such stage presentation, and

c. billboards and lobby displays for such stage presentations,

but only if general credits are also accorded in such programs, newspaper advertising, lobby displays, and billboards, *e.g.*, director credit, stage play writer credit, producer credit, choreographer credit, and the like. The failure of the purchaser or licensee of the stage presentation rights to comply with such contractual requirements shall not constitute a breach of this Agreement by the Company.

28. a. Notwithstanding any other provision of this Schedule A, but subject to the provisions of subparagraph 28.d. below, if the individual producer or director is accorded a "production" or "presentation" type of credit, such as *"A Sam Jones Production"* or *"A Sam Jones Picture"* or *"A Sam Jones Presentation"* or *"A Sam Jones Film,"* on the screen (wherever such credit may appear on the screen other than in the position where such individual producer or director credit would normally appear pursuant to this Schedule A), such "production" or "presentation" type of credit may be accorded in a different style and/or a different size (whether larger or smaller) of type than used to accord credit to the writer of the screenplay, subject to the following:

(1) If such "production" or "presentation" type credit on the screen is in such different style or different size of type, it shall not be placed on the screen between the card according credit to the writer of the screenplay and the card according credit to the director of the motion picture; and

(2) Such writer shall receive credit in size of type not less than fifty percent (50%) of the size of type used for such "production" or "presentation" credit.

b. Subject only to the provisions expressly relating thereto contained in this Paragraph 28 and in Article 48.I., the matter of "production" or "presentation" type credit shall not be governed by this Basic Agreement, it being agreed that the Company may accord such "production" or "presentation" type credit as it may see fit.

c. [Deleted.]

d. When a "production" or "presentation" type of credit is given by the Company in advertising:

(1) The writing credit(s) in such advertising shall be in the same size of type as the size of the type of the "production" or "presentation" credit if such a credit is accorded to the producer or the director of the

picture, and not less than one hundred percent (100%) of the size of the type of the largest "production" or "presentation" credit if two (2) or more persons receive such "production" or "presentation" credit, and not less than the size specified in subparagraph (2) below. In all cases, such credit will be given in the same style of type as the credit of the individual receiving the largest "production" or "presentation" credit. The provisions of this subparagraph (1) shall not apply when a "production" or "presentation" credit is given to a writer (alone or with one or more other persons) and such writer receives sole writing credit for the respective motion picture.

(2) When a single "presentation" or "production" credit is accorded, the writing credits shall be in size of type not less than twenty percent (20%) of the size of the type of the main title, as such title appears in the advertising involved. When more than one (1) "presentation" or "production" credit is accorded, the size of the writing credits shall be increased by an additional five percent (5%) of the main title for each such additional "production" or "presentation" credit (*e.g.*, a total of twenty-five percent (25%) for two (2), thirty percent (30%) for three (3), etc.). For the purposes of this paragraph, if two (2) or more names are used on one (1) line in one (1) "presentation" or "production" credit, such will count as one (1) "presentation" or "production" credit (*e.g.*, *"A John Jones-Bob Brown Presentation;"* but not *"A John Jones Production of a Bob Brown Presentation"*).

(3) The credit accorded to the author of the source material is not subject to the restrictions of this subparagraph 28.d. and shall not be considered a "production" or "presentation" credit.

(4) The provisions of this subparagraph 28.d. shall not apply: (i) to impersonal corporate "presentation" or "production" credits when the corporate name is wholly impersonal, such as *"Columbia Pictures Corp. presents,"* and shall further not apply to the names of any distributing company, whether or not impersonal, including Walt Disney Productions; and (ii) advertisements less than four (4) column inches in size, teasers and special advertising.

The Guild agrees to discuss with the Companies its policy with respect to issuance of waivers for the inclusion of names of corporate Employers in paid advertisements.

Notwithstanding anything to the contrary set forth above in subparagraph 22.b. or in this subparagraph 28.d., both inclusive, all credit requirements of contracts in existence on the effective date of this Agreement which conflict with any of the provisions of said paragraphs shall control, and

such contracts may be performed in accordance with their terms without regard to the provisions of said paragraphs. All advertising and publicity contained in copy prepared prior to the effective date of this Agreement which conforms to the applicable requirements of the 2001 WGA-AMPTP Agreement may continue to be used.

29. On the request of either party for modification of this Schedule A on the ground of hardship in the application of any of its provisions, the other party agrees to meet and negotiate with respect to changes to eliminate such claimed hardships.

30. When used in this Schedule A, the term ***"writer"*** or ***"employed writer"*** shall have the same meaning as provided in Article 1.B.1.a. of the Basic Agreement.

TELEVISION SCHEDULE A

TELEVISION CREDITS

1. Credit shall be given on the screen for the authorship of stories and teleplays and shall be worded *"Teleplay by," "Story by,"* or *"Written by"* (for story and teleplay). The term **"teleplay"** means the script as produced on the television screen or as shown in its final form, by whatever means the medium may employ. In the exceptional case in which a writer has contributed to the development of the final teleplay, but is not given teleplay credit hereunder, credit in the form *"Adaptation by"* may be given, but such credit shall be subject to automatic credit arbitration as provided in Paragraph 17 of Television Schedule A. The credits specified in this Schedule A (such as *"Teleplay by," "Story by," "Written by,"* etc.) shall not be varied or embellished in any manner whatsoever without prior approval by the Guild.

   If a writer is entitled to *"Written by"* credit on a television motion picture which he/she also produces or directs, unless the writer objects, nothing herein shall prevent according credit on the screen and/or in paid advertising in the following forms:

   "Written and Produced by _____," or
   "Written and Directed by _____," or
   "Written, Produced, and Directed by _____."

   Subject to contractual commitments which may exist on May 2, 2020, a writer who is entitled to credit on the screen and who has been paid, or has been guaranteed payment of less than three (3) times the applicable minimum provided for in this Agreement, including the minimums set forth in Article 13.B.7.d. when applicable, for his/her writing services or literary materials relating to the particular teleplay, shall have the right to have credit given to him/her on the screen, advertising or otherwise in a reasonable pseudonymous name. The writer shall exercise such right within the time he/she may give written notice of protest as provided in Paragraph 13 of this Schedule A; provided, however, that in the event of a timely protest by any participating writer, the time to exercise his or her right to use a pseudonym shall be extended to twenty-four (24) hours after the Guild's credit determination, but in no event later than the applicable time periods set forth in Paragraph 14 of Television Schedule A. (None of the writer's rights, including but not limited to compensation of any kind, shall be affected by the use of said pseudonymous name.)

2. The term **"story"** means all writing written substantially in whole by a writer or writers as hereinbefore defined, representing a contribution distinct from teleplay and consisting of basic narrative, idea, theme or outline indicating character development and action. The term **"source material"** means all material upon which a teleplay is based other than the story, as hereinabove defined, including other material on which the story is based. Credit shall be given for story authorship of teleplays to the extent and in the forms provided in the following subparagraphs a. to e. inclusive:

   a. When a teleplay is based upon story and upon no other source material, credit for story authorship shall be given to the television writer and shall be worded, *"Story by."*

   b. When the teleplay is based upon source material, no story authorship credit may be given to the television writer (except pursuant to subparagraphs c. and d. below). In that circumstance, the credit for teleplay authorship may be given in the form *"Written for Television by."* Subject to contractual commitments in effect on June 19, 1960 with source material authors, the source material author may not be given *"Story by"* credit. It is understood and agreed, however, that the Company may give the source material author any appropriate credit other than the two words *"Story by,"* and that the credit given to source material authors may include, but shall not be limited to, the source material credits referred to in subparagraph c. below.

   c. When the teleplay is based upon both story and source material and the story is substantially new or different from the source material, credit for story authorship shall be worded, *"Television Story by,"* which credit shall be subject to automatic credit arbitration as provided in Paragraph 17 of this Schedule A. The foregoing shall not limit the Company in giving credit to the author of source material provided such credit shall indicate the form in which it was acquired, such as, for example, *"From a Play by," "From a Novel by," "From a Radio Play by," "From a Saturday Evening Post Story by," "From a Series of Articles by," "From an Unpublished Story by," "Based Upon a Short Story by,"* or other appropriate wording.

      Notwithstanding anything in Article 1.A.12. or Articles 1.B.1.b. and 1.C.1.b. to the contrary, when a Company buys literary material and there is a commitment for publication or exploitation of that material, Company may agree to give appropriate source material credit permissible under this subparagraph 2.c.

   d. When the teleplay for a television motion picture (other than an MOW sequel to a "first MOW," as defined in Article 16.B.2.b., in which a

writer(s) has separation of rights) is based upon a sequel story, credit for such sequel story shall be given in the form *"Story by"* and the author of the source material upon which such sequel is based may be given credit, *"Based Upon Characters Created by,"* or other appropriate form of credit. If the source material is in the form of a format or characters, then the source material credit may be given in the following forms: *"From the Format by,"* or *"Characters Created by."* In the case of a remake, credit to the writer(s) of a prior motion picture upon which the remake is based (in whole or in part) may be in the form of *"Based upon a Teleplay by."*

When the teleplay for an MOW sequel is based upon a sequel story, credit for such sequel story shall be given in the form *"Story by"* and the writer(s) entitled to separation of rights in the first MOW on which the MOW sequel is based shall be given credit in the form, *"Based on Characters Created by"* on each MOW sequel to the first MOW. For the purpose of placement and size on screen, such credit shall be deemed a source material credit under Paragraph 7 of this Television Schedule A. However, when Company exploits the series sequel rights of such first MOW, the provisions of Paragraph 23 of this Television Schedule A *("Created by"* credit) shall apply in lieu of the foregoing obligation to accord credit in the form, *"Based on Characters Created by."*

e. Upon the written request of a writer made prior to his/her acceptance of employment in connection with a designated program or upon the written request of a then-employed writer at the time of his/her assignment to a designated program, the Company shall notify him/her in writing of any then-existing contractual obligations to give credit for source material in connection with such program. The Company shall not thereby be limited from making subsequent contractual obligations to give source material credit as above provided in connection with such program. Neither the existence of any form of credit obligation nor the giving of any such credit information shall relieve a writer from his/her obligation to render services and otherwise perform as provided in his/her employment agreement. A Company which furnishes a writer hereunder with inaccurate or incorrect information shall not be deemed to be in breach of this Basic Agreement or its employment agreement with such writer if the Company at the time of giving such credit information believes in good faith such information is correct.

The Company shall be deemed to be contractually obligated in any of the cases above-mentioned if the Company in good faith considers itself so obligated. Nothing herein contained shall limit the Company from using and purchasing source material, from entering into agreements to give source material credit therefor, as above provided, and from carrying out such credit obligations as may be therein provided.

In the case of a variety or audience participation program for which a writer has contributed material and is not otherwise entitled to be included in the *"Written by"* credit customarily shared by such writers, additional credit may be given for such material in the form *"Special Material by."* Writers of variety and audience participation shows shall be deemed included under all the provisions of this Schedule A, the same as writers of dramatic programs despite the fact that only *"story"* and *"teleplay"* are hereinafter referred to, and when credits for variety or audience participation shows are involved hereunder, the terms *"Written by"* and *"Special Material by"* shall be deemed included whenever the terms *"Story by"* and *"Teleplay by*" appear.

3. Screen credit for teleplay will not be shared by more than two (2) writers, except that in unusual cases, and solely as the result of Guild arbitration provided hereunder, the names of three (3) writers or the names of two (2) writing teams may be used. A writing team for the purpose of this Schedule A only shall be deemed to be two (2) writers (excluding production executives) or three (3) writers (excluding production executives) when employed pursuant to the terms of Article 13.B.1.b., who have been assigned at about the same time to the same script and who work together for approximately the same length of time on the script. The same limitation shall apply to screen credit for story authorship by writers hereunder.

4. The limitation as to the number of writers receiving credit provided for in Paragraph 3 shall apply to all teleplays except multiple-story teleplays, revues, variety and audience participation shows.

5. Unless the writing of the story and/or teleplay is done entirely without any other writer, no story or teleplay credit to a production executive shall become final or effective unless approved by a credit arbitration as herein provided, in accordance with the Guild rules for the determination of such credit. Such credit arbitration, however, shall be without prejudice to the Company's position in any arbitration relating to payment pursuant to Article 13.B.7.c. A production executive for the purpose hereof shall be defined as any employee of Company customarily hired for or engaging in activities considered part of the managerial phase of Company's business activities. If Company shall claim that a writer has been assigned to write a teleplay based upon a story composed or created by a production executive, the story and teleplay shall be subject to an automatic arbitration pursuant to the provisions of this Schedule A.

6. When more than one (1) writer has participated in the authorship of a story and/or teleplay, then all participants will have the right to agree unanimously among themselves as to which of them shall receive writing credits on the television screen, provided that the form of credit agreed upon shall be in accordance with the terms of this Credits Schedule and, provided further, the

agreement is reached in advance of arbitration and the form of such credit is not suggested or directed by the Company. If such unanimous agreement is communicated to the Company before the final determination of credits hereunder, the Company will accept such designation of credits, and such agreed credits shall become final hereunder. The Company will confirm such agreed credits by sending notice thereof to all participants and to the Guild in the manner provided in this Schedule, Paragraphs 10-11. In no case shall a writer grant to another writer, or accept for himself/herself, credit which is not properly earned.

7. Writing credit, required under the provisions of this Schedule A and as finally determined hereunder, shall appear on a separate card or cards on the television screen subject to the following conditions:

   a. Writing credit (other than source material credit) may appear on the same card on which appears the title of the particular episode, but in no event in size of type less than thirty percent (30%) of the size of the title; or

   b. Writing credit, including source material credit, if given, may appear on a separate card or cards immediately following the title card of the particular episode; or

   c. Writing credit, including source material credit, may appear immediately prior to or immediately following the director's credit. Writing credits placed pursuant to this subparagraph c. shall not be more than the second personal credit prior to the beginning or subsequent to the ending of the teleplay, as the case may be. For this purpose, however, if source material credit appears on a separate card from the other writing credits, these two (2) separate cards immediately succeeding each other shall count as one (1) credit. Commercials or a credit to the production company shall not be deemed to be a “personal credit” for the purposes of this provision.

      When two (2) or more episodes of the same series or serial are exhibited back-to-back, whether in the medium of original exhibition or in a subsequent medium of exhibition, the Company may place all writing credits before the first episode or program, so long as the writing credits: (1) are clearly identified with the correct episode or program name or a designation such as Part I or Part II, (2) appear on the same card as the episode or program name or designation, and (3) appear in the same relative position as otherwise required. If there are more than two (2) episodes exhibited back-to-back or the directing credit of each episode appears on separate cards, the writing credits of each episode must appear on separate cards.

d. Credit for Anthology Series. With respect to anthology series only, the Company shall give the writing credits in either of the positions set forth in subparagraph a. or b. above unless the initial sponsor of the series having the right to do so pursuant to its agreement with the Company requires the Company to refrain from placing the credit in either of such positions. In such case, however, the Company shall place the writing credits as provided in subparagraph c. above.

e. The credit given to a television writer or writers pursuant to this Schedule A shall precede (but need not immediately precede) source material credit except that:

(1) the obligation imposed by this sentence should be subject to contractual commitments, heretofore or hereafter entered into by the Company with any source material author, requiring that source material credit precede television writing credit;

(2) the Company shall in any event have the right to give precedence to source material credit if the source material author's name has marquee value.

For purposes of illustration, a few examples of names having marquee value are: Kathleen Norris, Paddy Chayefsky, Ernest Hemingway, Erle Stanley Gardner, George Axelrod, Ogden Nash and John Van Druten.

If roller-type credits are used, the Company, in lieu of the use of a separate card, shall set the writing credits in such fashion that when they are centered on the screen, no other credit shall be visible. Source material credit may be given on the same card on which other writing credits appear provided that writing credit (other than source material credit) shall be the first credit appearing on such card and, provided further, that the source material credit shall not occupy more than forty percent (40%) of the space on such card and is not displayed more prominently than the other writing credits appearing thereon; provided, however, that this provision shall be subject to and not affect any individual personal service agreements in effect on March 18, 1957. In no event, however, shall source material credit be included on the card on which the other writing credits appear with the title of the particular episode.

Teleplay credit shall precede story credit, it being understood that if both are on the same card, teleplay credit shall be the first credit and both credits shall be in the same style and size.

8. A Company shall not enter into any contract to give credit to any writer or writers hereunder for reasons of the writer's prestige or for any reasons other than earned credit, and writing credit for any writer or writers shall be assigned solely on the basis of actual contribution to the story or teleplay as determined in the event of question by the credits arbitration machinery of the Guild.

9. [Deleted.]

10. A writer who has participated in the writing of the teleplay or of the story (other than source material) with respect thereto, and, in the case of a remake, any writer who has received credit under this Agreement or under a predecessor Agreement to this Agreement for either story (other than source material) or teleplay or screenplay in connection with a prior version of the motion picture previously produced for theatrical release, for free or basic cable television exhibition or for Supplemental Markets, shall, for the purpose of this Basic Agreement, be considered a participant. As a participant, the writer shall be entitled to participate in the procedure for determination of writing credits. The Guild shall cooperate with the Company when possible by providing information when requested relating to the writers of the prior version(s) of the motion picture. This paragraph shall not apply if it conflicts with contractual commitments entered into prior to March 2, 1981, if said commitments were valid at the time the contractual commitment was made.

11. Before the writing credits are finally determined, the Company will send concurrently to each participant and to the Guild written notice, which will state the Company's choice of credits on a tentative basis, together with the names of all participants and their addresses last known to the Company. Said notice will be sent as soon as practicable following completion of principal photography. When the Company deems its record of participants incomplete, it may comply with the foregoing by giving notice to each writer whose name and address are furnished by the Guild within two (2) days after the Company's request for such information, in addition to giving notice to each participant shown in its own records.

    If there is confusion as to the identity of a participating writer listed on the Company's notice of tentative credits because two (2) or more writers have the same first and last name, then Company shall, upon request of the Guild, furnish to the Guild such writer's Social Security number, if known to the Company, or the employer identification number of such writer's loan-out company.

    The Company shall on such notice of tentative credits, for the information of the Guild and participants, state the form of any source material credit which the Company intends to use in connection with the motion picture. Such credits shall not be subject to protest and arbitration as hereinafter provided but the Guild shall have the right to object to the form of such credit.

At the Company's request, the Guild may, but shall not be obligated to, make a tentative determination of screen credits and send out the notice.

12. The notice specified in Paragraph 11 hereof will be sent by email, messenger, certified mail or a trackable service such as FedEx, UPS or DHL to the Guild and to all participating writers. No notice will be sent to writers outside of the United States or writers who have not filed a forwarding address with the Company. In case of remakes, the Company shall not be under any obligation to send any notice to any writer contributing to the teleplay or story of the original production, unless the writer has received credit.

    Notices may be sent by certified mail, return receipt requested; by a trackable service such as FedEx, UPS or DHL; or by personal delivery as above provided. Failure of the addressee to sign or return the receipt on a notice sent via certified mail shall not invalidate the notice.

    Notices may be sent to a participating writer by email only if the writer's representative is also given email notice and the writer's personal services contract (or an amendment thereto) contains all of the following: (1) the writer's express agreement to receive notices by email; (2) the writer's email address; and (3) the email address of at least one of the writer's representatives. The email address of the writer's representative must be an individual address, not a general company mailbox, and must appear on the face of the notice. Company shall retain the record of the email transmission, reflecting the date and time that the notice was sent to the writer and the writer's representative, for one (1) year following the final determination of credits.

13. The Company will keep the final determination of screen credits open until a time specified in the notice by the Company, but such time will not be earlier than 6:00 p.m. of the fifth business day following the next day after the dispatch of the notice above specified; provided, however, that if, in the good faith judgment of the Company, there is an emergency requiring earlier determination and the Company so states in its notice, such time will not be earlier than 6:00 p.m. of the next business day following the next day after the dispatch of the notice above specified. If, within the time specified, a written protest of the tentative credits has not been delivered to the Company from any participant or from the Guild, the tentative credits shall become final. Every protest, including that of the Guild, shall state the grounds or basis therefor in the notice thereof. The Guild agrees not to use its right of protest indiscriminately.

14. If a written protest of the tentative credits is received by the Company from a participant or the Guild within said period, the Company will withhold final determination of credits until a time to be specified by the Company, which time will not be earlier than eight (8) business days after the Company delivers to the Guild all of the scripts involved; provided, however, that if, in the good faith

judgment of the Company, there is an emergency requiring earlier determination and the Company so states in its notice, said time may be no earlier than one hundred forty-four (144) hours after the Company delivers to the Guild all of the scripts involved, except that if all the scripts are delivered to the Guild on a Friday before twelve noon, the time shall be no earlier than one hundred twenty (120) hours after the time the Company delivers to the Guild all the scripts involved.

In any case in which the Guild's arbitration committee is required to read more than four (4) scripts pursuant to a protest hereunder, the Company shall be required to add to the eight (8) business days, one hundred forty-four (144) hours or one hundred twenty (120) hours above provided a period of twenty-four (24) hours for each additional script or fraction thereof.

If the material is voluminous or complex, or if other circumstances beyond the control of the Guild necessitate a longer period in order to render a fair decision, and the Guild requests an extension of time for arbitration, the Company agrees to cooperate wherever practicable. The Company will not unreasonably deny the Guild's request for an extension of time. Agreements for extension of time shall be in writing and shall specify the new date by which the Company will be advised of the arbitration decision.

15. Upon receipt of a protest, the Company will deliver three (3) copies of the final script and three (3) copies of all material written by the participants and three (3) copies of all available source material to the Guild offices in Los Angeles or New York and the Company shall notify the participants and the Guild informing them of the name of the protesting party and the new time set for final determination.

16. Any notice specified in the foregoing paragraphs shall, unless a specified form of service thereof is otherwise provided for herein, be sent by the Company by mailing or delivering the same to the last known address of the writer or may be delivered to the writer personally, and to the Guild at the last known address of the Guild in Los Angeles or New York.

17. Unless a unanimous agreement has been reached in accordance with Paragraph 6 hereof, any participant or the Guild may, within the period provided for in Paragraph 13 hereof, file with the Company at its studio and the Guild at its Los Angeles or New York office, as the case may be, a written request for arbitration of credits. In any case in which automatic credit arbitration is required under this Schedule A, the Guild will be deemed to have made a written request for arbitration of credits at the time the Company submits the notice of tentative credits and, in such case, the Company will immediately make available to the Guild the material as provided for under Paragraph 15 of this Schedule A. The Guild through its arbitration committee shall, within the time limit specified by the Company, make and advise the Company of its

decision within the limitations of this Schedule A. In the event the decision of the arbitration committee is not rendered within said period, as the same may have been extended by the Company, the Company may make the tentative credits final, provided the terms and provisions of this Schedule have been fully complied with by the Company.

Prior to the rendition of the decision, a special committee of writers may make such investigations and conduct such hearings as may seem advisable to it. The Company shall cooperate with the arbitration committee to arrive at a just determination by furnishing all available information relative to that arbitration. Upon request of the arbitration committee, the Company shall provide the committee with a copy of the cutting continuity if it is available at the time of arbitration.

The decision of the Guild arbitration committee with respect to writing credits, including any Policy Review Board established in connection therewith, insofar as it is rendered within the limitations of this Paragraph 17, shall be final, and the Company will accept and follow the designation of screen credits contained in such decision and all writers shall be bound thereby.

If the matter is referred to a Policy Review Board of the Guild, the Guild shall have an additional five (5) business days within which to render its credit arbitration decision; provided, however, that if, in the good faith judgment of the Company, there is an emergency and the Company so states in its notice, the Guild's time shall not be extended except as provided in Paragraph 14.

18. The decision of the Guild arbitration committee may be published in such media as the Guild may determine. No writer or Company shall be entitled to collect damages or shall be entitled to injunctive relief as a result of any decision of the committee with regard to credits. In signing any contract incorporating by reference or otherwise all or part of this Basic Agreement, any writer or Company specifically waives all rights or claims against the Guild and/or its arbiters or any of them under the laws of libel or slander or otherwise with regard to proceedings before the Guild arbitration committee and any full and fair publication of the findings and/or decisions of such committee. The Guild and any writer signing any contract incorporating by reference or otherwise referring to this Schedule A, or any writer consenting to the procedure set forth in this Schedule A, shall not have any rights or claims of any nature against any Company growing out of or concerning any action of the Guild or its arbiters or any of them, or any determination of credits in the manner provided in this Schedule A, and all such rights or claims are hereby specifically waived.

19. In the event that after the screen credits are determined as hereinabove provided, material changes are made in the script, either the Company or a participant and the Guild jointly may reopen the credit determination by making a claim to the Guild or Company, as the case may be, within forty-eight (48)

hours after completion of the writing claimed to justify the revision of credits, in which case the procedure for determining such revised credits will be the same as that provided for the original determination of credits.

The Company agrees to make revisions in advertising material previously forwarded to the processor or publisher to reflect such redetermined credits, provided that such revisions can physically and mechanically be made prior to the closing date of such processor or publisher and at reasonable expense and provided the processor or publisher has not yet commenced work on that part of the material which the change would affect.

20. No writer shall claim credit for any participation in the screen authorship of any teleplay or story for which the credits are to be determined by the procedure herein provided for prior to the time when such credits have in fact actually been so determined, and no writer shall claim credits contrary to such determination.

21. Writing credit for movies-of-the-week and television specials such as mini-series, multi-part series and "long form" television programs (but not necessarily in the form specified in Schedule A), shall be included in publicity releases issued by the Company relating to the television motion picture when the producer and the director are mentioned, whether in the form of a "production" or "presentation" credit or otherwise, except when such release is restricted to information about such individual or individuals. Prior to a final determination of credits, the Company shall include those credits which it in good faith believes to be a fair and truthful statement of authorship.

In addition to the requirements set forth above, the Company will include the identity, background and filmography of the credited writer(s) in standard print and electronic press kits relating to a long-form television motion picture, if such information about the director is also included. Each participating writer shall supply a copy of his/her filmography to the Company's advertising/publicity department at the time of final submission of his/her literary material to the Company. It is understood that the Company may edit the writer's filmography for use in such press kits.

Unless notified otherwise by the Company, each credited writer on a long-form television motion picture will be interviewed for the purpose of including material about the credited writer(s) in the standard electronic and print press kits for the motion picture, or on DVDs or laserdiscs containing the motion picture, if the Company interviews the director for the same purpose. The Company shall not be required to provide transportation or accommodations for interview sessions for such writers. (If interviews are conducted prior to the final determination of writing credits, the writer(s) whom the Company in good faith believes will be entitled to writing credit will be interviewed.) However, the decision to include or exclude all or any part of the interview material, and the form of the material to be included, shall rest solely within the discretion of the Company, except that

the Company will not include interview material with uncredited writers in press kits issued after a final determination of credits, if practicable, and the Company will not include interview material with uncredited writers on DVDs or laserdiscs.

The provisions of the two preceding paragraphs are subject to the Article 48.E. "Hot Line Dispute Resolution" mechanism, but are not subject to grievance or to arbitration.

With reference to credits in advertising which is contracted for by the Company and which is more than eight (8) column inches in size, if the name of the individual producer or director (or executive producer as an individual) is included, the name of the writer shall be included and the writer shall receive parity as to size and style of type with the director, producer and executive producer. In connection with an anthology or episodic series, or serial, if advertising credit is given to a producer or a director (or an executive producer as an individual) only in connection with advertising the entire series, the writer shall be given credit in such advertising when the number of scripts contributed by such writer shall equal the number of programs produced or directed by the producer, director or executive producer receiving such advertising credit. If spoken credits are accorded to the producer or director (or executive producer as an individual), they shall also be accorded to the writer. Oral self-identification by a producer or director or executive producer shall not be deemed to be a spoken credit for the purpose hereof.

With regard to advertising in Los Angeles or New York trade publications for a television series, or any individual episode of a series, if credit is given to a director, producer or executive producer with reference to the series, the writer(s) entitled to *"Created by"* or *"Developed by"* credits shall receive parity of credit with such executive producer, producer or director.

The foregoing provisions of this Paragraph 21 shall not apply to congratulatory or award advertising in which no one is mentioned other than the person(s) being congratulated for a nomination or award.

The following shall govern advertising relating to consideration for an award (*e.g.*, *"For Your Consideration . . ."* advertisements): If either the director or the producer (or the executive producer as an individual) is named in such advertising together with any other person, then Company shall be obligated to accord credit to the writer(s) in such advertisement in accordance with the second paragraph of Paragraph 21. However, if such an advertisement is placed for a single television motion picture in which no one is named other than the director(s), or the producer(s) or executive producer(s) alone, or if such an advertisement is placed for a television series or serial in which no one is named other than the executive producer(s) alone or with starring actors, then the foregoing obligation to accord credit to the writer(s) shall not apply.

In the event that the Company licenses or grants to any third party the right to make any of the uses of serial or episodic series material specified in Article 15.B.14., it shall use its best efforts, in contracting with such third party, to require such third party to accord to the writer or writers of such material credit therefor which is appropriate to the field or medium for which such material is licensed. If Company itself uses such material pursuant to Article 15.B.14.a. or e., it will accord appropriate credit to such writer or writers in connection therewith, but, in the event of any dispute concerning the appropriateness of such credit, the Company's decision shall be final.

The Company shall require that all writing credits as they appear on the screen appear in any published version of the whole or substantial part of a teleplay. The credit on a novel based on a teleplay shall indicate that the novel is based on that teleplay. Such writing credit shall appear on the title page in the same size and style of type used for the writer of the novel. If the name of the writer of the novel appears on the cover, the *"Teleplay by"* or *"Written by"* credit shall also appear on the cover in the same size and style of type as the writer of the novel; provided, however, that the writing credit need not so appear if the writer of the teleplay is the writer of the novel. The contract with the publisher shall provide that this credits provision is for the express benefit of the writer and the Guild, and that the publisher will comply with such requirements, but the failure of a publisher to comply with any of such requirements shall not constitute a breach by the Company.

Nothing contained in this Paragraph 21 shall be deemed to affect, limit or modify the provisions of Article 15.B.8. of this Basic Agreement, it being the intent that a "Buyer" executing an assumption agreement under subparagraph 8. shall in all respects be in the same position as the "Seller."

No casual or inadvertent breach of any of the foregoing shall be deemed to constitute a default or a breach by the Company of this Basic Agreement.

The Guild agrees to discuss with the Companies its policy regarding issuance of waivers for the inclusion of names of corporate employers in paid advertisements.

If the domestic version of the laserdisc or DVD containing the long-form television motion picture, or the Internet web page dedicated to the specific long-form television motion picture, contains a filmography of the director, then it will also contain a filmography of the credited writer(s). Each participating writer shall supply a copy of his/her filmography to the Company's advertising/publicity department at the time of his/her final submission of literary material to the Company. It is understood that the Company may edit the writer's filmography for inclusion on the laserdisc, DVD or Internet web page. The provisions of this paragraph are subject to the Article 48.E. "Hot Line Dispute Resolution" mechanism, but are not subject to grievance or arbitration.

22. No commercial or advertising matter, audio or visual, shall appear on or above the writer's card either as background or otherwise. The following uses of a sponsor's name, mark, slogan, product or package shall not be deemed to involve an appearance of "commercial or advertising matter:"

a. Such use as a part of or in direct conjunction with the title of the program or program series, (as in *"DuPont Show of the Month," "GE Theatre," "US Steel Hour"*);

b. Such use as an integral part of draperies, sets, or props appearing under a superimposition of credits when such draperies, sets or props were used in the entertainment portion of the program (as in various types of variety, comedy-variety and audience participation programs);

c. The superimposition of a crawl or roller-type credit over a still or moving photograph of a sponsor's product on a set or sets used in the entertainment portion of the program when the use, demonstration, or exhibition of such product was integrated with the entertainment portion of the program;

d. Such use as a part of the playing or singing of the sponsor's musical theme.

Anything in this Paragraph 22 to the contrary notwithstanding, it is understood and agreed that, on any particular program, the writer will be given parity of treatment with the director insofar as the appearance of commercial or advertising matter on their respective cards is concerned.

23. A credit on the screen in the form *"Created by"* shall be given on each episode of an episodic series or serial to the writer when such writer has separated rights and is entitled to sequel payments for such episode under Article 16.B.2.a. Such credit *("Created by"*) shall be on a separate card and shall be contiguous to a writing credit or, if the writer(s) entitled to the *"Created by"* credit gives (give) written approval, such credit may be placed on a single card immediately following the main cast of actors in the main titles. The Company may contract to give such credit to any person, but such contract shall provide that in the event another writer is determined to be entitled to such credit, as above provided, that writer shall be given the *"Created by"* credit and the person whose contract provided for such credit may be given a *"Developed by"* credit or other similar credit. If the contract providing for *"Created by"* credit was executed prior to June 16, 1966, such credit may be given notwithstanding the above provisions. In the event no one is entitled to such separation of rights or in the case of anthology episodes, nothing herein shall prevent, or require, the giving by the Company of a *"Created by"* credit.

a. A writer entitled to *"Created by"* credit shall be given appropriate source material credit in hard cover or paperback book publications arising out of the series. The contract with the publisher shall provide that this provision is for the express benefit of the writer and the Guild, but the failure of a publisher to comply with such requirement shall not constitute a breach by the Company.

b. With regard to any episodic series or serial in which a writer subject to this Basic Agreement has separated rights, is entitled to sequel payments under Article 16.B.2.a. and receives a *"Created by"* credit, if the Company desires to grant a *"Developed by"* credit, such credit may only be given for writing and shall be subject to a Guild arbitration to determine its appropriateness. The Guild's decision in this regard shall be final.

c. A *"Developed by"* or *"Developed for Television by"* or any like credit may be given only to a person who has contributed to the writing of the program, series or episode involved; provided, however, that any such credit provided for in any contract in existence on March 2, 1981 may be given whether or not it satisfies the requirements of this subparagraph c.

24. A credit entitled *"Narration Written by"* or *"Narration by"* shall be in accordance with the chart immediately following Paragraph 31. of this Television Schedule A.

25. Notice of tentative credits shall be in the following form, which form has been approved by the Guild:

NOTICE OF TENTATIVE WRITING CREDITS - TELEVISION

TO: Writers Guild of America, West, Inc., 7000 West Third Street, Los Angeles, California 90048 [or to Writers Guild of America, East, Inc., 250 Hudson Street, New York, New York 10013] and participating writers.

NAMES OF PARTICIPATING WRITERS	ADDRESSES
_____	_____
_____	_____

Title of Episode: _____
(Indicate if pilot)

Production # _____

Series Title: _____

Producing Company: _____

Executive Producer: _____

Producer: _____

Associate Producer: _____

Director: _____

Story Editor (or Consultant): _____

Other Production Executives, if Participating Writers:

_____

_____

Writing credits on this episode are tentatively determined as follows:

ON SCREEN:

Source material credit ON THIS EPISODE (on separate card, unless otherwise indicated), if any:

Continuing source material or *Created by* credit APPEARING ON ALL EPISODES OF SERIES (on separate card, unless otherwise indicated), if any:

The above tentative credits will become final unless a protest or request to read the final script is communicated to the undersigned not later than 6:00 p.m. on_____.
(date)

_____
(Company)

By: _____

Date: _____

26. a. When the Company supplies publicity material to newspapers, trade papers or periodicals prior to the final determination of credits as herein provided, the Company may include such credits for writing as the Company in good faith believes to be a fair and truthful statement of authorship. After notification of the final determination of credits, the Company shall not issue or release any publicity which shall state authorship contrary to such determination. No casual or inadvertent breach of the foregoing shall be deemed to constitute a breach by the Company.

b. When the Company supplies material to newspapers and periodicals, such as *TV Guide*, for listing programs, it will list writing credits if they have theretofore been determined.

27. When the Company has failed to provide credit on the screen in accordance with final credit determination, it shall correct each print before such print is retelecast and place a full-page advertisement in either *Daily Variety* or *The Hollywood Reporter* specifically crediting the writer. Such remedies shall be in addition to any claim the individual writer may have for damages by reason of such failure to provide proper credit.

28. Each writing credit card required hereunder shall appear on the screen a minimum of two (2) seconds, or the length of the producer's or director's credit, whichever is shown longer.

29. If, by reason of method of assignment of the writer or other circumstances in connection with a program or series, the provisions of this Schedule A are inappropriate, either the Guild or the Company may raise the question of such inappropriateness and the mutual agreement reached by them with respect to the credit to be given, if any, shall be binding and conclusive on these parties and the writers.

30. A writer also employed in the additional capacity of a story editor for any episodic series or serial shall receive a credit as story editor on a separate card. Any form of credit for such person other than *"story editor," "story consultant,"* or *"story supervisor,"* cannot be used without Guild approval. Credit for such story editor shall not be deemed a credit for screen authorship within the meaning of Article 8 of this Basic Agreement or within the scope of Paragraphs 1 to 29, both inclusive, of this Television Schedule A, for any purpose whatsoever, including but not limited to the procedure for determining credits for screen authorship. Any person entitled to such credit (whether in the forms stated or otherwise) under any contract in existence on the effective date of this Agreement may be given such credit as required by such contract, whether or not it satisfies or is consistent with the provisions of this Paragraph 30.

31. At the Company's election, in the case of the theatrical exhibition of a television motion picture, the word *"screenplay"* may be substituted for *"teleplay,"* the phrase *"screen story"* may be substituted for *"television story,"* and the writing credits on screen, in advertising and publicity may otherwise comply in all respects with the provisions of Theatrical Schedule A.

NARRATION

(by writer other than writer of teleplay or story and teleplay)

FILM ASSEMBLED IN STORY SEQUENCE

Nature of Material Already Written under MBA when Narration Writer Hired	**Credit to Narration Writer**[1]	**Freelance Minimum**	**Residuals to Narration Writer**
1.	*"Narration Written by"*	See Rate Schedule A	Yes, based on % of applicable freelance minimum in Rate Schedule A
2. Story only	*"Narration Written by"* (If story credit, then on same card)	See Rate Schedule A	Yes, based on % of applicable freelance minimum in Rate Schedule A
3. Story and Teleplay	None, but if over 8 minutes of narration (aggregate), only receive *"Narration by"* credit (same card) Automatic arbitration	See Rate Schedule C	If *"Narration by"* credit, then only shared residuals, as determined in WGA credit arbitration (aggregate of no more than story & teleplay residuals)

[1] Credits not to affect rates -- There is no separation of rights for narration.

NARRATION

(by writer other than writer of teleplay or story and teleplay)

FILM FOOTAGE NOT ASSEMBLED IN STORY SEQUENCE

Nature of Material Already Written under MBA when Narration Writer Hired	**Credit to Narration Writer[2]**	**Freelance Minimum**	**Residuals to Narration Writer**
1.	*"Written by"*	See Rate Schedule B	Yes, based on % of applicable freelance minimum in Rate Schedule B
2. Story only	*"Narration Written by"* (If story credit, then on same card)	See Rate Schedule A	Yes, based on % of applicable freelance minimum in Rate Schedule A
3. Story and Teleplay	None, but if over 8 minutes of narration (aggregate), may receive *"Narration by"* credit (same card) Automatic arbitration	See Rate Schedule C	If *"Narration by"* credit, then only shared residuals, as determined in WGA credit arbitration

[2] Credits not to affect rates -- There is no separation of rights for narration.

SIDELETTER TO THEATRICAL SCHEDULE A AND TO TELEVISION SCHEDULE A

As of November 1, 2004

John McLean
Executive Director
Writers Guild of America, west, Inc.
7000 West Third Street
Los Angeles, California 90048

Re: Committee On Credit Determination Process

Dear John:

This will confirm the agreement reached in the negotiations leading up to the 2004 WGA Theatrical and Television Basic Agreement to establish a committee comprised of representatives of the Guild and the Companies which will meet on an "as needed" basis to discuss ways to improve and expedite the credit determination process for both theatrical and television motion pictures.

Sincerely,

/s/ J. Nicholas Counter III
President

ACCEPTED AND AGREED:

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ John McLean
Executive Director, WGAw

TELEVISION SCHEDULE B

STANDARD FORM FREELANCE TELEVISION WRITER'S EMPLOYMENT CONTRACT

Agreement entered into at _____, this _____day of_____ 20_____, between _____ _____, hereinafter called "Company" and_____, hereinafter called "Writer."

WITNESSETH:

1. Company hereby employs the Writer to render services in the writing, composition, preparation and revision of the literary material described in paragraph 2. hereof, hereinafter for convenience referred to as the "work." The Writer accepts such employment and agrees to render his/her services hereunder and devote his/her best talents, efforts and abilities in accordance with the instructions, control and directions of the Company.

2. **FORM OF WORK**:

( ) Plot outline (based on_____).

( ) Story (based on_____).

( ) Story and teleplay (based on_____).

( ) Teleplay (based on_____).

( ) Rewrite (of_____).

( ) Polish (of _____).

( ) Other material (described as_____).

3. **DELIVERY**:

If the Writer has agreed to complete and deliver the work, and/or any changes and revisions, within a certain period or periods of time, then such agreement will be expressed in this paragraph as follows:

4. **RIGHT TO OFFSET**:

With respect to Writer's warranties and indemnification agreement, the Company and the Writer agree that upon the presentation of any claim or the institution of any action involving a breach of warranty, the party receiving notice thereof will promptly notify the other party in regard thereto. Company agrees

that the pendency of any such claim or action shall not relieve the Company of its obligation to pay the Writer any monies due hereunder, and the Company will not have the right to withhold such monies until it has sustained a loss or suffered an adverse judgment or decree by reason of such claim or action.

5. **COMPENSATION**:

As full compensation for all services to be rendered hereunder, the rights granted to the Company with respect to the work, and the undertakings and agreements assumed by the Writer, and upon condition that the Writer shall fully perform such undertakings and agreements, Company will pay the Writer the following amounts:

a. Compensation for services $_____
b. Advance for television reruns $_____
c. Advance for theatrical use $_____

No amounts may be inserted in b. or c. above unless the amount set forth in a. above is at least twice the applicable minimum compensation set forth in the 2020 WGA-AMPTP Theatrical and Television Basic Agreement for the type of services to be rendered hereunder.

If the assignment is for story and teleplay or teleplay, the following amounts of the compensation set forth in subparagraph a. above will be paid in accordance with the provisions of Article 13.B. of said Basic Agreement.

(1) $_____ following delivery of story.
(2) $_____ following delivery of first draft teleplay.
(3) $_____ following delivery of final draft teleplay.

In the event Writer receives screen credit on the television motion picture based on the above work and said motion picture is exhibited theatrically, Company shall pay to the Writer the additional sum of $_____ as provided in Article 15.B.13. of the Basic Agreement.

6. **MINIMUM BASIC AGREEMENT**:

The parties acknowledge that this contract is subject to all of the terms and provisions of the Basic Agreement and to the extent that the terms and provisions of said Basic Agreement are more advantageous to Writer than the terms hereof, the terms of said Basic Agreement shall supersede and replace the less advantageous terms of this agreement. Writer is an employee as defined by said Basic Agreement and Company has the right to control and direct the services to be performed.

7. **GUILD MEMBERSHIP**:

To the extent that it may be lawful for the Company to require the Writer to do so, Writer agrees to become and/or remain a member of Writers Guild of America in good standing as required by the provisions of said Basic Agreement. If Writer fails or refuses to become or remain a member of said Guild in good standing, as required in the preceding sentence, the Company shall have the right at any time thereafter to terminate this agreement with the Writer.

IN WITNESS WHEREOF, the parties hereto have duly executed this agreement on the day and year first above written.

_____

By _____
Company

_____
Writer

(The foregoing Freelance Television Writer's Contract may contain any other provisions acceptable to both Writer and Company and not less favorable to, inconsistent with or violative of any of the terms or provisions of the Basic Agreement above mentioned.)

(WGA Stationery)

SIDELETTER A WITH EXHIBIT A

As of August 8, 1988
Revised as of May 2, 1992
Revised as of May 2, 1995
Revised as of May 2, 1998
Revised as of May 2, 2001
Revised as of November 1, 2004
Revised as of February 13, 2008
Revised as of May 2, 2011
Revised as of May 2, 2014
Revised as of May 2, 2017
Revised as of May 2, 2020

Alliance of Motion Picture and Television Producers, Inc.
15301 Ventura Boulevard, Building E
Sherman Oaks, California 91403

Re: WGA-Affiliation Screen and Television Credits Agreement

Ladies and Gentlemen:

Provided that such agreement does not conflict with Company's contractual commitments and/or is not inconsistent with the provisions of Theatrical Schedule A or Television Schedule A of the WGA Theatrical and Television Basic Agreement of 2020, we have agreed that the provisions of the agreement dated February 6, 1990, between WGA and the Alliance of Canadian Cinema, Television and Radio Artists, the Australian Writers' Guild, the New Zealand Writers' Guild, the Writers' Guild of Great Britain, and the Société des Auteurs, Recherchistes, Documentalistes et Compositeurs (herein collectively "members of the Affiliation") shall be applicable as to the determination of writing credits when there is conflict in jurisdiction by reason of the engagement of a writer or writers subject to the 2020 WGA-AMPTP Basic Agreement and a writer or writers subject to the Collective Agreement of one or more of the above-named writers guilds (or successors to these guilds) on a particular theatrical or television motion picture. Said agreement is Exhibit A to Sideletter A the 2020 WGA-AMPTP Basic Agreement.

We have further agreed that WGA will notify you if and when it has reached a new agreement with members of the Affiliation. Unless you object to the provisions and application of the revised agreement within thirty (30) days of your receipt of a copy thereof from WGA, said revised agreement shall be deemed substituted in the 2020 WGA-AMPTP Basic Agreement for the letter of agreement of February 6, 1990 and,

from and after said thirty (30) day period, shall be applicable as to the determination of writing credits where there is such a conflict in jurisdiction.

Very truly yours,

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young, Executive Director

On behalf of the respective signatory companies represented by the
ALLIANCE OF MOTION PICTURE and TELEVISION PRODUCERS, INC.

/s/ Carol A. Lombardini
Carol A. Lombardini, President

EXHIBIT A TO SIDELETTER A

SCREEN AND TELEVISION CREDITS AGREEMENT

Agreement entered into this 6th day of February, 1990.

The purpose of this agreement is to establish procedures and to resolve differences among the Alliance of Canadian Cinema, Television and Radio Artists, the Australian Writers' Guild, the New Zealand Writers' Guild, the Writers Guild of America (consisting of Writers Guild of America, East, Inc. and Writers Guild of America, West, Inc.), the Writers' Guild of Great Britain and the Société des Auteurs, Recherchistes, Documentalistes et Compositeurs as to the determination of writing credits on theatrical and television motion pictures when the collective bargaining agreements of any two (2) such Guilds may be involved (*e.g.*, by reason of the engagement of writers under two (2) of such Guilds' respective collective agreements). We have agreed as follows:

1. a. If the Producer has its principal place of business for the production of the motion picture in country A and the first writer is engaged or literary material is acquired pursuant to the Basic Agreement of the Guild in country A, then the Guild in country A will conduct the credit arbitration.

   b. If the Producer has its principal place of business for the production of the motion picture in country A and the first writer is engaged or literary material is acquired pursuant to the Basic Agreement of the Guild in country B, then the Guild in country B will conduct the credit arbitration, but the Guild in country B may request the Guild in country A to conduct the credit arbitration and the Guild in country A will accede to such request.

2. That existing credits *"Written by," "Screenplay by," "Story by," "Screen Story by," "Television Story by"* and *"Teleplay by"* continue to be awarded in any international credit arbitration as they are now in the respective Agreements and credits manuals. In the case of any other credit, the credit agreement and manual of the Guild whose Basic Agreement applies to the services of the first writer will apply.

3. That each Guild must annually file with each other Guild its master list of credit arbitrators and the right of any writer to any reasonable number of challenges to the list of another Guild shall be guaranteed. As in all aspects of credits arbitrations, any challenges shall remain confidential.

4. The Affiliated Guilds shall use their best efforts to keep one another advised of any available information regarding employment of writers or acquisition of material that would be subject to this agreement.

ALLIANCE OF CANADIAN CINEMA, TELEVISION AND RADIO ARTISTS

By /s/Margaret Collier

AUSTRALIAN WRITERS' GUILD

By /s/Janette Paramore

NEW ZEALAND WRITERS' GUILD

By /s/Joy Watson

SOCIÉTÉ DES AUTEURS, RECHERCHISTES, DOCUMENTALISTES ET COMPOSITEURS

By /s/Yves Legare

WRITERS' GUILD OF GREAT BRITAIN

By /s/Walter Jeffrey

WRITERS GUILD OF AMERICA
Writers Guild of America, East, Inc.

By /s/Mona Mangan

Writers Guild of America, West, Inc.

By /s/Brian Walton

SIDELETTER B - ARTICLE 42

As of August 8, 1988
Revised as of May 2, 1992
Revised as of May 2, 1995
Revised as of May 2, 1998
Revised as of May 2, 2001
Revised as of November 1, 2004
Revised as of February 13, 2008
Revised as of May 2, 2011
Revised as of May 2, 2014
Revised as of May 2, 2017
Revised as of May 2, 2020

Alliance of Motion Picture and
Television Producers, Inc.
15301 Ventura Boulevard, Building E
Sherman Oaks, California 91403

Ladies and Gentlemen:

The Guild agrees that the provisions of Article 42 of the WGA-AMPTP Theatrical and Television Basic Agreement of 2020 shall not apply to member companies (including future member companies) of the Alliance of Motion Picture and Television Producers, unless any such company files for bankruptcy or fails to honor an award rendered in grievance or arbitration which award has been finally confirmed in court. In either such event, the exemption provided by this letter shall terminate, effective immediately, as to such company.

Very truly yours,

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young, Executive Director

APPENDIX A

GENERAL

The provisions of this Appendix A shall be applicable to the employment of writers and the acquisition of literary material from a "professional writer" for

Comedy-Variety Programs;

Quiz and Audience Participation Programs;

Serials - Other than Prime Time;

Other Non-Dramatic Programs (including non-dramatic children's programs[1]);

Dramatic Religious Programs; and

Documentary, News and Public Affairs Programs.

To the extent that provisions of the 2020 WGA MBA are inconsistent with these provisions, this Appendix A shall supersede such inconsistent provisions.

Article 1. Definitions

The following shall be added to Article 1.A.1.:

The term ***"television program(s)"*** shall include television films (television motion pictures) and the programs covered by this Appendix A. References to television films in this Article 1 shall, unless expressly provided to the contrary, be deemed references to television programs for purposes of this Appendix A.

Article 1.A.5. The first sentence defining the term ***"literary material"*** shall include "telescripts," and the following shall be added:

Notwithstanding the foregoing, the following shall be excluded from the definition of literary material:

a. material for sports news and sports commentary programs and sportscasts (however, this provision is not intended to exclude material written for documentary sports programs);

[1] It is agreed that "non-dramatic children's programs" include all children's programs except those which are clearly dramatic in nature, as contrasted with programs such as "*Sesame Street*," "*Beakman's World*" and "*Storytime*," which may have some dramatic elements.

b. physical culture program material, except physical culture material incorporated in a dramatic script or written by a writer who performs services otherwise covered by this Agreement in connection with the program;

c. material written by government employees, acting within the scope of their government employment;

d. material written by the person who delivers it on the air unless such person has written material for delivery by another person as well as by himself/herself on that particular program; provided that, unless elsewhere herein excluded, the following shall not be excluded: Such material written for any dramatic programs, and such material written for comedy-variety programs broadcast in prime time on a basis of once-a-week or less unless the material was completely written for another purpose prior to such person's engagement.

Article 1.A.13. shall read:

13. Other terms not expressly defined in this Basic Agreement are used in their present commonly understood meaning in the Motion Picture Industry (as to the Theatrical provisions hereof) and the Television Industry (as to the Television provisions hereof) in the States of California and New York or, if such meaning should differ, in the State of California with respect to engagements to which California law applies, and in the State of New York with respect to engagements to which New York law applies.

A sentence shall be added to **Article 1.C.1.b.**, which shall read:

Notwithstanding the foregoing, a **"professional writer"** of serials intended for broadcast in other than prime time means only such a person who has had employment pursuant to a Writers Guild of America collective bargaining agreement covering television, radio or theatrical motion pictures within the eight (8) years immediately preceding the option or sale of the material concerned.

Article 1.C. shall contain the following subparagraphs:

20. The term "***sketch***" shall mean a self-contained dramatic unit having a plot and which constitutes not more than twenty percent (20%) of the entertainment portion of the television program of which it is a part, and is not more than ten (10) minutes long.

22. The term "***quiz and audience participation program***" means a program based on the participation by individuals in quizzes or stunts and/or in which the moderator or master of ceremonies conducts interviews. Shows of the type of the present *"The Tonight Show"* or *"Late Night with David Letterman"*

are included within the category of comedy-variety programs, and are not included within this definition. Examples of quiz and audience participation programs are *"Jeopardy," "Love Connection," "That's My Dog"* and *"American Gladiators."*

The term ***"comedy-variety program"*** (sometimes referred to as a "variety program") refers to a program of a unit series or a single unit program which consists of various entertainment elements, *e.g.*, comic acts, sketches, musical numbers. Examples of comedy-variety programs, both present and past, are "*Saturday Night Live," "The Tonight Show," "The Carol Burnett Show," "In Living Color," "The Annual Academy Awards," "The People's Choice Awards"* and *"25 Years of Lucy on Television."*

The Guild will consider applications for waivers to permit the use of the provisions of Article 13.B.6.a. or the new prime time minimum in b. (whether or not the program is a prime time program) for other comedy-variety programs which do not contain any of the above scripted traditional comedy-variety elements but may contain off-camera narration over video sometimes provided by a participant and/or amateur acts in which there is a prize awarded to one or more of the participants and telethons. Examples of these comedy-variety programs, both past and present, are *"Those Amazing Animals," "America's Funniest Home Videos," "America's Funniest People," "Candid Camera," "Star Search"* and *"Comic Relief."*

24. bb. As to a serial for other than prime time which is covered pursuant to Appendix A, a ***"format"*** shall be called a ***"bible"*** if, in addition and at the request or upon the instructions of the Company, it contains all of the following characteristics and requirements:

(1) It is in much greater detail than a traditional format, and includes the context, framework, and central premises, themes and progression of the serial.

(2) It includes a long-term story projection (as that term is understood in the industry) and may include breakdowns (as that term is understood in the industry).

(3) The characters must be not only distinct and identifiable, but must be set forth with detailed descriptions and characterizations.

27. As to news, documentary and public affairs programs, "***staff writer***" means a person employed by the Company as a writer pursuant to any other collective bargaining agreement, and

a. the essence of the arrangement is that such writer shall be a regular staff employee of the Company and enjoy the benefits normally accorded other staff employees of the Company; and

b. such engagement is for no specified term of employment (although a minimum period of employment may be guaranteed); and

c. such engagement does not limit the right of the Company to assign the writer to one or more specific programs or program series.

28. As to documentary programs, "***telescript***" means the final script with individual scenes, full dialogue or monologue (including narration in connection therewith), and camera setups if required; provided, however, that if the Company desires any script to consist in part of suggested or indicated dialogue, such suggested or indicated dialogue shall be deemed to satisfy the requirement of full dialogue or monologue. ***"First draft telescript"*** means a first complete draft of any script in continuity form including the full dialogue.

29. The term "***documentary program***" means a program depicting real events or providing detailed information on specific topics through actual footage (with or without off-camera narration), on-camera narration, interviews and/or re-enactments (as opposed to dramatizations). Examples of documentary programs, both past and present, are *"Unsolved Mysteries," "Rescue 911," "Zoo Life," "The Twentieth Century," "World War I," "The Civil War," "Wild Kingdom," "Fantastic Facts," "Scared Silent"* and *"Jack (Kennedy)."*

Examples of ***"news programs"*** are *"Entertainment Tonight," "Lifestyles of the Rich and Famous," "Hard Copy," "PM Magazine," "60 Minutes," the "6:00 O'Clock News," the "11:00 O'Clock News," "Face the Nation," "Sunday Morning"* and *"CBS News Special Reports."*

A "***re-enactment***" recreates an actual event that is a subject of a documentary or news program. It is not a dramatization and is not the entire program. No fictional characters are created nor are real persons combined into one fictitious character. People (sometimes actors) are used to recreate the events which are a subject of the documentary or news program, and action is often described through the use of voice-over narration. Examples of programs which include re-enactments are *"Rescue 911"* and *"Unsolved Mysteries."*

"***Dramatizations***" of real events with actors performing scripted dramatic scenes with dialogue and/or action are included within the category of dramatic programs, and are not included within the definitions of

"documentary program" or "news program." Examples of such dramatic programs are *"World War II: When Lions Roared"* and *"Jacqueline Bouvier Kennedy."* An example of a program which includes both documentary and dramatic elements is *"FBI: The Untold Stories."*

30. Some examples of Article 13.B.6.a. ***"all other once-per-week or less, non-dramatic programs"*** include: *"This Old House," "Martha Stewart Living"* and *"The Frugal Gourmet."*

    Some examples of Article 13.B.6.b. ***"all other non-dramatic strip programs"*** include: *"A Healthier You," "The Mind's Eye," "Teen Court"* and *"The Home Show."*

31. Some examples of ***"dramatic religious programs"*** include: *"Insight"* and *"This is the Life."*

Article 3. Recognition

Article 3.A.1. shall be deemed to include "comedy-variety series and serials" after the words "episodic series" at line 3 of the third full paragraph on page 30.

Article 3.C., paragraphs 1., 3. and 4., shall read:

1. The Company hereby recognizes the Guild as the exclusive representative for the purpose of collective bargaining of all writers engaged by the Company as freelance employees (as distinguished from writers on staff) for the purpose of preparing literary material for the entertainment portion of television programs covered by this Agreement. The Company hereby also recognizes the Guild as the exclusive representative for purposes of collective bargaining of all writers engaged by the Company as freelance writers (as distinguished from writers on staff) for the purpose of preparing literary material as employees for news, documentary or public affairs programs produced for network and/or syndicated television, and for documentary programs only which are produced by the Company for local television broadcast in New York or Los Angeles. All such programs are herein referred to as "covered programs," and the local programs described in the foregoing sentence are referred to as "covered local programs."

3. Writers of questions, answers, ideas for stunts for quiz or audience participation programs and/or written interviews, with respect to Article 15 hereof, shall be deemed "writers" of "material" covered hereunder only for purposes of:

(a) paying residuals when there is a rerun, foreign telecast or theatrical exhibition of an entire program, or

(b) paying for excerpts when an excerpt is used in a manner subject to Article 15.B.10.dd. or in a "compilation" program, in which event the provisions of Article 15.B.10.dd. or e., whichever is applicable, shall apply.

4. Notwithstanding anything to the contrary in the definitions of "writer" and "professional writer" contained in Article 1 hereof, this Agreement does not cover services performed by writers under other collective bargaining agreements (*e.g.*, staff agreements with Network Companies and the Radio Freelance MBA), nor does this Agreement cover any services performed by Executive Producers, Senior Producers or other individuals when such individuals are permitted to perform writing services without being covered by such other collective bargaining agreements pursuant to an exclusion in such other collective bargaining agreements.

Article 5. Application of this Basic Agreement

Article 5. shall read in part:

EXCLUDED TELEVISION PROGRAMS

The following television programs are excluded from the scope of this Agreement: sports programs (other than documentary programs dealing with sports); and news, public affairs and documentary programs produced for local single station television broadcast, except for documentary programs produced for local single station broadcast in New York or Los Angeles. Other television programs produced for broadcast on a single local station are also excluded; however, if such a local station program produced by the Company (i) is subsequently broadcast over a national television network, or (ii) if a dramatic program, it is subsequently broadcast over two (2) or more Company owned stations including a station in New York, Los Angeles or Chicago, then the writer(s) of any literary material of a type covered hereunder which is included in such program shall be paid the difference, if any, between the amount originally paid such writer(s) therefor and the minimum initial compensation applicable to such material pursuant to this Appendix A or Article 13 of the Agreement and the applicable provisions of this Appendix A or Article 15 of the Agreement, and the provisions of Article 15 hereof shall also apply with respect to minimum compensation for any additional subsequent broadcast(s), although such writer(s) and such material shall not be deemed "writer(s)" of "material" hereunder for any other purpose.

Article 8. Credit

Schedules C and D shall govern credit for the types of programs to which they pertain in accordance with their respective provisions.

Article 13. Compensation

Article 13.B. shall provide with respect to programs covered by this Appendix A:

1. Minimum Basic Compensation

Company agrees that the applicable minimum compensation to be paid for writing services or for the acquisition of literary material from a "professional writer," which services or acquisitions are covered by this Agreement, for the following programs:

Comedy-Variety programs;

Quiz and audience participation programs;

Serials (other than prime time);

Other non-dramatic programs (including non-dramatic children's programs);

Dramatic religious programs; and

Documentary, news and public affairs programs

shall be as set forth herein during the periods indicated. For convenience, the periods are herein designated:

"1st Period"	May 2, 2020 through May 1, 2021
"2nd Period"	May 2, 2021 through May 1, 2022
"3rd Period"	May 2, 2022 through May 1, 2023

The applicable minimum shall be the minimum for each writer except when a *bona fide* team of two (2) writers agrees, prior to employment, to collaborate, in which event both such writers shall be considered a unit, which unit shall receive in the aggregate not less than the applicable minimum compensation. A *bona fide* team of more than two (2) head writers of a non-prime time serial so agreeing prior to employment shall also be considered such a unit when the unit is guaranteed at least the rate set forth in Article 13.B.5.a.(1).

With respect to the provisions for increased rates during specified periods, the intent is that as to freelance employment, the rates applicable when the employment is entered into shall apply, except that when an employment is entered into during one period, but is not to start until a subsequent period, the rate applicable during the subsequent period applies.

2. Comedy-Variety Programs

a. Minimum Compensation Per Program (when minimum variety show commitment is not applicable or for purposes of subparagraph b.(2) below):

Length or Time Bracket	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
5 minutes	$ 2,065	$ 2,117	$ 2,165
10 minutes	4,104	4,207	4,302
15 minutes	5,794	5,939	6,073
30 minutes	12,570	12,884	13,174
45 minutes	13,637	13,978	14,293
60 minutes	17,293	17,725	18,124
75 minutes	20,134	20,637	21,101
90 minutes	23,573	24,162	24,706
over 90 minutes (SEE BELOW)			

For programs in excess of ninety (90) minutes, the minimum basic compensation shall be the applicable ninety (90) minute minimum compensation plus, for each half hour or fraction thereof in excess of ninety (90) minutes, the difference between the applicable ninety (90) minute minimum compensation and the applicable one-hour minimum compensation.

With respect to a one-time comedy-variety program, the applicable minimum compensation provided for herein shall entitle the Company to the writer's services for a period not to exceed one (1) week on a program of fifteen (15) minutes or less in length, three (3) consecutive weeks on a program of forty-five (45) (but more than fifteen (15)) minutes or less in length, four (4) consecutive weeks on a program of sixty (60) (but more than forty-five (45)) minutes in length or less, four

and one-half (4½) consecutive weeks on a program of seventy-five (75) (but more than sixty (60)) minutes in length or less, five (5) consecutive weeks on a program of ninety (90) (but more than seventy-five (75)) minutes or less in length, or six (6) consecutive weeks on a program of more than ninety (90) minutes in length. Should the writer's services be required for a period in excess of such time periods, the writer will be compensated at not less than the individual writer's weekly minimum as set forth in subparagraph b. below for writers employed under a minimum variety show commitment. If, because of circumstances, it is not feasible to provide for a consecutive span of employment, the Guild will not unreasonably deny waivers of the foregoing provision.

b. Minimum Variety Show Commitment

As used in this subparagraph b., a term contract shall be a contract with a writer providing for guaranteed employment in cycles of thirteen (13) or more weeks or, if a program is to go off the air at the conclusion of a cycle, then for the balance of such cycle; such contract may be cancelled within any cycle on not less than two (2) weeks' notice provided the program goes off the air.

If any writer on a comedy-variety program is not employed on a term contract as so defined, the applicable minimum as set forth in subparagraph a. shall be paid to each writer. If all writers on a comedy-variety program are employed on term contracts (excluding those who fall within exceptions hereinafter expressly provided), the following conditions and individual and aggregate minimums shall apply:

(1) In no event shall any individual writer employed on a comedy-variety program pursuant to this subparagraph b. receive less than the following weekly minimum for each weekly unit of programs:

5/02/20 - 5/01/21	$4,566
5/02/21 - 5/01/22	4,680
5/02/22 - 5/01/23	4,785

(2) Minimum Variety Show Commitment - Aggregate Minimum Compensation for Programs Broadcast No More Than Once Per Week

If only one (1) writer is employed, minimum compensation to such writer shall be one hundred percent (100%) of the applicable program minimum set forth in subparagraph 2.a. above. If two (2) writers are employed, the aggregate minimum to both writers combined shall be one hundred fifty percent (150%) of such applicable program minimum. For each additional writer employed, the combined minimum shall be increased by an amount equal to twenty-five percent (25%) of such applicable program minimum.

(3) Minimum Variety Show Commitment - Aggregate Minimum Compensation Per Weekly Unit of Five Programs

5/02/20 - 5/01/21		**Number of Writers**				
Length or Time Bracket		**1**	**2**	**3**	**4**	**5**
10 minutes	(Prime Time) (Non-Prime)	$15,903 12,721	$17,340 13,870	$20,242 16,198		
15 minutes	(Prime Time) (Non-Prime)		22,257 17,804	25,149 20,115	$28,047 22,443	
30 minutes	(Prime Time) (Non-Prime)			37,582 30,071	41,192 32,965	$44,823 35,869
60 minutes	(Prime Time) (Non-Prime)				70,831 56,661	74,438 59,550

5/02/21- 5/01/22		Number of Writers				
Length or Time Bracket		**1**	**2**	**3**	**4**	**5**
10 minutes	(Prime Time) (Non-Prime)	$16,301 13,039	$17,774 14,217	$20,748 16,603		
15 minutes	(Prime Time) (Non-Prime)		22,813 18,249	25,778 20,618	$28,748 23,004	
30 minutes	(Prime Time) (Non-Prime)			38,522 30,823	42,222 33,789	$45,944 36,766
60 minutes	(Prime Time) (Non-Prime)				72,602 58,078	76,299 61,039

5/02/22- 5/01/23		Number of Writers				
Length or Time Bracket		**1**	**2**	**3**	**4**	**5**
10 minutes	(Prime Time) (Non-Prime)	$16,668 13,332	$18,174 14,537	$21,215 16,977		
15 minutes	(Prime Time) (Non-Prime)		23,326 18,660	26,358 21,082	$29,395 23,522	
30 minutes	(Prime Time) (Non-Prime)			39,389 31,517	43,172 34,549	$46,978 37,593
60 minutes	(Prime Time) (Non-Prime)				74,236 59,385	78,016 62,412

For programs in excess of sixty (60) minutes, the minimum basic compensation shall be the applicable sixty (60) minute minimum compensation plus, for each fifteen (15) minutes or fraction thereof in excess of sixty (60) minutes, one-half of the difference between the applicable sixty (60) minute minimum compensation and the applicable thirty (30) minute compensation.

If more writers are employed than are provided for in the schedule with respect to the appropriate program length, the total minimum for all writers shall be increased by one (1) applicable weekly minimum pursuant to subparagraph 2.b.(1) above for each such additional writer. If fewer writers are so employed than are provided for in such schedule, the first minimum specified with respect to the appropriate program length shall be the total minimum for the writers employed.

(4) Minimum Variety Show Commitment - Aggregate Minimum Compensation for Programs Broadcast Two, Three or Four Times Per Week

The combined applicable minimum compensation to all writers shall be the applicable minimum computed pursuant to subparagraph 2.b.(2) above for a program of equal length broadcast once a week plus a percentage of the difference between the figure derived from such computation and the applicable minimum computed pursuant to subparagraph 2.b.(3) above for a program of equal length broadcast five (5) times per week, as follows:

Number of Weekly Broadcasts	Percentage of Difference
2	40
3	60
4	80

c. If an additional writer or writers lacking a "minimum variety show commitment" are employed on a comedy-variety series on which all the other writers on the program are employed under such commitment, it is agreed that if such additional writers are added because of the requirements of a special guest or special host to prepare special material for a particular program in the series, the Guild will, upon application by the Company, grant an automatic waiver of the conditions specified in subparagraph 2.b. above. The Guild agrees to consider applications for waivers to employ such additional writers with writers employed under contracts providing for minimum variety show commitments in other situations when reasonably required by the circumstances of production of a particular program. Such additional writer shall be paid at least the applicable program minimum, but the addition of such additional writer shall not in any way increase either the individual minimums of the other writers employed on the program under contracts providing for a minimum variety show commitment, or the total minimums specified in subparagraph 2.b. above.

d. It is agreed that the acquisition and use of a sketch by the Company shall have no effect of any kind upon the concept of the "minimum variety show commitment."

e. For any writer who is employed under a term contract non-cancellable for thirteen (13) or more weeks but less than twenty-six (26) weeks, the

applicable minimum weekly compensation specified in subparagraph 2.b.(1) above shall be subject to a discount of ten percent (10%). For any writer who is employed under a term contract non-cancellable for twenty-six (26) or more weeks, the applicable minimum weekly compensation specified in subparagraph 2.b.(1) above shall be subject to a discount of twenty percent (20%) instead of ten percent (10%). If all of the writers on a program are employed under term contracts non-cancellable for thirteen (13) or more weeks but less than twenty-six (26) weeks, the applicable program minimums in subparagraphs 2.b.(2), (3) and (4) above shall be subject to a discount of ten percent (10%). If all writers on a program are employed under term contracts non-cancellable for twenty-six (26) or more weeks, the applicable program minimums set forth in subparagraphs 2.b.(2), (3) and (4) above shall be subject to a discount of twenty percent (20%) instead of ten percent (10%).

f. Each writer shall be considered as an individual writer, rather than as part of a team or teams, for the purpose of applying the minimums outlined in subparagraph 2.b.

g. **Pre-Production Periods**

Company shall pay each writer for all services rendered during a pre-production period the applicable minimum weekly compensation set forth below:

	5/02/20-5/01/21	**5/02/21-5/01/22**	**5/02/22-5/01/23**
First 2 weeks of pre-production	$3,193	$3,273	$3,347
Second 2 weeks	3,654	3,745	3,829
Third 2 weeks	4,109	4,212	4,307
Periods in addition to 6 weeks	4,566	4,680	4,785

A pre-production period shall mean any period of time prior to the commencement of production of the first program of a series. For the purpose of the preceding sentence, production shall be deemed to have commenced one (1) week prior to the first date of taping. For all writing services rendered during a pre-production period, the writer shall be paid not less than the minimum set forth above, which may be prorated for employment of less than five (5) days in any week. In no event may such minimum be credited or allocated against the writer's

program compensation, whether such compensation is by way of an aggregate for a specified number of programs or a specified compensation on a per program basis. Conversely, no portion of the writer's compensation, whether by way of aggregate or per program, may be allocated or credited against the compensation due the writer for any pre-production services.

h. **Multiple Programs Per Week**

When the minimum variety show commitment is not applicable, if the same writer is employed to write more than one program per week, the following multiples of the applicable minimum basic compensation for a single program pursuant to subparagraph 2.a. shall apply:

Two (2) Programs a Week	1¾
Three (3) Programs a Week	2¼
Four (4) Programs a Week	2¾
Five (5) Programs a Week	3
Six (6) Programs a Week	3¼
Seven (7) Programs a Week	3½

3. Self-Contained Portions of Programs

Minimum Compensation	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
SKETCHES			
Prime Time	$4,260	$4,367	$4,465
Non-Prime Time	3,401	3,486	3,564
LYRICS			
UNACCOMPANIED BY MUSIC	3,355	3,439	3,516

The minimum compensation payable for two (2) or more sketches furnished by the same writer for a program shall be a sum equal to the number of sketches so furnished multiplied by the minimum for each sketch, but not more than the minimum compensation applicable to the overall length of the program.

4. Quiz and Audience Participation Programs

a. Company shall pay each writer employed to furnish material (except as provided in subparagraph 4.b. below) for quiz or audience participation programs the following minimum compensation per weekly unit of not more than five (5) programs:

(1) To a writer employed on a term contract guaranteeing thirteen (13) weekly units or when subparagraph c. below applies

5/02/20 - 5/01/21	$3,428
5/02/21 - 5/01/22	3,514
5/02/22 - 5/01/23	3,593

(2) To a writer employed under a term contract guaranteeing fourteen (14), but less than twenty (20), weekly units

5/02/20 - 5/01/21	$3,184
5/02/21 - 5/01/22	3,264
5/02/22 - 5/01/23	3,337

(3) To a writer employed under a term contract guaranteeing twenty (20), but less than thirty-nine (39), weekly units

5/02/20 - 5/01/21	$2,924
5/02/21 - 5/01/22	2,997
5/02/22 - 5/01/23	3,064

(4) To a writer employed under a term contract guaranteeing thirty-nine (39) or more weekly units

5/02/20 - 5/01/21	$2,681
5/02/21 - 5/01/22	2,748
5/02/22 - 5/01/23	2,810

b. As to writers employed solely to write questions, answers and/or ideas for stunts for quiz and audience participation programs, the applicable minimum compensation per weekly unit of not more than five (5) quiz and audience participation programs is as follows:

(1) To a writer employed on a term contract guaranteeing thirteen (13) weekly units or when subparagraph 4.c. below applies

5/02/20 - 5/01/21	$1,817
5/02/21 - 5/01/22	1,862
5/02/22 - 5/01/23	1,904

(2) To a writer employed under a term contract guaranteeing fourteen (14), but less than twenty (20), weekly units

5/02/20 - 5/01/21	$1,683
5/02/21 - 5/01/22	1,725
5/02/22- 5/01/23	1,764

(3) To a writer employed under a term contract guaranteeing twenty (20), but less than thirty-nine (39), weekly units

5/02/20 - 5/01/21	$1,553
5/02/21 - 5/01/22	1,592
5/02/22- 5/01/23	1,628

c. Each writer employed for a quiz and audience participation program series shall be guaranteed employment of not less than thirteen (13) consecutive weekly units; provided, however, that if such series is produced for initial broadcast in syndication, each writer shall be guaranteed not less than the number of weekly units which the Company is committed to produce if less than thirteen (13). As to series produced for initial broadcast on a network, the Company may reduce such guarantee only to the extent that such network reduces its commitment to the Company by reason of preemption, network *force majeure* and the like.

d. For a syndicated program series in production prior to August 8, 1988, the applicable minimum compensation shall be two-thirds (⅔) of the applicable minimum compensation in subparagraphs 4.a. and b. above. For services on six (6) programs per weekly unit, the applicable minimum shall be increased by eighty percent (80%). For services on seven (7) programs per weekly unit, the minimum shall be increased by one hundred percent (100%). If any one (1) program per weekly unit is on a network, the network rates shall apply to the entire weekly unit.

e. For a program series which begins production on or after August 8, 1988, the applicable minimum compensation for the first fifty-two (52) weeks of production of such program series shall be two-thirds (⅔) of the applicable rates in subparagraphs 4.a. and b. above. For the second fifty-two (52) weeks of production of such program series, the applicable minimum compensation shall be five-sixths (5/6) of the applicable rates in subparagraphs 4.a. and b. above. Thereafter, the applicable minimum compensation for such program series shall be the applicable rates in subparagraphs 4.a. and b. above.

   In no event shall the compensation of a writer employed on a program series in production prior to August 8, 1988 be reduced by the preceding paragraph of this Article 13.B.4.e.

f. Except when the program goes off the air, if the Company cancels a writer's contract at the end of any cycle, the Company shall give two (2) weeks advance notice of cancellation or pay in lieu thereof. A contract which by its own terms expires at the end of a cycle does not require any notice.

5. Serials - Other than Prime Time

With respect to serials produced for broadcast five (5) times per week[2] in other than prime time, and other dramatic strip programs produced for broadcast five (5) times per week in other than prime time, the following terms shall apply:

[2] If a signatory Company should produce a serial for broadcast in other than prime time three (3), four (4), six (6) or seven (7) times per week, the parties to this Appendix A will negotiate in good faith for appropriate rates and conditions for such serial. In the event that the employment pattern for such serial is similar to that of a five (5) times per week non-prime time serial, it is understood that such rates and conditions shall be negotiated in the context of the established five (5) times per week structure. It is understood that in any event the flashback provisions of Article 15 of this Appendix A will apply.

a. Minimum Compensation

(1) The aggregate minimum payable for the services of the head writers and the writers of the individual scripts for each weekly unit of five (5) serial programs (the "weekly aggregate minimum") shall be no less than:

Program Length	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
15 minutes or less	$13,368	$13,702	$14,010
30 minutes or less (but more than 15)	22,281	22,838	23,352
45 minutes or less (but more than 30)	32,308	33,116	33,861
60 minutes or less (but more than 45)	41,218	42,248	43,199
90 minutes or less (but more than 60)	61,826	63,372	64,798

(2) For each script on which a serial writer performs writing services, such serial writer will be paid not less than:

Program Length	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
15 minutes or less	$1,270	$1,302	$1,331
30 minutes or less (but more than 15)	2,131	2,184	2,233
45 minutes or less (but more than 30)	3,083	3,160	3,231
60 minutes or less (but more than 45)	3,933	4,031	4,122
90 minutes or less (but more than 60)	5,914	6,062	6,198

Applicable minimum compensation for a non-prime time serial produced for syndication in fewer than thirty (30) cities shall be eighty percent (80%) of the above minimums.

(3) The head writer shall receive no less than the aggregate minimum reduced by the per-script minimum payable to other individuals. No writer (other than the head writer) shall be employed for less than an average of one (1) script or breakdown per week for the term of his/her contract, except when the writer requests both the Company and the Guild to allow the writer to be employed to work less than an average of one (1) script or breakdown per week, provided that the Guild may deny the writer's request if it establishes that the writer did not initiate such request.

(4) Script writers who write a segment(s) for a script(s) shall be paid in accordance with this subparagraph 5.a.(4) rather than in accordance with subparagraph 5.a.(2). In order to utilize this subparagraph 5.a.(4), the Company must pay at least one (1) script writer who has rendered writing services on the script the full script minimum.

Total Length of Program	**Length of Script**	**Segment Compensation as % of Per Script Minimum**
15 minutes or less	5 minutes or less	30%
30 minutes or less (but more than 15)	5 minutes or less 10 minutes or less (over 5) 15 minutes or less (over 10)	20% 30% 50%
45 minutes or less (but more than 30)	5 minutes or less 10 minutes or less (over 5) 15 minutes or less (over 10) 30 minutes or less (over 15)	15% 25% 30% 70%
60 minutes or less (but more than 45)	5 minutes or less 10 minutes or less (over 5) 15 minutes or less (over 10) 30 minutes or less (over 15)	15% 25% 30% 50%
90 minutes or less (but more than 60)	5 minutes or less 10 minutes or less (over 5) 15 minutes or less (over 10) 30 minutes or less (over 15) 60 minutes or less (over 30)	10% 15% 25% 30% 70%

Total Length of Program	Length of Script	Segment Compensation as % of Per Script Minimum
120 minutes or less (but more than 90)	5 minutes or less 10 minutes or less (over 5) 15 minutes or less (over 10) 30 minutes or less (over 15) 60 minutes or less (over 30)	10% 15% 25% 30% 50%

(5) Long-Term Story Projection. It is understood that the preparation of a long-term story projection is part of the normal duties of a head writer, and no additional compensation is due a head writer who writes such long-term story projection. However, if a long-term story projection (regardless of length of program) is prepared by a writer other than a head writer, said writer will be paid the minimum sum of:

	3 Months or Less	6 Months or Less, but More than 3 Months, or Unspecified	More than 6 Months, but Not More than 12 Months
5/02/20 - 5/01/21	$19,116	$28,673	$38,226
5/02/21 - 5/01/22	19,594	29,390	39,182
5/02/22 - 5/01/23	20,035	30,051	40,064

(6) Format. The minimum basic compensation for a format shall be the minimum set forth in this Agreement for a format for an episodic series.

(7) Bible. The minimum basic compensation for a "bible" shall be four (4) times the applicable minimum compensation for a format only. Compensation previously paid for the format may be applied against such minimum. For each week of breakdowns in excess of one (1) required by the Company, the minimum compensation shall be as provided in subparagraph 5.a.(8) below.

(8) Breakdowns. It is understood that the preparation of breakdowns is part of the normal duties of a head writer, and no additional compensation is due a head writer who writes breakdowns.

However, an associate writer who is assigned or employed to

write a breakdown or breakdowns for a network serial program shall be compensated in accordance with the following schedule for each daily breakdown:

Program Length	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
15 minutes or less	$ 564	$ 578	$ 591
30 minutes or less (but more than 15)	1,201	1,231	1,259
45 minutes or less (but more than 30)	1,344	1,378	1,409
60 minutes or less[3] (but more than 45)	2,249	2,305	2,357
90 minutes or less (but more than 60)	2,591	2,656	2,716

An associate writer who is assigned or employed to write a breakdown or breakdowns for a syndicated serial program shall be compensated at not less than four and one-quarter percent (4-¼%) of the weekly aggregate minimum for each daily breakdown.

(9) Services in Head Writer's Absence. A writer who is assigned or employed to perform in the head writer's absence those services ordinarily performed by the head writer, other than the writing of breakdowns and long-term story projections, shall be compensated for such services at not less than fifteen percent (15%) of the weekly aggregate minimum for each weekly unit on which such services are rendered. Such compensation shall not be subject to rerun or foreign telecast compensation pursuant to Article 15 or subparagraph 5.a.(11) below.

(10) Sample Writing. A person may prepare a sample breakdown or script for purposes of determining such person's suitability for employment as a writer on a non-prime time serial. When the Company requests a writer who meets the definition of

[3] For a writer of breakdowns for a sixty (60) minute serial employed for a thirteen (13) week cycle, the Company shall contribute, in addition to the amount required under Article 17, an amount, if needed, which will entitle such writer to a full year of health coverage. In no event shall the Company be required to make such additional contributions if such writer is otherwise eligible for a full year of health coverage.

"professional writer," as applied to daytime serials, to write a sample breakdown or script, it will pay to such professional writer for such sample breakdown or script fifty percent (50%) of the applicable minimum breakdown or script fee; however, when such writer has previously been entitled to receive credit as a writer on a non-prime time serial, the Company will pay to such writer for such sample breakdown or script seventy-five percent (75%) of the applicable minimum breakdown or script fee. Upon payment of the applicable minimum breakdown or script fee, or the balance thereof, to such writer, the Company may produce a script based upon a sample breakdown or in the case of a sample script, such script.

(11) Reruns and Foreign Telecasts.[4] The applicable minimum compensation for each program for purposes of computing domestic rerun and foreign telecast compensation shall be, for each writer, the following proportion of the aggregate minimum set forth in subparagraph 5.a.(1) above, divided by five (5):

(a) If a "breakdown" has been written by the head writer, or if no "breakdown" has been written:

Head Writer	50%
Associate Writer	50%

(b) If a writer other than the head writer has written a "breakdown":

Head Writer	35%
Writer of "breakdown"	15%
Associate Writer	50%

(c) If a writer other than the head writer has written a rewrite or

[4] See Sideletter at page 738, which permits a Company to enter into an agreement with the Guild for payments via direct deposit in lieu of issuing checks.

a polish:

Head Writer	47½%
Associate Writer (of script)	47½%
Associate Writer (of rewrite or polish)	5%

(d) If a writer other than the head writer has written a breakdown and a rewrite or polish:

Head Writer	32½%
Writer of "breakdown"	15%
Associate Writer (of script)	47½%
Associate Writer (of rewrite or polish)	5%

In the event there is more than one (1) writer in a category, the applicable percentage shall be divided equally among all writers in that category.

Compensation due to the writer for foreign telecasts shall be made by check, payable to the writer and delivered to the Guild for forwarding to such writer. If the writer's check includes other types of compensation, the check will be sent directly to the writer with a copy of the check and stub (with information showing the compensation for the foreign telecasts) furnished to the Guild.

(12) Summaries. No associate writer shall be requested to write summaries as a part of his or her duties.

(13) Rewrites, Polishes and Extensive Revisions. See Article 13.B.7.c. below.

(14) All minimums are exclusive of pension and health contributions and employer payroll taxes.

b. Minimum Contract Terms

(1) Contracting and Subcontracting. When Company produces such a serial, all writers for such serial shall be employed by Company; provided, however, that nothing shall prohibit Company from subcontracting for the employment of writers for such serial by another *bona fide* signatory. If the *bona fide* signatory (herein sometimes called "subcontractor") is owned principally by a "head writer" (as that term is understood in the industry), the Guild may require, prior to its employment of any other writers, a bond guaranteeing performance by the subcontractor of its monetary obligations.

When a subcontractor is owned principally by a head writer, the weekly aggregate minimum payable pursuant to subparagraph 5.a.(1) above shall not only include the fees payable to the head writer and the writers of the individual scripts, but also the fees payable pursuant to subparagraphs 5.a.(8) and (9) above to individuals employed by the subcontractor. In such case, the first sentence of subparagraph 5.a.(3) above shall be deemed amended to read, "The head writer shall receive no less than the aggregate minimum reduced by the minimums payable under this Article 13.B.5.a.(2), (8) and (9) to other writers."

Upon subcontractor's written request and after appropriate contractual arrangements and modifications have been made, Company will remit to the Guild Pension and Health Funds, as subcontractor's agent for such purpose, the applicable Pension Plan and Health Fund contributions required of the subcontractor; provided, however, that the Company's sole obligation under such arrangement shall be to the subcontractor.

(2) (a) Employment by a Producer

With respect to employment by a Producer, a head writer or an associate writer (*i.e.*, a writer employed on a serial other than a head writer) must be employed on a term contract for not less than a thirteen (13) week cycle, provided that an associate writer may be employed initially to write breakdowns or scripts on a particular serial on a trial period for not more than an aggregate of six (6) weeks in a consecutive nine (9) week period. A writer employed on a trial basis on a serial which has been broadcast for two (2) years or more must be guaranteed at least two (2) scripts or breakdowns. If the Company guarantees the writer, prior to the expiration of the nine (9) week period, at least one (1)

additional trial script(s) or breakdown(s), the above trial period may be extended to a maximum of thirteen (13) weeks.

(b) Employment by a Subcontractor

When a Producer elects to utilize a subcontractor which is owned principally by a head writer to perform writing services, an associate writer must be employed for not less than a thirteen (13) week cycle, and the cycles of the head writer and the associate writers shall be coordinated. In such cases, the following shall apply:

(i) In order to coordinate cycles, the initial employment of an associate writer on a particular serial may be for a period of less than thirteen (13) weeks.

(ii) In addition, an associate writer may be employed initially to write breakdowns or scripts on a particular serial on a trial period for not more than an aggregate of six (6) weeks in a consecutive nine (9) week period. A writer employed on a trial basis on a serial which has been broadcast for two (2) years or more must be guaranteed at least two (2) breakdowns or scripts. If the Company guarantees the writer, prior to the expiration of the nine (9) week period, at least one (1) additional trial script(s) or breakdown(s), the above trial period may be extended to a maximum of thirteen (13) weeks. If an associate writer is employed on a trial basis and the Company desires to continue his/her employment, the Company shall be obligated to offer such writer a term contract, the duration of which shall be the number of weeks remaining in the head writer's current thirteen (13) week cycle. (For purposes of this subparagraph (b), if a head writer's employment is for a cycle which is a multiple of thirteen (13) weeks, the cycle shall be deemed to be thirteen (13) weeks.)

(iii) In addition, if the head writer's employment is renewed for another cycle, the associate writer shall be offered employment for one (1) additional cycle.

(iv) If the head writer's employment is terminated at the end of a cycle, the employment of the associate writer

may likewise be terminated.

(c) If the head writer makes notes or changes on a script written by a writer on a trial basis, a copy of the script will be delivered to the writer within four (4) business days after completion of review of the trial script by the head writer, and when practicable, prior to the time of the trial script writer's next following script assignment.

(3) The Company shall give a writer at least the following advance notice of cancellation of his/her contract:

Type of Cycle (one of which shall be selected and set forth in writer's contract at time of employment. Date of commencement of initial cycle shall also be included.)	**Notice (in weeks prior to end of cycle)**	
	Head Writer	Associate Writer
If based on air dates	7	6
If based on production dates	6	5
If based on date script due	4	4

and failing such notice, the employment contract shall be deemed renewed for the next cycle; provided, however, that if a cycle is based on the date scripts or breakdowns are due, the Company may pay the writer four (4) weeks' pay in lieu of the four (4) weeks' notice (a "week's pay" to be computed by dividing the total compensation payable during that cycle pursuant to the writer's term contract by the number of weeks in that cycle) any time up to and including the date when the final script or breakdown is due, and the employment contract shall only be deemed renewed for the next cycle if notice is not given until after the date on which the final script or breakdown is due. A contract which by its own terms expires at the end of a cycle does not require any notice. The writer's contract may be cancelled within any cycle on not less than two (2) weeks' notice provided the program goes off the air.

(4) If an associate writer's contract is cancelled or terminates when there is a change of head writer, he/she may be re-employed to

work under the new head writer for a six (6) week reappraisal cycle, provided that, unless the writer is notified of cancellation at least two (2) weeks prior to the date on which the last script or breakdown is due in such reappraisal cycle, such cycle shall be extended an additional seven (7) weeks.

(5) Notwithstanding the provisions of subparagraph b.(2) above, if a writer does not desire to accept the offer of a term contract and the Company is willing to employ the writer on a basis other than under a term contract, such arrangement may be made between the Company and the writer upon approval of the Guild.

(6) The contract with any writer may provide that he/she shall not perform writing services which would interfere with his/her obligation as a writer for the serial for which he/she is employed. In the case of a writer who is employed on a serial who is guaranteed compensation over a thirteen (13) week cycle equivalent to at least one and one-half (1½) times the minimum applicable compensation for one (1) script per week multiplied by thirteen (13) (prorated for shorter or longer cycles where permitted), the Company may negotiate to obtain exclusivity of his/her services in the non-prime time serial field during such cycle or until completion of writing services.

(7) Existing contractual arrangements for writing services, except for minimum rates, shall not be affected by the terms of this Agreement until the expiration of such contractual arrangement; provided that changed provisions with respect to notice shall become effective with the second cycle (in the individual writer's contract) that begins after the effective date of this collective bargaining agreement.

(8) An associate writer who has been employed on one (1) or more serial programs produced by the same Company during cycles covering at least fifty (50) consecutive weeks shall be entitled to a vacation for that year of two (2) weeks. Said two (2) weeks of vacation shall increase to three (3) weeks of vacation for an associate writer who has been employed by the same Company for five (5) consecutive years. An associate writer shall be eligible to take up to a week of vacation after twenty-six (26) weeks. For each such week of vacation, the writer shall be paid or credited with vacation pay at the writer’s guaranteed average weekly compensation.

Said fifty (50) week period shall be deemed consecutive if interrupted by a break or breaks in employment of up to four (4) weeks in the aggregate caused by transferring to another program or programs produced by the same Company. The writer and the Company shall mutually agree on vacation scheduling. A writer's illness will not be deemed a break in employment for the purposes of this provision.

If, at the request of the Company, a writer agrees to change or postpone a vacation which has been approved by the Company, the writer shall be reimbursed for any vacation expenditures reasonably attributable to the change in such writer's vacation.

The foregoing provisions of this subparagraph b.(8) shall also apply to the head writer provided that he or she completes those of his or her customary functions as head writer which can reasonably be done in advance. In no event shall the Company be required to utilize the services of another individual to replace the head writer pursuant to subparagraph 5.a.(9) above. Company shall not be required to pay the head writer for vacation time not used regardless of the reason, and unused vacation shall not carry over from year to year.

(9) A writer on a one-hour program whose guarantee is thirteen (13) scripts within thirteen (13) weeks, and who is assigned to write and deliver three (3) or more scripts within seven (7) days of receiving such assignment will be paid not less than one hundred twenty-five percent (125%) of the applicable minimum fee for the third such script and not less than one hundred fifty percent (150%) of the applicable minimum fee for the fourth such script. In the event that the writer is assigned to write more than thirteen (13) scripts within the thirteen (13) weeks, the foregoing premium payments shall not be applicable.

(10) With respect to a dramatic strip program produced for broadcast five (5) times per week in other than prime time on other than a fifty-two (52) week per year basis, the Company will meet with the Guild at least thirty (30) days prior to the commencement of production to conform the cycle and notice requirements set forth in subparagraphs 13.B.5.b.(2) and (3) to the production order, provided that no cycle except for the trial or reappraisal cycle shall be for less than ten (10) weeks.

c. The parties recognize that "consultants" are employed in the serial

field. It is understood that the designation "consultant" neither negates nor confers coverage under this Agreement. To the extent that such a consultant writes literary material covered by this Agreement, the Company acknowledges that such writing services are governed hereunder.

6. Other Non-Dramatic Programs[5]

a. Once-Per-Week or Less, Non-Dramatic Programs (including Non-Dramatic Children's Programs) (other than Comedy-Variety, Quiz and Audience Participation, Documentary News and Public Affairs Programs and programs covered by Article 13.B.6.b. of this Appendix A).[6, 7]

[5] If a signatory Company should produce a program covered by this Article 13.B.6.a. or b. for broadcast two (2), three (3) or four (4) times per week, the parties to this Appendix A will negotiate in good faith for appropriate rates and conditions for such program. In the event that the employment pattern for such program is similar to that of a five (5) times per week series covered by Article 13.B.6., it is understood that such rates and conditions shall be negotiated in the context of a five (5) times per week structure. For programs covered by this Article 13.B.6.a. or b. produced for broadcast six (6) or seven (7) times per week, see the provisions of Article 13.B.6.b.(1)(b).

[6] The provisions of this Article 13.B.6.a. apply to dramatic religious programs.

[7] The parties have agreed that, during the term of this 2020 WGA-AMPTP Agreement, prior to using these rates, the Company will notify the Guild, no later than thirty (30) days prior to the commencement of such program's production, of its intention to produce a program under this subparagraph 6.a. Such notice shall fully set forth a description of the program. If the parties do not reach agreement on the program's classification, the parties retain their respective rights under this Agreement.

(1) (a) Minimum compensation per program broadcast once a week or less on a commercial basis (for which minimum series commitment is not applicable or for purposes of subparagraph a.(1)(b)(ii) or subparagraph c. below):

Prime Time	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
5 minutes	$ 1,800	$ 1,845	$ 1,887
10 minutes	3,592	3,682	3,765
15 minutes	5,086	5,213	5,330
30 minutes	10,157	10,411	10,645
45 minutes	11,941	12,240	12,515
60 minutes	15,226	15,607	15,958
75 minutes	17,626	18,067	18,474
90 minutes	21,498	22,035	22,531

Non-Prime Time	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
5 minutes	$ 1,440	$ 1,476	$ 1,509
10 minutes	2,712	2,780	2,843
15 minutes	4,063	4,165	4,259
30 minutes	7,171	7,350	7,515
45 minutes	8,787	9,007	9,210
60 minutes	11,351	11,635	11,897
75 minutes	12,553	12,867	13,157
90 minutes	15,830	16,226	16,591

For programs over ninety (90) minutes in length, the minimum basic compensation shall be the applicable ninety (90) minute compensation plus, for each half hour or fraction thereof in excess of ninety (90) minutes, the difference between the applicable ninety (90) minute minimum compensation and the applicable one (1) hour minimum

compensation.

With respect to a one-time non-dramatic program, the applicable minimum compensation provided for herein shall entitle the Company to the writer's services for a period not to exceed one (1) week on a program of fifteen (15) minutes or less in length, three (3) consecutive weeks on a program of forty-five (45) (but more than fifteen (15)) minutes or less in length, four (4) consecutive weeks on a program of sixty (60) (but more than forty-five (45)) minutes in length or less, four and one-half (4½) consecutive weeks on a program of seventy-five (75) (but more than sixty (60)) minutes in length or less, five (5) consecutive weeks on a program of ninety (90) (but more than seventy-five (75)) minutes or less in length, or six (6) consecutive weeks on a program of more than ninety (90) minutes in length. Should the writer's services be required for a period in excess of such time periods, the writer will be compensated at not less than the individual writer's weekly minimum as set forth in subparagraph b.(1)(c) below for writers employed under a minimum series commitment. If, because of circumstances, it is not feasible to provide for a consecutive span of employment, the Guild will not unreasonably deny waivers of the foregoing provision.

(b) Minimum Series Commitment

As used in this subparagraph (b), a term contract shall be a contract with a writer providing for guaranteed employment in cycles of thirteen (13) or more weeks or, if a program is to go off the air at the conclusion of a cycle, then for the balance of such cycle; such contract may be cancelled within any cycle on not less than two (2) weeks' notice provided the program goes off the air.

In the event of a series order of less than nine (9) weekly units but more than three (3) weekly units of programs, each writer shall be guaranteed not less than the number of weekly units which the Company is committed to produce. If the Company obtains a commitment for production of one (1) or more additional weekly units, each writer shall be guaranteed employment of not less than the number of additional weekly units which the Company is committed to produce. In no event will the Company be required to

guarantee the writer employment for more than an additional thirteen (13) weekly units. If any writer on a non-dramatic program is not employed on a term contract as so defined, the applicable minimum as set forth in subparagraph (a) above shall be paid to each writer. If all writers on a non-dramatic program are employed on term contracts, the following conditions and individual and aggregate minimums shall apply:

(i) In no event shall any individual writer employed on a non-dramatic program pursuant to this subparagraph (b) receive less than the following weekly minimum for each weekly unit of programs:

5/02/20 - 5/01/21	$3,581
5/02/21 - 5/01/22	3,671
5/02/22 - 5/01/23	3,754

(ii) Minimum Series Commitment - Aggregate Minimum Compensation for Programs Broadcast No More Than Once Per Week

If only one (1) writer is employed, minimum compensation to such writer shall be one hundred percent (100%) of the applicable program minimum set forth in subparagraph (1)(a) above. If two (2) writers are employed, the aggregate minimum to both writers combined shall be one hundred fifty percent (150%) of such applicable program minimum. For each additional writer employed, the combined minimum shall be increased by an amount equal to twenty-five percent (25%) of such applicable program minimum.

For any writer who is employed under a term contract non-cancellable for thirteen (13) or more weeks but less than twenty-six (26) weeks, the applicable minimum weekly compensation specified in subparagraph (b)(i) above shall be subject to a discount of ten percent (10%). For any writer who is employed under a term contract non-cancellable for twenty-six (26) or more weeks, the applicable minimum weekly compensation specified in subparagraph (b)(i) above shall be subject to a discount of twenty percent (20%) instead of ten

percent (10%). If all of the writers on a program are employed under term contracts non-cancellable for thirteen (13) or more weeks but less than twenty-six (26) weeks, the applicable program minimums in subparagraph (b)(ii) above shall be subject to a discount of ten percent (10%). If all writers on a program are employed under term contracts non-cancellable for twenty-six (26) or more weeks, the applicable program minimums set forth in subparagraph (b)(ii) above shall be subject to a discount of twenty percent (20%) instead of ten percent (10%).

(iii) Each writer shall be considered as an individual writer, rather than as part of a team or teams, for the purpose of applying the minimums outlined in subparagraph (1)(b).

(2) Programs broadcast on a sustaining basis:

(a) The writer of a program broadcast on a sustaining basis, *i.e.*, without commercial sponsorship, shall be entitled to compensation at the rate of seventy percent (70%) of the applicable minimum basic compensation for a commercial program pursuant to subparagraph 6.a.(1)(a) above.

(b) Material for a co-op program (*i.e.*, a program broadcast by the network only during periods when local commercial or other announcements may be or are broadcast by local stations) shall be deemed sustaining material if the writer has written no other material for such program.

b. Non-Dramatic Strip Programs

Non-Dramatic Strip Programs, (including Non-Dramatic Children's Programs) (other than Comedy-Variety, Quiz and Audience Participation, Documentary, News and Public Affairs Programs and programs covered by Article 13.B.6.a. of this Appendix A).[8, 9]

(1) Minimum Compensation/Strip Programs Broadcast on a Five (5)

[8] The provisions of this Article 13.B.6.b. apply to dramatic religious programs.

[9] The parties have agreed that, during the term of this 2020 WGA-AMPTP Agreement, prior to using these rates, the Company will notify the Guild, no later than thirty (30) days prior to the commencement of such program's production, of its intention to produce a program under this subparagraph 6.b. Such notice shall fully set forth a description of the program. If the parties do not reach agreement on the program's classification, the parties retain their respective rights under this Agreement.

Times Per Week Basis

(a) Subject to subparagraph (c) below, for a writer employed on a five (5) times per week basis on a subparagraph 6.b. program broadcast as a strip five (5) times per week, the minimum basic compensation shall be as follows:

Prime Time Programs and All Non-Dramatic Children's Programs, Whether or Not Prime Time

Program Length	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
5 minutes or less	$3,708	$3,801	$3,887
10 minutes or less (but more than 5)	5,253	5,384	5,505
15 minutes or less (but more than 10)	5,975	6,124	6,262
30 minutes or less (but more than 15)	7,722	7,915	8,093
60 minutes or less (but more than 30)	8,828	9,049	9,253
90 minutes or less (but more than 60)	10,475	10,737	10,979

Non-Prime Time

Program Length	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
5 minutes or less	$2,955	$3,029	$3,097
10 minutes or less (but more than 5)	3,964	4,063	4,154
15 minutes or less (but more than 10)	4,773	4,892	5,002
30 minutes or less (but more than 15)	5,452	5,588	5,714
60 minutes or less (but more than 30)	6,583	6,748	6,900
90 minutes or less (but more than 60)	7,713	7,906	8,084
120 minutes or less (but more than 90)	8,844	9,065	9,269

(b) For a writer employed on a strip program under this subparagraph 6.b. which is broadcast six (6) or seven (7) times per week, the applicable minimum compensation payable shall be computed as a percentage of the applicable minimum compensation for programs broadcast five (5) times per week, in accordance with the following schedule:

Number of Programs	Applicable Percentage
6 times per week	120%
7 times per week	140%

As used in this subparagraph b., a term contract shall be a contract with a writer providing for guaranteed employment in cycles of thirteen (13) or more weeks or, if a program is to go off the air at the conclusion of a cycle, then for the balance of such cycle; such contract may be cancelled within any cycle on not less than two (2) weeks' notice provided the program goes off the air.

In the event of a series order of less than nine (9) weekly units but more than three (3) weekly units of programs, each writer shall be guaranteed not less than the number of

weekly units which the Company is committed to produce. If the Company obtains a commitment for production of one (1) or more additional weekly units, each writer shall be guaranteed employment of not less than the number of additional weekly units which the Company is committed to produce. In no event will the Company be required to guarantee the writer employment for more than an additional thirteen (13) weekly units.

A writer who has not previously been employed on a particular series may be employed initially to write on such series for a guaranteed trial period of six (6) weeks. If a writer is employed on a trial basis and the Company desires to continue his/her employment, the Company shall be obligated to offer such writer employment for an additional seven (7) weeks (*i.e.*, to complete a thirteen (13) week cycle).

(c) If only one (1) writer is employed, the aggregate minimum compensation shall be one hundred percent (100%) of the applicable program minimum set forth in subparagraph (1)(a) above. If two (2) writers are employed, the aggregate minimum to both writers combined shall be one hundred fifty percent (150%) of such applicable program minimum. For each additional writer employed, the combined minimum shall be increased by an amount equal to twenty-five percent (25%) of such applicable program minimum. However, except for a program of five (5) minutes or less, in no event shall any individual writer employed on a program broadcast five (5) times per week receive less than $3,581 effective 5/02/20-5/01/21; $3,671 effective 5/02/21-5/01/22; and $3,754 effective 5/02/22-5/01/23 as a weekly minimum for each weekly unit of five (5) programs. For a strip program under this subparagraph 6.b. which is broadcast six (6) or seven (7) times per week, the percentage schedule in subparagraph (b) shall apply to the rates in the preceding sentence.

Each writer shall be considered as an individual writer, rather than as part of a team or teams, for the purpose of applying the minimums outlined in subparagraph (c) above.

For any writer who is employed under a term contract non-cancellable for thirteen (13) or more weeks but less than

twenty-six (26) weeks, the applicable individual minimum weekly compensation specified in subparagraph (1)(c) above shall be subject to a discount of ten percent (10%). For any writer who is employed under a term contract non-cancellable for twenty-six (26) or more weeks, the applicable individual minimum weekly compensation specified in subparagraph (1)(c) above shall be subject to a discount of twenty percent (20%) instead of ten percent (10%). If all of the writers on a program are employed under term contracts non-cancellable for thirteen (13) or more weeks but less than twenty-six (26) weeks, the applicable program minimums in subparagraph (1)(c) above shall be subject to a discount of ten percent (10%). If all writers on a program are employed under term contracts non-cancellable for twenty-six (26) or more weeks, the applicable program minimums set forth in subparagraph (1)(c) above shall be subject to a discount of twenty percent (20%) instead of ten percent (10%).

(2) [Deleted.]

(3) Programs broadcast on a sustaining basis:

(i) The writer of a program broadcast on a sustaining basis, *i.e.*, without commercial sponsorship, shall be entitled to compensation at the rate of seventy percent (70%) of the applicable minimum basic compensation for a commercial program pursuant to subparagraph (1) above.

(ii) If a writer is engaged to write two (2) or more programs during the week, then if one (1) or more such programs is sponsored by one (1) or more sponsors, or if the program is a co-op program (*i.e.*, a program fed as a network program on which there are no network commercial announcements sold but on which the local stations may sell local commercial announcements), and if a local commercial announcement is broadcast during the time period in which the network program is broadcast, then such program shall be deemed commercial and the writer shall be compensated for all purposes herein pursuant to the commercial program rate. Notwithstanding the foregoing, material for a co-op program broadcast by the network only during periods when local commercial or other announcements may be or are broadcast by local stations shall be deemed sustaining

material if the writer has written no other material for such program.

(4) [Deleted - See Article 13.B.7.i.]

(5) The provisions of Article 13.B.7. shall apply.

c. Segment Rate[10]

Writers who are employed to write segments for use on programs meeting the requirements of subparagraph 6.a. may, at the option of the Company, be paid in accordance with subparagraph 6.c. rather than in accordance with the otherwise applicable provisions of this subparagraph 6. In order to utilize this section, the Company (1) must apply this section to all writers employed on the program or, in the case of a program series, the individual episode; and (2) must inform such writers no later than the time of assignment to the program that this section is being utilized.

As to any single non-dramatic program or any program of a non-dramatic television series thirty (30) minutes or more in length (other than comedy-variety and quiz and audience participation programs) which consists of self-contained segments of various lengths (whether or not such segments are intercut within each program), on which writers are employed to perform services on individual segment(s) only, the aggregate minimum compensation shall be as follows:

If only one (1) writer (or team of two) is employed, minimum compensation to such writer shall be one hundred percent (100%) of the applicable program minimum set forth in subparagraph 6.a. above. If two (2) writers (or teams of two) are employed, the aggregate minimum to both writers combined shall be one hundred seventy-five percent (175%) of the applicable program minimum set forth in subparagraph 6.a. above. If three (3) writers (or teams of two) are

[10] The parties have agreed that, during the term of this 2020 WGA-AMPTP Agreement, these rates may not be used unless the Company gives the Guild written notice of its intention to produce a program under this subparagraph 6.c. no later than thirty (30) days prior to the commencement of such program's production. Such notice shall fully set forth a description of the program and the quantity and type of material to be written for such program. If the Guild disputes the Company's characterization of the program or material to be written, it shall promptly notify the Company, and the parties shall meet to discuss the matter. If the parties do not reach agreement on the program's classification, the parties retain their respective rights under this Agreement. If a Company or the Guild desires to terminate this provision it may do so upon one hundred twenty (120) days written notice to the other. However, a program or series produced or in production pursuant to such provisions shall remain subject thereto.

employed, the aggregate minimum to the writers shall be two hundred percent (200%) of the applicable minimum set forth in subparagraph 6.a. above. For each additional writer (or team of two) employed, the combined minimum shall be increased by an amount equal to fifty percent (50%) of such applicable program minimum.

Writers employed to write segments for use in such programs shall be compensated at the following rates:

Total Length of Program	**Length of Segment**	**Segment Compensation as Percentage of Aggregate Minimum Compensation**
30 min. or less	3 min. or less 5 min. or less (over 3) 10 min. or less (over 5) 15 min. or less (over 10)	10% 15% 30% 40%
60 min. or less (but more than 30 min.)	8 min. or less 15 min. or less (over 8) 20 min. or less (over 15) 30 min. or less (over 20)	16⅔% 20% 25% 40%
90 min. or less (but more than 60 min.)	8 min. or less 15 min. or less (over 8) 20 min. or less (over 15) 30 min. or less (over 20) 60 min. or less (over 30)	10% 12½% 16⅔% 27½% 40%
120 min. or less (but more than 90 min.)	8 min. or less 15 min. or less (over 8) 20 min. or less (over 15) 30 min. or less (over 20) 60 min. or less (over 30)	8⅓% 10% 12½% 20% 30%

Should the total minimum compensation payable to the writers of the segments pursuant to the schedule immediately above be less than the aggregate minimum compensation specified above, the difference shall be distributed among the segment writers in proportion to the segment compensation set forth above. In said distribution, the Company may credit to an individual writer any overscale payment paid to such writer.

With respect to a one-time non-dramatic program, the applicable minimum compensation provided for herein shall entitle the Company to the writer's services for a period not to exceed one (1) week on a program of fifteen (15) minutes or less in length, three (3) consecutive

weeks on a program of forty-five (45) (but more than fifteen (15)) minutes or less in length, four (4) consecutive weeks on a program of sixty (60) (but more than forty-five (45)) minutes in length or less, four and one-half (4½) consecutive weeks on a program of seventy-five (75) (but more than sixty (60)) minutes in length or less, five (5) consecutive weeks on a program of ninety (90) (but more than seventy-five (75)) minutes or less in length, or six (6) consecutive weeks on a program of more than ninety (90) minutes in length. Should the writer's services be required for a period in excess of such time periods, the writer will be compensated at not less than the individual writer's weekly minimum as set forth in subparagraph b.(1)(c) above for writers employed under a minimum series commitment. If, because of circumstances, it is not feasible to provide for a consecutive span of employment, the Guild will not unreasonably deny waivers of the foregoing provision.

With respect to such programs, the following provisions will be incorporated into appropriate sections of the MBA:

(1) The applicable minimums for rewrites and polishes shall be thirty percent (30%) of the segment minimum as determined in accordance with the above formula.

(2) Separation of rights, if applicable, shall apply to each segment, excluding only those elements (continuing characters, etc.) which are part of the continuing series format.

(3) The minimum compensation as computed above for each writer shall be the basis for calculation of all rerun, foreign telecast and theatrical exhibition payments required under the 2020 WGA-AMPTP MBA, including the use of a segment in a new or recombined program of the same series.

(4) Writing credits for each individual segment, identified by segment title, shall be provided to the Guild on the Notice of Tentative Writing Credits but need not be so identified on screen. In addition, the notice shall indicate the number of previous runs of that segment, if any.

(5) The provisions of Article 13.B.7.a. (applicable time period) may not be utilized unless all segments, other than the segment consisting solely of lead-in, lead-out and bridging material, qualify for the applicable time period.

7. Compensation Provisions Applicable to Television Programs Covered by Appendix A (Other than Documentary)

a. Applicable Time Period

When fifty percent (50%) or less of a television program is intended to consist of material written by a writer or writers, the applicable minimum compensation shall be the minimum basic compensation applicable to the time period actually consumed by the material but no less than the minimum time bracket indicated:

Prime Time Comedy-Variety, One Per Week or Less:

Length of Program	**Minimum Time Bracket**
15 minutes or less	10 minutes
Over 15 minutes (but less than 60 minutes)[11]	15 minutes
60 minutes or over	30 minutes

All Other Programs Covered by This Subparagraph 7.:

Length of Program	**Minimum Time Bracket**
15 minutes or less	10 minutes
Over 15 minutes (but not over 60 minutes)	15 minutes
Over 60 minutes	30 minutes

This provision shall not apply to sketches.

b. Discounts for Non-Cancellable Contracts

For any writer who is employed under a term contract non-cancellable for thirteen (13) or more weeks, the applicable minimum basic compensation is subject to a ten percent (10%) discount.

[11] It is understood that in this context, a "60-minute program" is a program scheduled for a one-hour time period.

c. Rewrites and Polishes and Extensive Revisions

(1) Rewrites: For all scripts for programs other than serials, the minimum compensation for a rewrite shall be forty percent (40%) of the appropriate minimum set forth above.

(2) Polishes: For all scripts for programs other than serials, the minimum compensation for a polish shall be twenty percent (20%) of the appropriate minimum set forth above.

(3) Rewrites and Polishes for Serials: For serials, the minimum compensation for a rewrite or a polish (either or both of which are commonly referred to as "editing" in the serial production field) if done by someone other than a head writer or a writer functioning under subparagraph 5.a.(9) above shall be thirty percent (30%) of the appropriate script or breakdown minimum, whichever shall apply.

(4) Extensive Revisions: The minimum compensation for an extensive script revision shall be seventy percent (70%) of the appropriate minimum set forth above.

d. Assigned Outlines

(1) When the Company assigns a writer to prepare an outline, the Company may only require an "assigned outline," which shall mean material for use on a program or a portion or portions thereof developed to the point of indicating characterization and plot line, but not inclusive of sample dialogue. Nothing in this Appendix A shall permit the Company to require a "step outline."

(2) The compensation for an "assigned outline" shall be:

	5/02/20-5/01/21	**5/02/21-5/01/22**	**5/02/22-5/01/23**
Less than 30 minutes	$1,169	$1,198	$1,225
30 minutes or over	1,798	1,843	1,884

If the writer is later employed to write a script from the assigned outline, such compensation may be applied as a credit against the compensation due him/her. If the writer is not assigned to write a

script from the assigned outline, such assigned outline will be returned to the writer and will be his/her property.

(3) With respect to assigned outlines furnished under this subparagraph 7.d. for program series which are then currently being broadcast, the Company shall have no more than thirty (30) days from the receipt of the original assigned outline within which to assign the writer to write a script from such assigned outline.

(4) The Company may require the writer to make such revisions as may be reasonably necessary to conform assigned outlines to the requirements of a particular program.

e. Owned Stations Rates

In lieu of any and all other discounts provided in this Appendix A, for material written for broadcast only on two (2) or more stations owned by the Company, a thirty percent (30%) discount will apply to all of the applicable minimum compensation set forth in this Appendix A.

f. Time of Payment

(1) Not less than twenty percent (20%) of writer's agreed initial compensation shall be paid within fourteen (14) days after the employment commitment is made or, if the Company has mailed or delivered a written contract of employment within five (5) business days after the commitment is made, then within fourteen (14) days after the written contract of employment signed by the writer has been mailed or delivered to the Company. Sixty percent (60%) of the initial compensation shall be paid within eleven (11) days after delivery of the complete script, and the balance within eleven (11) days after delivery of the final script.

(2) The final script shall be deemed to have been delivered when the least of the following number of rewrites has been delivered: (i) the number of rewrites required under the writer's employment contract, (ii) two (2) rewrites, or (iii) the number of rewrites deemed necessary by the Company.

(3) In the case of term writers to whom compensation is to be paid on a weekly basis, each such weekly payment shall be made not later than seven (7) days following the last day of each week of employment.

(4) Compensation for an assigned outline shall be paid not later than eleven (11) days after its delivery.

g. Minimal Writing[12]

When there is minimal writing and the only literary material written for a program is for openings, closings, introductions, questions and/or bridging, the provisions of Article 13.B.6.a. or b. shall apply in lieu of the provisions of any other categories of Appendix A (other than serials). Examples of programs which might utilize this provision are *"Oprah," "Donahue," "Geraldo," "The Montel Williams Show"* and *"An Evening at the Improv,"* for which only lead-ins, bridging, introductions, questions and/or lead-outs are scripted.

h. In no event shall the compensation of a writer employed on a program or series in production prior to May 2, 1995 be reduced by the new provisions in Appendix A.

8. Documentary Programs[13]

Company agrees that the applicable minimum compensation to be paid for writing services or for the acquisition of literary material from a "professional writer," which services or acquisitions are covered by this Agreement, for documentary, news and public affairs programs shall be as set forth herein during the periods designated in Article 13.B.1. above.

The applicable minimum shall be the minimum for each writer, except when two (2) writers agree in good faith (and without suggestion or direction by the Company), prior to offering themselves for employment on the literary material in question, to collaborate as a team, in which event such writers shall be considered a unit, which unit shall receive in the aggregate not less

[12] The parties have agreed that, during the term of this 2020 WGA-AMPTP Agreement, these rates may not be used unless the Company gives the Guild written notice of its intention to produce a program under this paragraph 7.g. no later than thirty (30) days prior to the commencement of such program's production. Such notice shall fully set forth a description of the program and the quantity and type of material to be written for such program. If the Guild disputes the Company's characterization of the program or material to be written, it shall promptly notify the Company, and the parties shall meet to discuss the matter. If the parties do not reach agreement on the program's classification, the parties retain their respective rights under this Agreement. If the Company or the Guild desires to terminate this provision it may do so upon one hundred twenty (120) days written notice to the other. However, a program or series produced or in production pursuant to such provisions shall remain subject thereto.

[13] For convenience, the heading "Documentary Programs" here and elsewhere in this Appendix A includes news and public affairs programs unless the context indicates otherwise.

than the applicable minimum compensation.

With respect to the provisions for increased rates during specified periods, the intent is that as to freelance employment, the rates applicable when the employment is entered into shall apply, except that when an employment is entered into during one period, but is not to start until a subsequent period, the rate applicable during the subsequent period applies.

a. High Budget and Low Budget Motion Pictures

For the purposes of this Article, "High Budget" motion pictures (HB) shall be motion pictures the negative cost of which equals or exceeds the following amounts:

15 minutes or less	$ 50,000
30 minutes or less (but more than 15 minutes)	100,000
60 minutes or less (but more than 30 minutes)	200,000
90 minutes or less (but more than 60 minutes)	300,000
For each additional 30 minutes	100,000

For the purpose of this Article, motion pictures in the following categories whose negative cost is less than the amounts indicated above shall be "Low Budget" motion pictures (LB).

b. Minimum Compensation

Minimum compensation per program when minimum series commitment is not applicable or for purposes of subparagraph (5) below.

(1) Story and Telescript when the same writer(s) prepare both, for all covered programs (except news programs):

Program Length in Minutes	5/02/20 - 5/01/21		5/02/21 - 5/01/22		5/02/22 - 5/01/23	
	LB	HB	LB	HB	LB	HB
10 or less	$ 4,552	$ 5,348	$ 4,666	$ 5,482	$ 4,771	$ 5,605
15 or less	6,644	7,813	6,810	8,008	6,963	8,188
30 or less	11,054	14,304	11,330	14,662	11,585	14,992
60 or less[13]	20,972	26,031	21,496	26,682	21,980	27,282
90 or less	30,800	37,718	31,570	38,661	32,280	39,531
120 or less	40,674	49,421	41,691	50,657	42,629	51,797

(2) Story Only rates for all covered programs (except news programs):

Program Length in Minutes	5/02/20 - 5/01/21		5/02/21 - 5/01/22		5/02/22 - 5/01/23	
	LB	HB	LB	HB	LB	HB
10 or less	$1,321	$ 1,470	$1,354	$ 1,507	$ 1,384	$ 1,541
15 or less	1,949	2,151	1,998	2,205	2,043	2,255
30 or less	3,219	3,888	3,299	3,985	3,373	4,075
60 or less	6,100	7,301	6,253	7,484	6,394	7,652
90 or less	8,980	10,709	9,205	10,977	9,412	11,224
120 or less	11,865	14,114	12,162	14,467	12,436	14,793

[13] For a writer (excluding a "writing team") of a story and telescript for a sixty (60) minute single, stand-alone documentary program that is not part of a series, the Company shall contribute, in addition to the amount required under Article 17, an amount, if needed, which will entitle such writer to a full year of health coverage. In no event shall the Company be required to make such additional contributions if such writer is otherwise eligible for coverage under the Writers Guild-Industry Health Fund or any other health plan. Further, the Company shall not be required to contribute such additional amount until the writer has provided the Company with a statement attesting to lack of coverage under any other health plan together with written verification from the Writers Guild-Industry Health Fund of the need for such additional contributions to provide the coverage.

(3) Telescript Only rates for all covered programs (except news programs):

Program Length in Minutes	5/02/20 - 5/01/21		5/02/21 - 5/01/22		5/02/22 - 5/01/23	
	LB	HB	LB	HB	LB	HB
10 or less	$ 3,366	$ 4,596	$ 3,450	$ 4,711	$ 3,528	$ 4,817
15 or less	4,918	6,719	5,041	6,887	5,154	7,042
30 or less	8,378	11,147	8,587	11,426	8,780	11,683
60 or less	15,989	21,163	16,389	21,692	16,758	22,180
90 or less	23,606	31,143	24,196	31,922	24,740	32,640
120 or less	31,230	41,131	32,011	42,159	32,731	43,108

(4) News Programs

(a) Commercial

(i) For a writer employed on a five (5) times per week basis on a news program broadcast as a strip five (5) times per week, the minimum basic compensation shall be as follows:

Program Length in Minutes	5/02/20 - 5/01/21		5/02/21 - 5/01/22		5/02/22 - 5/01/23	
	(1)*	(2)**	(1)*	(2)**	(1)*	(2)**
5 or less	$1,735	$2,839	$1,770	$2,896	$1,801	$2,947
10 or less	2,295	3,810	2,341	3,886	2,382	3,954
15 or less	2,889	4,589	2,947	4,681	2,999	4,763
30 or less	3,619	5,242	3,691	5,347	3,756	5,441
60 or less	4,407	6,328	4,495	6,455	4,574	6,568
90 or less	5,191	7,416	5,295	7,564	5,388	7,696
120 or less	5,974	8,503	6,093	8,673	6,200	8,825

* This rate is for strip programs which run once per day
** This rate is for strip programs which run twice per day

(ii) For a writer employed on a strip news program on a

basis other than five (5) times per week, the applicable minimum compensation payable shall be computed as a percentage of the applicable minimum compensation for programs broadcast five (5) times per week, in accordance with the following schedule:

Number of Programs	Applicable Percentage
1 time per week	25%
2 times per week	40%
3 times per week	60%
4 times per week	80%
6 times per week	120%
7 times per week	140%

(iii) The rate for a single news program script shall be:

Program Length	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
5 minutes or less	$ 1,730	$ 1,765	$ 1,796
10 minutes or less	3,453	3,522	3,584
15 minutes or less	4,881	4,979	5,066
30 minutes or less	9,752	9,947	10,121
45 minutes or less	11,474	11,703	11,908
60 minutes or less	14,632	14,925	15,186
75 minutes or less	16,931	17,270	17,572
90 minutes or less	20,669	21,082	21,451

For programs in excess of ninety (90) minutes, the minimum basic compensation shall be the applicable sixty (60) minute rate plus, for each half hour or fraction thereof in excess of sixty (60) minutes, the difference between the applicable sixty (60) minute rate and the applicable thirty (30) minute rate.

The Guild agrees that notwithstanding any grievance

settlement(s), arbitration award(s) and/or practices under or provision(s) in this Agreement to the contrary:

(A) the applicable minimum compensation required by this Agreement for writing services on a segment of a prime time news magazine program with multiple segments (*e.g., "20/20," "Primetime"*) shall be the single news program script rate for a program of 15 minutes or less; provided that if the material written by a writer on such program exceeds fifteen (15) minutes in running time, the applicable minimum compensation shall be the 30 minutes or less rate;

(B) the Company shall have fulfilled its obligation for the applicable minimum compensation set forth in subparagraph (A) above by payment, offset or crediting of this amount against any payments which the employee receives from the Company for services as a producer on that program; and

(C) the Company shall make contributions to the Pension Plan and Health Fund in accordance with Article 17 based on the applicable minimum compensation set forth in subparagraph (A) above, or on the appropriate percentage of such compensation for reruns, as applicable, except that the Company shall not be required to make contributions on the compensation of staff producers who perform writing services for news programs pursuant to this provision and who are eligible to receive Company health and retirement benefits generally available to the Company's staff employees.

(b) Sustaining - Seventy percent (70%) of the applicable figures in subparagraph (4)(a) above.

(5) (a) Minimum Series Commitment - Aggregate

The formulas (using the applicable base rate in this Article 13.B.8.), conditions of employment (including the footnotes) and individual writer minimums in Articles 13.B.6.a.(1)(b) and 6.b.(1)(c) may be utilized to employ writers pursuant to this Article 13.B.8.

(b) Segment Formula

The provisions of Article 13.B.6.c. (using the applicable base rate in this Article 13.B.8.) may be utilized to employ writers pursuant to this Article 13.B.8. when different writers are employed to perform services on individual segment(s) only of a program covered by this Article 13.B.8.

c. Narrative Synopsis of Story

In order to determine the suitability of a story for telescript purposes, Company may request writer to prepare a narrative synopsis thereof of reasonable length (utilizing a storyline contributed by writer) subject to the following terms and conditions:

(1) The minimum compensation for the preparation of such synopsis shall be as follows:

Program Length	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
15 minutes or less	$1,557	$1,596	$1,632
30 minutes or less	2,588	2,653	2,713
60 minutes or less	4,918	5,041	5,154
90 minutes or less	7,232	7,413	7,580

(2) Company shall have the right, by giving writer notice to such effect within fourteen (14) days after the date of delivery of such synopsis, to employ writer to prepare a telescript based thereon. If Company exercises such right, the compensation paid for the synopsis shall be deemed an advance against the total compensation payable with respect to such telescript, the minimum with respect to which shall be as set forth in subparagraph 8.b. of this Appendix A.

(3) If Company does not exercise the right described in subparagraph 8.c.(2) above, Company shall, not later than the end of the fourteen (14) day period described in subparagraph 8.c.(2) above, return the synopsis to the writer who shall, in such event, retain all his/her right, title and interest in the literary material contained in such synopsis except to the extent that any program format, characterizations of personalities, if any, name or title belonging to Company or to any third person were incorporated in the synopsis, it being the intent of this provision that the writer shall in any event be free to use, license or dispose of the literary material contained in such synopsis to the extent that the same can be done without using elements belonging to Company or to a third person as above set forth.

(4) Company shall sign and deliver to the writer, on the date of hiring, a document stating that Company has employed writer to prepare a synopsis pursuant hereto and that the conditions of such employment are upon terms not less favorable than those provided by this subparagraph 8.c.

d. Rewrite or Polish Minimum Compensation

Company shall pay not less than the following minimum compensation with respect to rewrites or polishes of telescripts:

Program Length	**Rewrite or Polish**		
Low Budget	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
15 minutes or less	$ 2,457	$ 2,518	$ 2,575
30 minutes or less	4,198	4,303	4,400
60 minutes or less	7,731	7,924	8,102
90 minutes or less	11,811	12,106	12,378
120 minutes or less	15,896	16,293	16,660

Program Length	Rewrite or Polish		
High Budget	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
15 minutes or less	$ 3,355	$ 3,439	$ 3,516
30 minutes or less	5,587	5,727	5,856
60 minutes or less	10,570	10,834	11,078
90 minutes or less	15,578	15,967	16,326
120 minutes or less	20,579	21,093	21,568

e. Applicable Time Period

When fifty percent (50%) or less of a news, documentary or public affairs program covered by this Appendix A is intended to consist of material written by a writer or writers, the applicable minimum compensation shall be the minimum basic compensation applicable to the time period actually consumed by the material but no less than the minimum time bracket indicated:

Length of Program	Minimum Time Bracket
15 minutes or less	length of entire film
Over 15 minutes, but not over 60 minutes	15 minutes
Over 60 minutes	30 minutes

However, if a writer writes the story and telescript for a one (1) hour documentary program, the minimum time bracket shall be thirty (30) minutes.

f. Local Programs

For covered local programs, *i.e.*, those produced for local television broadcast in New York or Los Angeles, Company shall pay twenty-five percent (25%) of the applicable minimum compensation provided for above in this subparagraph 8.

g. Reading Time for Writers Employed in Additional Staff Capacity

As to a writer who is also employed by the Company as a staff employee in another capacity or capacities, the time within which revisions may be requested shall be negotiated between the Company and the writer and included in the individual contract, but in no event shall such time period be in excess of fifty-two (52) weeks after writer's first submission of any material.

h. Minimal Writing[15]

When there is minimal writing and the only literary material written for a program is for openings, closings, introductions, questions and/or bridging, the provisions of Article 13.B.6.a. or b. shall apply in lieu of the provisions of any other categories of Appendix A (other than serials). For examples and descriptions of programs with minimal writing, see Article 13.B.7.g.

i. In no event shall the compensation of a writer employed on a program or series in production prior to May 2, 1995 be reduced by the new provisions in Appendix A.

Article 14. Writers Also Employed in Additional Capacities

It is understood that Article 14 of the Basic Agreement shall have no application to services of any kind rendered by persons employed as writers and/or in other capacities on programs covered by this Appendix A.

[15] The parties have agreed that, during the term of this 2020 Agreement, these rates may not be used unless the Company gives the Guild written notice of its intention to produce a program under this subparagraph 8.h. no later than thirty (30) days prior to the commencement of such program's production. Such notice shall fully set forth a description of the program and the quantity and type of material to be written for such program. If the Guild disputes the Company's characterization of the program or material to be written, it shall promptly notify the Company, and the parties shall meet to discuss the matter. If the parties do not reach agreement on the program's classification, the parties retain their respective rights under this Agreement. If the Company or the Guild desires to terminate this provision it may do so upon one hundred twenty (120) days written notice to the other. However, a program or series produced or in production pursuant to such provisions shall remain subject thereto.

Article 15. Television Exhibition

Article 15.B. shall provide with respect to programs covered by this Appendix A:[16]

1. Generally

a. Application of Article 15.B.

Except to the extent expressly provided for in this Appendix A, the minimum compensation for reruns and foreign telecasts of television programs covered by this Appendix A shall be computed according to the formula set forth in subparagraphs 1. and 2. of Article 15.B.

The "applicable minimum compensation" is the minimum salary or amount required to be paid, under the provisions of this Agreement, for the type of program involved. Except to the extent otherwise provided in this section, references in Article 15.B. to television "film(s)" or "motion picture(s)" shall be deemed to refer to television "program(s)."

b. (1) The provisions of Article 15.B.1.b.(2)(a) (reruns over television network in prime time) shall not apply to programs covered by this Appendix A.

(2) No residuals shall be payable during the first season of a non-network syndicated non-dramatic series with a budget of (a) $200,000 or less per episode for series with episodes between 16 and 30 minutes in length, or (b) $300,000 or less per episode for series with episodes between 31 and 60 minutes in length. During the second season of such series, residuals shall be payable at fifty percent (50%) of the amount otherwise due under Article 15.B.1.b.(2)(c) of the MBA. During the third and each subsequent season of such series, residuals shall be payable as provided in Article 15.B.1.b.(2)(c) of the MBA.

c. Allocation

(1) If more than one writer shares a story credit or teleplay credit or story and teleplay credit on a program other than a comedy-variety program, then all writers sharing each such credit shall be considered a unit and shall participate equally and receive in the aggregate the rerun payments and foreign telecast payments applicable thereto.

[16] See also the provisions of the Sideletter to Article 15.B., Appendix A, Appendix B and Appendix C Re: License of Free Television, Basic Cable or Pay Television Motion Pictures to Secondary Digital Channels at page 631 and Sideletter Re: Syndication Licenses for Canada Only at page 634.

(2) In the case of a comedy-variety program or other program category for which the minimum series commitment is applicable, writers receiving credit in connection with the weekly unit of such program(s) (other than for self-contained portion(s)) shall share in such rerun and foreign telecast payments in the same ratio that their initial compensation each bore to the other. Such amounts shall be determined as follows: First, the minimum applicable aggregate compensation for said weekly unit shall be multiplied by a fraction whose numerator shall be the amount of each of such individual writer's compensation for the weekly unit of programs and whose denominator shall be the aggregate compensation that was paid to all writers for the weekly unit of programs. Then, such resultant amount shall be multiplied by a fraction whose numerator shall be the number one (1) and whose denominator shall be the number of programs in the original weekly unit. Such amount shall then be multiplied by the appropriate percentage of applicable minimum compensation set forth above for the applicable rerun or foreign telecast.

(3) With reference to programs described in subparagraph c.(2) above, unless such program is part of a comedy-variety series which first commenced broadcasting before March 2, 1981, the Guild shall have the right to adopt a different formula for allocation of the above payments. In the event that the Guild does adopt such different formula, the Guild will notify the Companies of such formula and such different formula shall be applicable only to comedy-variety programs on which all writers are first contracted subsequent to the date of such notice. It is agreed that such substitute formula shall in no way increase the total aggregate payments which would be payable to credited writers with respect to such uses of any such program.

d. Use by Armed Forces. Non-commercial broadcast of material written hereunder by any of the Armed Forces of the United States over Armed Forces stations, or exhibition by the Armed Forces to non-paying audiences consisting predominantly of members of the Armed Forces, shall not be deemed a run or a foreign telecast hereunder. Such broadcast or exhibition shall be restricted to localities outside the continental United States.

e. Notwithstanding anything to the contrary in Article 15 or elsewhere in the Basic Agreement, Company shall have the right to make the "Incidental Uses" of program material covered by this Appendix A described in Article 16.B.4. hereof without making rerun or foreign telecast payments hereunder.

2. Comedy-Variety Programs - Prime Time, Once a Week or Less

a. The minimum compensation for reruns of a comedy-variety program produced for prime time network broadcast on a basis of once a week or less shall be the following percentage of the applicable minimum basic compensation pursuant to Appendix A:

(1) For the second run, 100%
(2) For the third run in prime time, 100%;
in other than prime time, 75%
(3) For the fourth run, 50%
(4) For the fifth run, 50%
(5) For the sixth run, 25%
(6) For the seventh run, 10%
(7) For each subsequent run thereafter, 5%

b. As to such programs, the restriction on application of excess pursuant to Article 15.B.3. shall apply only to that part of a writer's initial compensation which is at or less than one hundred fifty percent (150%) of the applicable minimum compensation herein set forth.

c. In the event such television program is telecast in any part of the world outside the United States and Canada, the writer(s) shall be paid additional compensation for such foreign telecasting pursuant to the percentage formula set forth in Article 15.B.2. hereof, applied to the minimum compensation figures for a story and/or teleplay pursuant to Article 13.B.7.a. through c. of this Agreement. When there is a minimum variety show commitment, if two (2) writers were employed on the program, the aggregate applicable minimum compensation is to be one hundred fifty percent (150%) of the applicable minimum for one (1) writer, and for each additional writer employed on the program, the combined minimum figure is to be arrived at by increasing the applicable minimum for two (2) writers by an additional twenty-five percent (25%).

d. With respect to a comedy-variety program produced by the Company, the Company, on request from the Guild, will notify the Guild as to any license to a distributor for syndication of such program in a foreign area, as defined in this Agreement. Such notice will include the name of the licensee and the foreign areas authorized in the license.

3. Non-Prime Time Serials

a. Character payments

(1) A footnote shall be added to Article 15.B.14.h. to read:

h. Character Payments*

*Note that as to characters from non-prime time serials subject to this Agreement, which serials were first broadcast prior to February 14, 1973 and which characters were created between February 14, 1973 (the "effective date") and March 2, 1981, the following special provision applies pursuant to the 1973 and 1977 MBAs:

If a writer on or after such effective date creates a character (which shall include a characterization) which is, as between the Company and the writer, essentially the sole original creation of the writer and is written into the material for the serial, is distinctive and identifiable in the sense that it embodies a combination of characteristics which as a whole is not common to and therefore sets it apart from any other character as a whole; and as to which the writer has submitted in writing, no later than the time at which the writer delivers the material written for the serial in which the character is introduced, to the Company a detailed characterization of any character which he claims to be his original creation, as aforesaid, including the interplay between that character and other characters in the serial; and if the character is subsequently extracted from that serial by the Company, or its assignee, licensee or successor in interest and used as the principal character (or as the co-equal leading character) in a new serial, the Company shall pay to the writer(s) who created such character the sum of one hundred dollars ($100.00) per week for each week during which the new series or serial is broadcast, up to a maximum of ten thousand dollars ($10,000.00). If such character is created by more than one (1) writer, such payment shall be divided equally among such writers unless such writers file with the Company a written statement setting forth a different division.

If a character used by the Company in good faith embodies one (1) or more essential characteristics not embodied in a character originally created by the writer, or in good faith does not embody one (1) or more essential characteristics embodied in a character originally created by the writer and

which addition or deletion creates a significant personality change in such character, such character shall not be deemed to be the character originally created by the writer.

(2) Additional compensation for uses of serial material as set forth in Article 15.B.14., except for the character payments in subparagraph h., may be bought out by negotiation subject to payment of the applicable "upset price" set forth in Article 16.B.5.

b. Flashbacks - Non-Prime Time Serials

The Company may use an excerpt from a non-prime time serial as a flashback without payment of additional compensation, except as set forth below in this subparagraph b.

(1) A writer of material used in an excerpt who is not employed on the serial at the time such excerpt is inserted shall be entitled to compensation as follows:

(a) For a flashback one (1) minute in length or less, such writer shall be entitled to the sum of fifty dollars ($50.00) (fifty-two dollars ($52.00) effective May 2, 2021).

(b) For a flashback more than one (1) minute in length and up to three (3) minutes in length, such writer shall be entitled to the sum of one hundred dollars ($100.00) (one hundred three dollars ($103.00) effective May 2, 2021).

(c) For a flashback more than three (3) minutes in length, such writer shall be entitled to rerun compensation based on the percentage formula contained in Article 15.B.1.b. hereof applied to that writer's applicable minimum compensation for the program prorated on a daily basis. (For instance, the head writer's applicable minimum compensation would be computed on the basis of one-fifth of the head writer's weekly minimum compensation, and the script writer's applicable minimum compensation would be computed on the script writer's daily script minimum.)

(2) A writer of material used in an excerpt who at the time of such use is employed on the serial but is not a writer of the episode into which such excerpt is inserted shall be entitled to compensation as follows:

(a) For a flashback less than one (1) minute in length, no compensation is due.

(b) For a flashback one (1) minute or more but less than three (3) minutes in length, such writer shall be entitled to the sum of fifty dollars ($50.00) (fifty-two dollars ($52.00) effective May 2, 2021).

(c) For a flashback three (3) minutes or more in length, such writer shall be entitled to the sum of one hundred dollars ($100.00) (one hundred three dollars ($103.00) effective May 2, 2021).

(3) It is understood that standard openings and closings shall not be construed as "flashbacks."

c. Except as modified by subparagraph b. above, the excerpt formulas in Article 15.B.10. of the 1992 Extension Agreement will apply to the use of excerpts from non-prime time serials covered by Appendix A; provided, however, the provisions of Article 15.B.10.e. of this Basic Agreement relating to compilation programs will apply when excerpts from programs other than Appendix A serials as well as Appendix A serials are used in such compilation program. In all cases, the excerpt fee rates in this Agreement will apply.

3.1. Other Non-Dramatic Programs, Documentary, News and Public Affairs Programs

When utilizing the provisions of Article 13.B.6.a. or b., 13.B.7.h., 13.B.8.b.(5)(a) or 13.B.8.i. of this Appendix A, when a segment is rerun in a new or recombined program of the same series, the segment will have its own run pattern separate from the program in which it was first contained and residuals for the segment shall be paid pursuant to Article 15.B.1.b. and 15.B.2. based on the applicable program minimum for one writer (or team of two) for the program in which the segment was first contained. This formula will not apply when a program is rerun as first broadcast and runs of that program will not affect the run pattern of a segment in a new or recombined program.

4. Documentary Programs

Foreign Telecasts of News Programs

Additional compensation for foreign telecasts of news programs shall be the subject of individual bargaining between the writer and the Company.

5. Application of Article 15.B.10.e. - Compilation Programs

A program that is the fifth episode in a week of a four-day-per-week non-dramatic strip program that regularly has four (4) new episodes per week, or the sixth episode in a week of a five-day-per-week non-dramatic strip program that regularly has five (5) new episodes per week, and the fifth or sixth episode consists mainly of excerpts from that week's other episodes, shall not be considered a "compilation" television program. Instead, the writer(s) of the excerpted material shall be paid, in lieu of all other compensation, an aggregate sum equal to the applicable minimum compensation for a fifth or sixth episode of the program, prorated as determined by the Guild. The fifth or sixth episode shall be treated as a regular episode of the series, and will be subject to reuse fees as would any other episode.

6. Application of Article 15.B.14.

It is understood that Article 15.B.14. shall have no application to comedy-variety, quiz and audience participation, or other non-dramatic programs (including non-dramatic children's programs) (other than documentary), or to news and public affairs programs.

7. Radio Use of Simulcast Programs

For a reuse on radio only, the minimum compensation shall be the applicable reuse fee as set forth in the applicable WGA Radio Freelance Minimum Basic Agreement. When a television motion picture to which the provisions of this Basic Agreement apply is simulcast via radio, the Company shall pay the credited writer or writers aggregate compensation of one and two-tenths percent (1.2%) of the Company's accountable receipts, as such term is defined in Article 51.C., derived from licensing the right to radio simulcast the television motion picture.

8. West Coast Rerun of Awards Program

In the event of a limited West Coast rerun of an awards program which has aired live and then is rerun beginning on the same day as the live broadcast, the residual payment shall be one-third of what would otherwise be payable.

Article 16. Separation of Rights

Article 16.B. shall provide in part:

1. Comedy-Variety Programs

a. The provisions of Article 16.B.4. shall apply to any sketch or routine included in a comedy-variety program, but not with respect to the following elements: the context, central premises and continuing framework of the series and its established segments; series, program or established segment titles or other identifying devices; and characters or characterizations, unless such characters or characterizations were created by the writer and meet the criteria for sketch sequelization payments.

Those segments, characters and characterizations created by the writer which meet the criteria for sketch sequelization payments set forth in the second paragraph of Article 16.B.4. shall be governed by the provisions of such paragraph.

b. Except as provided in this subparagraph 1., Article 16 shall not apply to comedy-variety programs and the Company shall own all of the rights in materials for comedy-variety programs of any nature or description whatever.

c. The following statement of position pertains to material written under the 1973 and 1977 Agreements:

4. Sketches and Routines

As to rights in material for comedy-variety programs written under either the 1973 or 1977 WGA-Networks Basic Agreement, the parties thereto reserve the respective positions previously maintained by each of them. Nothing in this Agreement shall prejudice the assertion of rights by either party in comedy-variety program material written under the aforesaid prior Agreements.

2. Serials (Non-Prime Time)

a. Notwithstanding any provisions of Article 16.B. to the contrary, the writer or writers having separated rights in a serial broadcast in other than prime time shall have no right to dispose of or exploit any of the following reserved rights until six (6) months after the date on which the last broadcast of such serial occurs:

(1) The theatrical motion picture rights;
(2) The (reserved) television rights;
(3) The radio rights;
(4) The merchandising rights;
(5) The right to dispose of or exploit any separated rights in "Supplemental Markets," as defined in Article 51.

The Company may block disposition or exploitation of all other reserved rights (*e.g.*, dramatic, publication, recording, transcription and subsidiary rights) until six (6) months after the date of the last broadcast of the serial, if at the time of employment the Company shall make a payment designated for that purpose of not less than the applicable sum set forth below to a writer or team of writers having separated rights in a serial.

Program Length	**Effective**		
	5/02/20-5/01/21	**5/02/21-5/01/22**	**5/02/22-5/01/23**
15 minutes	$ 5,681	$ 5,823	$ 5,954
30 minutes	7,577	7,766	7,941
45 minutes	9,467	9,704	9,922
60 minutes	11,360	11,644	11,906
90 minutes	15,146	15,525	15,874

b. The upset price for a format for a serial intended for network broadcast in other than prime time shall be four (4) times the applicable minimum for such a format, and the upset price for a bible for such a serial shall be twice the applicable minimum for such bible. The upset price paid for a format or bible for such a serial shall include compensation for the writing of story projections.

c. Notwithstanding the provisions of Article 16.B., separation of rights in a new serial which is a spin-off from another serial shall apply only to such a serial spun off from a serial created or established after February 14, 1973.

d. The applicable television series sequel rights payments due a writer entitled to separation of rights for a serial broadcast more than once a week shall be, for each week of production and broadcast of such serial, the amount applicable pursuant to Article 16.B.2. to a single television episode.

3. Quiz and Audience Participation Programs

It is understood that the Company shall own all of the rights in materials for quiz or audience participation programs of any nature or description whatever.

4. "Incidental Uses" of Material

Notwithstanding anything to the contrary in Articles 15, 16 or 51 or elsewhere in this Agreement, Company shall have the right to make the following uses of material covered by this Appendix A without making any payment in addition to the initial compensation therefor:

a. To modify or revise such material; to include or integrate it with other material or literary works for television broadcast use, including simulcast; to read, rehearse, and reproduce it; to record it on film or otherwise for the purpose of (1) insertion as part of a program, (2) making a simulcast (including any recorded insertion) if the broadcast use contracted for is a simulcast, and (3) audition, reference, and file; and to make such other uses of it which are not inconsistent with the terms of this contract and which are reasonably necessary or desirable in order fully to give effect to such broadcast use.

b. To use the material in advertising and publicity material in connection with the program; to broadcast, over the same facilities as the program is broadcast, excerpts of recordings of material in the form of promotional announcements and/or trailers.

c. To furnish recordings of the material to advertisers and/or advertising agencies for non-broadcast showings for advertising and promotional purposes to sponsor's employees, trade, business and similar groups (as distinguished from the general public) for which no admission fee is charged.

d. To publish or authorize publication for distribution by the Company of excerpts from, or summaries of, the material (accompanied by appropriate credit to the writer), at any time for promotional purposes, provided no charge is made and provided that not more than one-third of the actual number of words (exclusive of commercial messages, stage directions and the like) is used, and provided that in the case of promotional purposes for distribution solely within the broadcast industry, not more than two-thirds of the actual words (as aforesaid) are used. In the event that any material is used as provided in this paragraph, there shall be included in each copy of the material so used the usual notice of copyright in the name of the Company or the writer(s) as may be mutually agreed upon in writing

between the Company and the writer(s) in the employment agreement or at any time prior to such use.

The rights defined in this subparagraph d. shall terminate if the writer has the right to enter and has entered into a *bona fide* contract for serial, book or other publication and has so notified the Company in writing.

e. To authorize others to use recordings of the material for direct projection exhibition in film festivals and competitions (but not in any theater, auditorium or other place if an admission fee is charged for such exhibition) and only if the Company does not derive profit from such use.

f. To furnish to individuals, clubs or religious, educational, charitable or business organizations, for study or discussion purposes, copies of transcripts of public affairs programs on provocative or controversial issues, if the material written by the employee represents less than twenty-five percent (25%) of the program.

Article 17. Pension Plan and Health Fund

The terms "initial compensation" and "minimum initial compensation," as used in Article 17.B. of the Basic Agreement, shall be modified as to programs covered by this Appendix A to include the minimum initial compensation computed at the rates specified in and pursuant to Article 13 hereof.

Article 19. Use and Delivery of Standard Form Contracts

As to the programs covered by this Appendix A, the procedures set forth in the Attachment shall apply in lieu of Article 19.C., with respect to assignments and individual contracts.

Article 20. Speculative Writing

It is understood that the provisions of Article 20.B.3. and 4. shall be inapplicable to news, documentary and public affairs programs and, in lieu thereof, the provisions of paragraphs 1. and 2. of the Attachment referred to above shall apply thereto.

Article 21. Location Expenses

Article 21 shall provide with respect to news, documentary and public affairs programs:

The air transportation provisions of Article 21 shall apply, except that flight by tourist or higher class of accommodation in a jet or turbo-prop airplane of a scheduled airline is permissible provided that

(a) the scheduled air travel time of such flight is eight (8) hours or less, and

(b) no other employee of the Company working on the same program or assignment as the writer is furnished first-class air accommodation for the same trip (unless such other employee is furnished such first-class accommodation solely by reason of a collective bargaining agreement which has contained such a requirement since prior to April 1, 1963 or solely because no air accommodation other than first class is available).

If any other employee of the Company is furnished first-class air accommodation "solely because no air accommodation other than first class is available" and a writer covered by this Agreement is not furnished first-class accommodation, the Company shall notify the Guild as soon as possible of such fact and shall be required to set forth in such notification all of the facts and circumstances surrounding the furnishing of such first-class air accommodation to such other employee.

Article 22. Term Contracts - Options

The provisions of Article 22 of the Basic Agreement shall not apply to contracts for the services of writers of material for programs covered by this Appendix A.

Article 28. Warranty and Indemnification

As applied to material for news, documentary and public affairs programs, subparagraph A.4. of Article 28 shall read:

4. be required to warrant or indemnify with respect to third party defamation, invasion of privacy or publicity claims, when the writer is requested by the Company to prepare literary materials which are based in whole or in part on any actual individual, whether living or dead, provided writer accurately provides or makes available to Company for review prior to broadcast the information on which such materials are based for the purpose of permitting the Company to evaluate the risks involved in the use of the material supplied by writer.

Article 39. Pilot Screening

It is understood that Article 39 of the Basic Agreement shall have no application to programs covered by this Appendix A.

Article 41. Notices

Article 41 shall provide with respect to programs covered by this Appendix A:

All notices which the Company is required or may desire to serve upon a writer, a claimant, or the Guild, under the provisions of this Basic Agreement, including, but not by way of limitation, the separation of rights provisions of both theatrical and television, shall be addressed to such writer, claimant, or the Guild, in care of the Guild at its principal office in Los Angeles County, California, as to notices with respect to employments, purchases or claims to which California law applies, or as to matters concerning Writers Guild of America, West; or at its principal office in New York City, New York, as to notices with respect to employments, purchases or claims to which New York law applies, or as to matters concerning Writers Guild of America, East. All notices which a writer, a claimant or the Guild is required or may desire to serve upon the Company, under the provisions of this Basic Agreement, shall be addressed to the Company at its headquarters for the production of motion pictures and/or television programs in California or New York, as the case may be.

Such notices may be served by registered mail or telegram. Any notice so mailed, postage prepaid, shall be conclusively deemed to have been received on the second day following deposit if posted within the state to which addressed (California or New York), or on the fifth day following such deposit if posted from outside the state of address but within the continental United States, or on the tenth day following such deposit if posted from a place outside the continental United States. Any notice delivered to a telegraph office, toll prepaid, shall be conclusively deemed to have been received upon the day following such delivery.

Notwithstanding the foregoing, there shall be no presumption of receipt during the period of any strike or work stoppage in the United States mail system.

Article 48. Professional Status of Writers; Writer Participation in the Production Process (General)

J. Committee on the Professional Status of Serial Writers

Article 48 shall provide with respect to serial writers covered by this MBA:

Within sixty (60) days following ratification of this Agreement, the "Committee on the Professional Status of Serial Writers" will hold its first meeting and will meet at least twice a year thereafter, at the call of the WGA or one or more of the Companies. At such meetings, any subject that the Committee members wish to discuss relating to the professional status of serial writers will be a suitable subject for discussion and study, including appropriate recommendations of solutions to problems that arise in the serial writing field.

Article 61.[17] Services Not Covered by This Agreement (Documentary)

A. The Company agrees, with respect to news, documentary and public affairs programs, that if it enters into an agreement with an employee covering both services not covered by this Agreement and also writing services covered by this Agreement, it will pay to the employee a sum in excess of the minimum compensation applicable to the services covered by this Agreement. The Guild agrees that in such case, so long as the amount paid to such employee is in excess of all minimum compensation required to be paid to such employee under this Agreement and so long as the Company does not in fact allocate all of such excess to payment for additional writing services or rights under this Agreement, the Company shall be conclusively presumed to have fulfilled its obligation to pay the applicable minimum compensation required by this Agreement.

B. Notwithstanding Paragraph A. above, the Company shall not have the right to offset the sums which may become due as foreign telecast or Supplemental Markets payments under Articles 15 or 51 of this Agreement against compensation paid to a writer who is employed by the Company under a term contract, which compensation is in excess of minimum compensation for writing services hereunder, unless a portion of such excess compensation is set aside pursuant to subparagraph 1. or 2. below.

1. In the case of an individual employed under a term contract either for writing alone or for the performance of other duties as well, which provides for weekly, monthly, quarterly, semi-annual, or similar overall compensation (all hereinafter referred to as "overall compensation") against which fees for covered writing services may be offset, for which a specific portion of such overall compensation is set aside in such term contract against which only foreign telecast and Supplemental Markets payments pursuant to this Agreement may be offset.

[17] Formerly Article 59 of Appendix A.

2. In the case of an individual employed under a term agreement which provides for overall compensation, but also provides that if such individual from time to time performs services covered by this Agreement, the parties will enter into one or more individual agreements specifically covering such services, but that compensation under such individual agreements may be offset against the overall compensation provided in the term agreement, when either

   a. a specific sum is set aside in the term agreement against which only foreign telecast and Supplemental Markets payments pursuant to this Agreement may be offset; or

   b. a specific sum is set aside in the individual agreements against which only foreign telecast and Supplemental Markets payments pursuant to this Agreement may be offset.

   In either case, no more than four percent (4%) of such overall compensation may be so set aside. If payments due hereunder exceed the portions or sums set aside in subparagraph 1. or 2. above, such excess shall be payable to such writer over and above any such overall compensation.

C. Notwithstanding anything to the contrary herein, no offsetting or crediting of any payment under this Agreement shall be permitted when utilizing the provisions of Articles 13.B.6.a.(1)(b), 13.B.6.b., 13.B.6.c., 13.B.7.g., 13.B.8.b.(5) or 13.B.8.h. of Appendix A. In addition, the provisions of this Article 61 shall not apply to programs produced for basic cable pursuant to the provisions of Appendix C.

Article 67. Options and Exclusivity

Article 67 of the Basic Agreement shall have no application to contracts for the services of writers of material for programs covered by this Appendix A.

Article 68. Parental Leave

Article 68 of the Basic Agreement shall apply to contracts for the services of writers of material for programs covered by this Appendix A.

Article 69. California Sick Leave

Article 69 of the Basic Agreement shall apply to contracts for the services of writers of material for programs covered by this Appendix A.

Article 70. Waiver of Sick Time Laws

Article 70 of the Basic Agreement shall apply to contracts for the services of writers of material for programs covered by this Appendix A.

Article 71. Paid Parental Leave Fund

Article 71 of the Basic Agreement shall apply to contracts for the services of writers of material for programs covered by this Appendix A.

ATTACHMENT TO APPENDIX A

PROCEDURES WITH RESPECT TO ASSIGNMENTS AND INDIVIDUAL CONTRACTS REFERRED TO IN ARTICLES 19 AND 20

1. Each Company will appoint a person or persons authorized to make deals with writers. The Company will make available to the Guild blank copies of form contracts, if any.

2. Any representative of the Company may discuss with a writer the possibility of an assignment, provided that the status of the Company representative is made known to the writer, but in no event shall such assignment be made or undertaken unless such representative is authorized to contract on behalf of the Company.

3. If the writer and such representative of the Company are agreeable to an assignment to the writer being made, the writer (or anyone designated by the writer to make commitments on his/her behalf) and such representative, if he/she is authorized to contract on behalf of the Company, or, if such representative is not authorized to contract on behalf of the Company, then a representative of the Company who is so authorized, will discuss terms of the engagement. The Company shall not request or require of the writer the submission of material or the performance of any writing services prior to discussion and agreement on the terms of the engagement.

4. When the writer and such authorized representative have reached agreement, the assignment will be firm; a formal contract will be forwarded to the writer within ten (10) days; the writer will return the contract, signed, within ten (10) days or within such period will raise objections to specific clauses in the agreement. These time periods shall apply except for extraordinary circumstances.

5. Disputes are to be resolved as rapidly as possible and both parties will endeavor in good faith to have a signed contract in existence prior to the telecast of the material covered.

6. The Company agrees to send the Guild a copy of the executed contract of employment for a writer employed pursuant to Article 13.B.2., Article 13.B.4., Article 13.B.5., Article 13.B.6.a., Article 13.B.6.b. and Article 13.B.8. within one (1) week after its receipt by the Company. If the Guild gives notice in writing to the Company that such contract contains provision(s) less favorable to the writer, or inconsistent with, or violative of, the applicable terms and conditions contained in this Basic Agreement and if that Company fails to make the change so requested within fifteen (15) days after receipt of the Guild's written notice, the difference or controversy may be submitted by either party to grievance and arbitration pursuant to Articles 10 and 11.

   An inadvertent failure by the Company to furnish a copy of such contract shall not constitute a breach of this Basic Agreement.

TELEVISION SCHEDULE C

APPENDIX A

PROGRAM CREDITS (OTHER THAN DOCUMENTARY)

For purposes of this TELEVISION SCHEDULE C, the word "program(s)" means only program(s) covered by Appendix A (other than documentary, news and public affairs programs).

This Schedule C shall amend and modify Television Schedule A of the Basic Agreement. As to material not covered by a correspondingly numbered paragraph of this Schedule C, Television Schedule A of the Basic Agreement shall govern. As to material marked "Television Schedule A is not applicable," or if material in Schedule A is inconsistent with this Schedule C, Schedule A shall not apply. The substance of material marked "Television Schedule A is not applicable" may be covered in other paragraphs of this Schedule C, or may be omitted entirely.

1. a. Subject to the provisions hereof dealing with credit arbitration, on each program for which a writer furnishes material, the Company shall give visual credit (and may, if it elects, give audio credit as well) to such writer, except when the writer prefers otherwise (and provided the Guild consents) or when the special characteristics of the program make it essential not to reveal that the show was written by any person or persons other than the performer.

   b. When material for a program which is broadcast two (2) or more times a week is written by the same writer(s), credit need be given to such writer(s) on such program only once a week. Upon request by the writer(s), the Company shall notify the writer(s), in advance, of the day of the week on which such credit is to be given and shall thereafter continue to give such credit on such day; provided, however, that the Company shall have the right to change such day by giving the writer(s) advance notification thereof.

   Notwithstanding the foregoing, writers writing material for serials broadcast in other than prime time shall be given additional credit as follows:

   (1) Whenever credit is given to the director of the program;

   (2) Additional credit, to be given on such day or days as the Company in its sole discretion may determine, as necessary so that the total credits given shall aggregate not less than two (2) credits per week

overall during each thirteen (13) week cycle of employment; and

(3) Credit in the form "Created by" shall be accorded for a non-prime time serial once per week to the writer(s) entitled to separation of rights therein.

c. When the exigencies of time make the credits herein provided impractical, failure to give such credit shall not be considered a breach of this Agreement.

d. If the producer or the director of the program receives credit alone in frame (on screen), the writer shall also receive credit alone in frame (on screen), provided that all writing credits to writers may be given in the same frame. If roller-type credits are used, the Company shall set the writing credits in such fashion that when they are centered on the screen, no other credit shall be visible.

e. For serial or comedy-variety programs only, credit to the writer shall be immediately before or after that given to the director.

f. Except as provided in subparagraph 1.e. above, all visual credits to writers shall be placed either immediately before or immediately after one of the following:

(1) The most prominent credit to the producer;

(2) The most prominent credit to the director;

(3) The credit to the author of the underlying literary property, if any;

(4) The most prominent credit to the star;

(5) The title (or subtitle) of the program; or

(6) The entertainment portion of the program.

If neither the producer nor the director receives credit on the program, the credit to the writer may be given at any of the other places specified above or either immediately before or immediately after the last commercial.

2. The form of writing credit for programs covered by this Schedule C shall be as follows:

a. Comedy/Variety program:

(1) *"Written by"*;

(2) *"Writers"* (applicable only to programs of the "talk" type such as *"Tonight"* and *"Merv Griffin"*);

(3) When appropriate, *"Special Routines Written by."* Credit for sketches shall be *"Sketch (or Sketches) Written by"* and lyrics, "Lyrics Written by;"

(4) No other form of credit may be given without a Guild waiver, which will not be unreasonably withheld.

Such credits shall be in a readily readable color, size and speed.

Whenever it is proposed that the star on a comedy-variety series be given a writing credit, an automatic credit arbitration shall take place for the first program of the season on which such credit is proposed.

b. Serials: *"Written by,"* listing the names in the following sequences:

(1) Name(s) of head writer(s);

(2) Name(s) of writer(s) of breakdown(s) (if different from the head writer); and

(3) Name(s) of associate writer(s).

c. Quiz and audience participation programs: *"Writers"* or *"Writers of Scripted Material"*; and when appropriate, *"Questions Written by"* or *"Writers of Questions."*

d. All other television programs covered by Appendix A (other than news, documentary and public affairs):

(1) *"Teleplay by"*;

(2) *"Story by"*;

(3) *"Written by"*;

(4) *"Writers."*

3. Television Schedule A applies.

4. The limitation as to the number of writers receiving credit provided for in Paragraph 3. of Television Schedule A shall apply to all teleplays except multiple-story teleplays, revues, comedy-variety and quiz and audience participation shows, and serials broadcast in other than prime time.

5. Television Schedule A applies.

6. Television Schedule A applies.

7. Only the second paragraph of Paragraph 7.c. of Television Schedule A applies.

8, 9 and 10. Television Schedule A applies.

11 and 12. Television Schedule A applies only to programs produced for broadcast once a week or less.

As to programs produced for broadcast more than once a week, the Company, upon the written request either of the Guild or a writer who has performed writing services on a program, shall, within seventy-two (72) hours after receipt of such request, furnish to the Guild and the writer(s) involved a list of proposed writing credits on such program. If the Guild desires to protest such credits, it shall, within seventy-two (72) hours after receipt of such list, deliver to the Company and to all the participants concerned a formal written protest. The Company, within seventy-two (72) hours of receipt of such protest, will deliver three (3) copies of the final script and of all material written by the participants and of all source material, if any, to the Guild office in New York or Los Angeles for arbitration of writing credits. The Guild shall, within one (1) week after receipt of the material from the Company, advise the Company of the arbitration committee's decision.

13, 14, 15, 16 and 17. Television Schedule A applies, except as follows:

a. Regardless of the applicable notice period(s), if the Company receives notification of a decision more than twenty-four (24) hours prior to broadcast of the program in question, it shall change the credits on such program accordingly. If such notification is received less than twenty-four (24) hours but more than one (1) hour prior to broadcast of such program, audio correction shall be made on such broadcast. In all other cases, the decision of the Guild arbitration committee shall be made effective as to all subsequent broadcasts of such program.

b. If the Guild or a writer who has performed writing services on a program questions the credits given on a program which has already been broadcast, the Guild shall notify the Company and the individuals concerned in writing. Upon receipt of such notice, the Company will deliver three (3) copies of the final script and of all material written by the participants and of all source material, if any, to the Guild offices in New York or Los Angeles for arbitration of the writing credits.

c. The Company itself may initiate credit arbitration by delivering to the Guild office in New York or Los Angeles a list of proposed writing credits on a program, as provided in Paragraph 11 of Television Schedule A, together with three (3) copies of the final script and of all material written by the participants and of all source material, if any. Simultaneously therewith, the Company shall deliver the list of proposed writing credits on the program to the writer(s) involved.

18. Television Schedule A applies.

19. The first paragraph of Television Schedule A is applicable except that exceptions a., b. and c. listed as 13.-17. above are incorporated. The second paragraph of Television Schedule A is not applicable.

20. Television Schedule A applies.

21, 22, 23 and 24. Television Schedule A is not applicable.

25 and 26. Television Schedule A applies.

27 and 28. Television Schedule A is not applicable.

29. Television Schedule A applies.

30. Television Schedule A is not applicable.

31. Television Schedule A applies.

32. Nothing in this Schedule C shall be deemed to give the Guild arbitration committee power to rule upon credit for the author of an underlying property used in any manner in connection with a program except that no credit shall be given to an author of an underlying property which is the same as any of the credits set forth in Paragraph 2. hereof.

33. No decision of the Guild arbitration committee with respect to the determination of credits shall be deemed to enlarge or diminish the rights of any person with respect to any matter other than writing credits.

34. If the Company exploits material for publication or production in another medium, it will give the writer credit for his/her material appropriate to that customarily given to writers in such medium. If the Company sells, licenses or authorizes others to exploit material for publication or production in another medium, it shall include as part of its agreement with the party obtaining such rights a provision requiring that the writer be given credit for his/her material appropriate to that customarily given to writers in such medium.

TELEVISION SCHEDULE D

APPENDIX A

DOCUMENTARY, NEWS AND PUBLIC AFFAIRS PROGRAM CREDITS

For purposes of this TELEVISION SCHEDULE D, the word "program(s)" means only those documentary, news and public affairs program(s) covered by Appendix A.

This Schedule D shall amend and modify Television Schedule A of the Basic Agreement. As to material not covered by a correspondingly numbered paragraph of this Schedule D, Television Schedule A of the Basic Agreement shall govern. As to material marked "Television Schedule A is not applicable," or material in Schedule A inconsistent with this Schedule D, Schedule A shall not apply. The substance of material marked "Television Schedule A is not applicable" may be covered in other paragraphs of this Schedule D or may be omitted entirely. The word "teleplay" in Schedule A shall be deemed "telescript" for purposes of this Schedule D.

1. Type of Credit:

   a. Credit shall be given on the screen for the authorship of stories and telescripts and shall be worded:

      (1) *"Writer - ,"* or *"Written by,"* or *"Documentary Script by"*; or

      (2) in the case of interview or discussion programs only, *"Continuity by,"* or *"Special Material by,"* or *"Interview Material Written by"*; or

      (3) when the primary writing contribution of a writer to a program is in the form of questions written for delivery on the air, *"Interview Material by,"* or *"Interview Material Prepared by"*; or

      (4) in the case of news programs only, *"News Staff"* or *"Newswriter(s)"*; or

      (5) when the special characteristics of the material furnished make it appropriate, *"Special Script Material by"* or *"Special Material Written by." "Story by"* or *"Telescript by"* may be given under the circumstances hereinafter set forth.

   b. When the major writing contribution to a telefilm is in the form of narration, credit for such narration shall be given and worded in the following form:

      "Narration Written by." When a narration credit is given in lieu of a story and telescript or telescript credit on any telefilm, then such narration credit shall be subject to all of the rights and limitations as are provided in this Schedule D with respect to story and telescript or

telescript credit, respectively.

c. When narration is written in part by the person who delivers it on the air (a narrator) and in part by a writer covered by this Agreement and the narrator is not a writer covered by this Agreement, the narrator may be given joint credit with the writer in the following form: *"Narration Written by"*; provided that not later than the time when the list of screen credits is sent to the laboratory for incorporation in the film, or the applicable time specified in Paragraph 11 of this Schedule D, whichever is sooner, Company shall send to Guild, and to the narrator and the writer who participated in the writing of such narration, a tentative notice of credit setting forth:

(1) the name of the narrator,

(2) the name of the writer, and

(3) a statement that joint credit in such form is being given to the persons named in such notice.

However, the giving of such joint credit shall be subject to an automatic credit arbitration pursuant to the provisions of this Schedule D. At the same time the notice of such joint credit is sent, Company shall concurrently send to the Guild all relevant material as required by this Schedule D.

If the narrator is not a writer covered by this Agreement, and if his/her participation in the writing of the narration is limited to minor or incidental contributions or revisions, he/she may not share such joint credit with a writer and the writer shall have sole writing credit.

In no event shall such joint credit be given to any person who, in addition to writing narration, also writes questions delivered on the air by anyone other than himself/herself and/or performs other writing services for which story credit, or story and telescript credit, or telescript credit, is required to be given under this Schedule D.

The fact that credits are shared by a writer with a person whose writing services are excluded from the coverage of this Agreement shall not operate to diminish any rights which the writer would otherwise have under this Agreement.

d. A person who writes only routine material (openings, closings, lead-ins, lead-outs, promotional material, courtesy announcements or similar continuity of a routine nature) need not be given screen credit so long as such writer does not also perform other services which are covered by this Agreement. In any case to which this subparagraph d. applies, if Company does not intend to give screen credit to any such writer, he/she shall send to Guild and to the writer, not later than the applicable time specified in

Paragraph 11 of this Schedule D, a tentative notice of credit setting forth:

(1) the name of the writer of such routine material (if the writer is a correspondent whose material is excluded from coverage by reason of the provision of Article 1.A.5.d. of Appendix A to this Agreement, the notice shall include the name of the correspondent), and

(2) a statement that no screen credit for authorship is being given to such writer.

2. Television Schedule A applies except that subparagraphs c., d. and e. shall read:

c. When the telescript is based upon both story and source material and the story is substantially new or different from the source material, credit for story authorship shall be worded *"Television Story by,"* which credit shall be subject to automatic credit arbitration as provided in subparagraph 17.b. of this Schedule D. The Company shall not thereby be prevented from giving credit to the author of source material provided such credit shall indicate the form in which it is acquired, such as, for example, *"Based on"* or *"Based upon"* or *"From"*; *"a Factual Story by"*; *"the Book"* or *"a Book (with or without title) (may be used only with respect to a nonfiction book) by"*; *"a Series of Articles by"*; *"an Article by"*; *"The Memoirs of"*; or *"John Gunther's 'Inside Europe'"*; or other appropriate wording. Source material credit may not be given as *"Written by."*

d. When a story credit is given as above, the writer of the telescript shall be given credit as follows: *"Telescript by."*

e. When a writer who is also the producer or executive producer of a film writes material in a form other than the writing of routine material as specified in subparagraph 1.d. hereof, and no other writer writes literary material for such film, such writer may be given credit in the following form: *"Produced and Written by,"* or *"Written and Produced by,"* or *"Executive Producer and Writer,"* or *"Writer and Executive Producer,"* or *"Written by Executive Producer."*

3, 4, 5 and 6. Television Schedule A applies.

7. Credit Size and Placement:

Writing credit, as finally determined hereunder, shall appear on a separate card or cards on the television screen subject to the following conditions:

a. Telescript or story (other than source material but including television story) and telescript credit may appear on the same card on which appears the title of the particular telefilm but in no event in size of type less than thirty percent (30%) of the size of the title. Source material credit, if given, may

appear on the same card with the title of the particular telefilm but only if telescript or story and telescript credit is not given on such card; or

b. Telescript or television story and telescript credit on the one hand and source material credit on the other, if the latter be given, or story and telescript credit may appear on a separate card or cards immediately following the title card of the particular telefilm; or

c. Telescript or television story and telescript credit on the one hand and source material credit on the other, if the latter be given, or story and telescript credit may appear immediately prior to or following immediately after the director's credit. Writing credits placed pursuant to this subparagraph c. shall not be more than the second personal credit prior to the beginning or subsequent to the ending of the telescript, as the case may be. For this purpose, however, if source material credit appears on a separate card from the telescript or television story and telescript credit, these two separate cards immediately succeeding each other shall count as one credit. Commercials or a credit to the production company shall not be deemed to be a "personal credit" for the purpose of this provision.

d. If roller-type credit cards are used, the Company, in lieu of the use of a separate card, shall set the writing credits in such fashion that, when they are centered on the screen, no other credit shall be visible.

e. Source material credit may be given on the same card on which the telescript or television story and telescript credit appear, provided that the telescript or television story and telescript credit shall be the first credit appearing on such card and, provided further, that the source material credit shall not occupy more than forty percent (40%) of the space on such card and is not displayed more prominently than the telescript or television story and telescript credit appearing thereon. In no event, however, shall source material credit be included on the card on which telescript credit may appear with the title of the particular telefilm.

f. As between telescript and story air credit, the telescript credit shall precede the story credit.

8, 9 and 10. Television Schedule A applies.

11. Company's Notice of Tentative Credits:

Television Schedule A applies, with the following addition:

a. The time by which the Company shall send the tentative notice of credit referred to in subparagraphs 1.c. and 1.d. of this Schedule D shall not be later than seventy-two (72) hours prior to the initial scheduled broadcast of the program. If, by the seventy-two (72) hour deadline specified above, no

notice of screen credits has been sent to the Guild, the Company shall at that time give to the Guild notice of the names of the persons whom the Company expects will be given such credit, based on the information then available, together with material then available showing the contribution of such persons to the film.

b. If changes or corrections in the writer credits intended to be given by Company should occur after the seventy-two (72) hour deadline specified above, Company shall give notice to the Guild of any such changes or corrections as soon as possible, but in any event prior to the broadcast.

12. Television Schedule A applies.

13. Tentative Credits Become Final:

The Company will keep the final determination of screen credits open until a time specified in the notice by the Company, but such time will not be earlier than 6:00 p.m. of the next business day following the next day after the dispatch of the notice above specified. If within the time specified, a written protest of the tentative credits has not been delivered to the Company from any participant or from the Guild, the tentative credits shall become final.

14. Protest of Tentative Credits:

a. Every protest, including that of the Guild, shall state the grounds or basis therefor in the notice thereof. The Guild agrees not to use its right of protest indiscriminately. If a written protest of the tentative credits is received by the Company from a participant or the Guild within said period, the Company will withhold final determination of credits until a time to be specified by the Company, which time will not be earlier than ninety-six (96) hours after the Company delivers to the Guild all of the scripts involved.

b. In any case in which the Guild is required to read more than four (4) scripts pursuant to the protest hereunder, the Company shall be required to add to the ninety-six (96) hours above-provided a period of twenty-four (24) hours for each additional script or fraction thereof.

c. If the material is voluminous or complex, or if other circumstances beyond the control of the Guild necessitate a longer period in order to render a fair decision, and the Guild requests an extension of time for arbitration, the Company agrees to cooperate as fully as possible.

d. In the event the development of tape or other process for the recordation of visual images causes the time limits set forth in this Paragraph 14 to become a burden on the Company, the Guild agrees that in this Paragraph 14, when twenty-four (24) hours is mentioned, it shall become twelve (12) hours; when ninety-six (96) hours is mentioned, it shall become forty-eight

(48) hours; and when five (5) business days is mentioned, it shall become ninety-six (96) hours or any intermediate number of hours the parties may agree upon.

15. Delivery of Material:

Upon receipt of a protest, the Company will deliver three (3) copies of the final script and three (3) copies of all other material written by the participants and three (3) copies of all available source material to the Guild offices in Los Angeles or New York, depending on the place of production. The Company shall notify the participants and the Guild by facsimile of the name of the protesting party and the new time set for final determination, provided that if three (3) copies of all the material cannot be provided, the arbitration period is to be extended from ninety-six (96) hours to five (5) business days.

16. Television Schedule A applies.

17. Writer's Right to Arbitrate Credit:

Television Schedule A applies except as follows:

a. Paragraph references are to Schedule D.

b. The last paragraph, extending time for a Policy Review Board decision, is not applicable.

18, 19 and 20. Television Schedule A applies.

21. Credit in Advertising:

With reference to credits in advertising which is contracted for by the Company and which is more than eight (8) column inches in size, if the names of the individual producer or director shall be included, the name of the writer shall be included. In all such instances, the writer shall receive parity as to size of type with the director and producer except when the Company shall have determined in good faith that the individual director's or producer's name has box office value. In connection with a series, if advertising credit is given to a producer or a director only in connection with advertising the entire series, the writer shall be given credit in such advertising when the number of scripts contributed by such writer shall equal the number of programs produced or directed by the producer or director receiving such advertising credit. If spoken credits are accorded to the producer or director, they shall also be accorded to the writer. Oral self-identification by a producer or director shall not be deemed to be a spoken credit for the purpose hereof.

22. Television Schedule A applies.

23 and 24. Television Schedule A is not applicable.

25. Television Schedule A applies.

26, 27 and 28. Television Schedule A is not applicable.

29. Television Schedule A applies.

30. Television Schedule A is not applicable.

31. Television Schedule A applies.

32. Articles 10 and 11, Arbitration:

In the event of an arbitration under Articles 10 and 11 of this Agreement, no determination of credit made under this Schedule D may be entered in evidence or as background material at such arbitration.

33. Publicity Releases:

If Company produces a television motion picture initially broadcast over such Company's own transcontinental network and if the Company includes in its publicity releases respecting such broadcast credit to the producer, director and either the star or lead performers of such motion picture, it is agreed that the Company shall also accord credit in such publicity releases to any writer or writers entitled to story or story and telescript screen credit hereunder for such television motion picture.

34. Book or Publication Credit:

If the Company authorizes a book or other written publication to be based upon the story and/or telescript for which a writer of Company was entitled to receive screen credit hereunder, the Company, in the agreement in which such authorization is granted, shall obligate the publisher to include in such book or publication credit to such writer for such writing.

SCHEDULE D-1

DOCUMENTARY WRITING CREDITS ADDENDUM

In the event that the Company intends to give a "writing credit" on a documentary program to an individual who has written material which is excluded from coverage solely by virtue of the provisions of Article 1.A.5.d. of Appendix A, the Company shall give notice of such intended writing credit to the Guild. In the event that a claim is made either to the Guild by an individual claiming that he/she has written covered material for such program and has not received appropriate credit therefor, or by the Guild in good faith, based upon information it has received that an individual has written such covered material and has not received appropriate credit therefor, the Guild shall have the sole right to have the intended credit reviewed by a Guild credit arbitration committee. Such committee shall apply the same standards as would be appropriate to covered material.

If the Guild credit arbitration committee determines that material has been written for such program for which no appropriate credit, or inappropriate credit, has been given, the Company shall correct the credit to conform to the Guild credit arbitration committee's determination, unless within ten (10) days of receiving notification of the committee's decision, it refers the matter to arbitration by a neutral party pursuant to Articles 10 and 11 hereof. In such case, the arbitrator shall determine whether the Guild credit arbitration committee acted fairly and without discrimination in reaching its decision and, if he/she decides that it did not, the Company may continue to utilize the credit or credits originally determined by it.

The term "writing credit" shall include any credit applicable to a documentary program set forth in Paragraph 1 of Television Schedule D.

No Guild credit arbitration committee shall have the power to pass upon the credits given in any documentary of the type referred to above until such time as scripts and other pertinent material are made available by the Company to such committee. When the Company, for reasons of its news and public affairs policies, delays the disclosure in advance of the detailed contents of a program to reviewers, critics, affiliates, and the like, it shall not be obligated to make available to the Guild credit arbitration committee scripts and other pertinent material until such disclosure takes place.

Nothing herein shall be construed to require or imply that any individual who receives writing credit by virtue of this clause shall thereby be covered by any provisions of this Agreement or required to become a member of the Guild.

SIDELETTER TO APPENDIX A - RE "LITERARY MATERIAL"

WRITERS GUILD OF AMERICA, WEST, INC.
8955 Beverly Boulevard
Los Angeles, California 90048

As of March 2, 1981

Re: Appendix A -- Writers Guild of America 1981 Theatrical and Television Basic Agreement

Ladies and Gentlemen:

This letter relates to the following exclusions from the definition of "literary material" contained in the 1968 Live MBA, referred to in the signed Memorandum of Agreement between the Writers Guild of America and the Network Companies dated as of July 3, 1973, and contained in Article 1.A.5. of the 1977 draft Agreement between the parties:

(b) commercial copy;

(c) advertising, promotion and publicity material;

(d) political speeches, public addresses, or commemorative speeches, unless incorporated in a dramatic script;

(e) religious services and sermons, except sermons incorporated in a dramatic script or written by a writer who performs services otherwise covered by this Agreement in connection with the program;

(i) talks, forums, lectures;

(k) choreography or stage or technical directions.

This will confirm that despite the elimination of such exclusions from Appendix A to the 1981 WGA Theatrical and Television Minimum Basic Agreement, neither such Agreement nor any of its predecessors has ever covered or was ever intended to cover such material, and that such types of material are accordingly excluded.

In view of the foregoing, specific exclusion of the above types of material is unnecessary.

Very truly yours,

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ Leonard Chassman

SIDELETTER TO APPENDIX A - ARTICLE 13.B.2.b.(3)

As of November 1, 2004

Mr. John McLean
Executive Director
Writers Guild of America, west, Inc.
7000 West Third Street
Los Angeles, California 90048

Re: Anniversary and Special Episodes of Weekly Series Programs

Dear John:

Reference is made to the provisions of Appendix A, Article 13.B.2.b.(3) of the 2004 WGA MBA. During the 2004 negotiations, the parties confirmed that anniversary and special episodes of programs produced as part of a weekly series for which all weekly episodes are produced on a strip basis (*e.g.*, "*Tonight*" and "*Conan O'Brien*," *etc.*) shall be compensated as part of the Minimum Variety Show Commitment applicable to such weekly series. This sideletter will serve to memorialize that confirmation.

Sincerely,

/s/ J. Nicholas Counter III
J. Nicholas Counter III, President

ACCEPTED AND AGREED:

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ John McLean
John McLean, Executive Director

SIDELETTER TO APPENDIX A - ARTICLE 13.B.5.

As of August 8, 1988

Mr. Brian Walton
Executive Director
Writers Guild of America, west, Inc.
8955 Beverly Boulevard
West Hollywood, CA 90048

Re: Appendix A, Article 13.B.5.
(Daily Writing Credit)

Dear Brian:

During the 1988 negotiations, the parties agreed to amend the provisions of Appendix A, Article 13.B.5. ("Serials - Other than Prime Time") to add "Other Non-Prime Time Dramatic Strip Programs." Extending the rates and structure of serials to these "other" programs reflected a previously-granted waiver from the WGA which had committed the Company to give writing credit on such programs on a daily basis. With that in mind, the Companies agreed to continue to give daily writing credit on such "Other Non-Prime Time Dramatic Strip Programs."

Very truly yours,

/s/ J. Nicholas Counter III
J. Nicholas Counter III, President
Alliance of Motion Picture &
Television Producers, Inc.

/s/ Robert Key
American Broadcasting Companies,
Inc., a wholly-owned subsidiary
of Capital Cities/ABC, Inc.

/s/ John McLean
CBS Inc.

/s/ Bernard Gehan
National Broadcasting Company, Inc.

ACCEPTED AND AGREED:

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ Brian Walton
Brian Walton, Executive Director

APPENDIX B

PRODUCTION FOR THE PAY TELEVISION AND THE VIDEODISC/VIDEOCASSETTE MARKETS

A. Introduction and Scope

This Appendix B is applicable to the employment of writers and the acquisition of literary material for all programs, except as otherwise provided below, produced principally for the pay television and/or videodisc/videocassette markets. (The terms "writer" and "literary material" are as defined in Article 1.A. and 1.C. of the MBA or, when applicable, Appendix A.) The provisions of Appendix A which modify the Basic Agreement shall, as to material for programs covered by Appendix A, be deemed part of the Basic Agreement for purposes of this Appendix B. The following types of programs are excluded from the coverage of Appendix B: sporting events, cartoons, industrial and religious programs, other informational programs not covered by the Basic Agreement, commercials, advertising shorts, trailers and travelogues. Educational and instructional programs are excluded except when produced for the home videodisc/videocassette market and, in any event, such programs are excluded when written and performed by the same person. Programs to which this Appendix B are applicable are hereinafter referred to as "covered programs."

B. Definitions

1. The term "**videodisc/videocassette**," as used in this Appendix B, shall mean disc, cassette, cartridge and/or other device serving a similar function which is sold or rented for play on a home-type television screen in the home.

2. The term "**pay television**," as used in this Appendix B, shall mean exhibition on a home-type television screen by means of telecast, cable, closed circuit, satellite to home or CATV when substantially all licensed systems meet the following tests:

   a. A separate channel is provided for which the subscriber pays a separate fee (which fee is a substantial charge relative to other charges made to the subscriber) for that channel

   and/or

   b. The subscriber pays for the program or programs selected (except that a program or programs selected for which only a token charge is made shall not be considered pay television)

   and/or

c. The subscriber pays a fee for an encoded telecast, which fee is a substantial charge relative to other fees paid for encoded telecasts.

The foregoing tests cover those systems which exist in the industry today and are commonly understood in the industry today to be pay television systems.

3. If a different definition of pay television is negotiated by the Companies with SAG-AFTRA or DGA during the term of this Agreement, Companies will promptly notify the Guild of such definition and the Guild may, upon thirty (30) days written notice, substitute in its entirety such new definition for the pay television definition set forth in Section B.2. of this Appendix B.

4. The terms "film" and "tape" shall be understood as they are commonly understood in the industry today. Should a different method of recordation develop which, in the judgment of either party to this Agreement, differs from both film and tape, such party may notify the other that it wishes to bargain concerning the Recoupable Amount, herein "break amount," for such method of recordation. The parties agree to commence such negotiations within thirty (30) days of receipt of such notice. If no agreement is reached within sixty (60) days after bargaining has commenced, the Guild may, upon written notice to the Company, instruct its members to refuse to render services with respect to programs using such method of recordation.

C. Compensation for Covered Programs (other than Dramatic Programs of a Type Generally Produced for Prime Time Network Television Which are Produced Principally for Pay Television and other than Comedy-Variety Programs Produced Principally for Pay Television)

1. Initial Compensation

The minimum initial compensation for a writer employed for a covered program shall be the same as the applicable minimum initial compensation set forth in Article 13.B. or Article 14 or Appendix A for the program category involved. Covered programs, for purposes of this Section C.1., do not include:

a. educational or instructional programs;

b. dramatic programs of a type generally produced for prime time network television which are produced principally for pay television (see Section D.1. below); and

c. comedy-variety programs as defined in Article 1.C.22. of Appendix A which are produced principally for pay television (see Section

D.1. below).

Notwithstanding the foregoing provisions of this subparagraph 1., the second paragraph of Article 13.B.7.r. shall not apply to covered programs.

2. **What Initial Compensation Covers**

The minimum initial compensation set forth in subparagraph 1. above for a covered program described in that subparagraph, or the initial agreed compensation in the case of a covered educational or instructional program produced principally for the videodisc/videocassette market, shall constitute payment in full for any use in pay television and/or on videodiscs/videocassettes until the Company's Receipts, as defined in Section C.3. below, exceed the following break amounts.

a. **Base Break Amount -- 5/02/20 through 5/01/23**

Program Length	Film	Tape
15 minutes or less	$ 296,425	$ 237,140
30 minutes or less (more than 15)	592,851	474,281
45 minutes or less (more than 30)	889,276	711,421
60 minutes or less (more than 45)	1,185,702	948,562
90 minutes or less (more than 60)	1,778,553	1,422,842
120 minutes or less (more than 90)	2,371,404	1,897,123
Each additional 30 minutes or portion thereof	592,851	474,281

b. For programs other than those covered by Section D. below: When the applicable minimum initial compensation for a program differs from the applicable minimum initial compensation for a program of comparable length covered by Section D. below, the break amount during the term of this Basic Agreement for that program shall bear the same relationship to the base break amount above as the applicable minimum for story and teleplay (or the equivalent) for such program bears to the applicable minimum for story and teleplay for a prime time network program of comparable length. The break amounts for each type of program referred to in this subparagraph b. are computed in accordance with the following formula:

Applicable minimum initial compensation for story and teleplay (or the equivalent) for program covered by subparagraph b.	=	Break amount for program covered by subparagraph b.
Applicable minimum initial compensation for story and teleplay for program covered by subparagraph a.		Break amount for program covered by subparagraph a.

Notwithstanding the foregoing, in no event shall the break amount for a program covered under this subparagraph b. exceed the break amount applicable to such program which was in effect during the last period of the 1981 Basic Agreement.

c. Break amounts for material to which Appendix A applies shall be computed in accordance with the foregoing formula, using one or more of the following rules when applicable:

(1) Aggregate Minimums

When an aggregate minimum initial compensation applies (*e.g.*, to serials for other than prime time broadcast five (5) times per week), the aggregate applicable minimum initial compensation for such programs (prorated when the aggregate applies to more than one program) shall be used to compute the applicable break amount for such program. Said aggregate applicable minimum shall include any additional minimum initial compensation applicable to writing services on such program.

(2) Discounts. If one or more discounts apply pursuant to any of the provisions of Appendix A to reduce the applicable minimum initial compensation, the applicable break amount shall be reduced by the same percentage(s) as the percentage discount(s) permitted under Appendix A.

(3) Applicable Time Period. When the Company has used the "applicable time period" concept pursuant to Article 13 of Appendix A in determining the writer's compensation, the applicable break amount is that which applies to a program length equal to that of the applicable time period.

d. [Deleted.]

e. [Deleted.]

f. In applying the formula in subparagraph b. above to covered

educational and instructional programs produced principally for the videodisc/videocassette market, the initial agreed compensation paid shall be utilized.

3. **Additional Compensation (Residuals)**

a. In addition to initial compensation, for use in the pay television and/or videodisc/videocassette markets of a covered program, other than a dramatic program of a type generally produced for prime time network television which is produced principally for pay television or a comedy-variety program as defined in Article 1.C.22. of Appendix A which is produced principally for pay television, the Company shall pay as additional compensation (hereafter "residuals") to the credited writer(s) an aggregate total of two percent (2%) of the "Company's Receipts" which exceed the applicable break amount. In no event shall the Company be required under the provisions of this Section C.3. to pay more than a total of two percent (2%) of the "Company's Receipts" to the writers. Such residuals shall be subject to Pension Plan and Health Fund contributions pursuant to Article 17. Company's Receipts consist of:

(1) For release to pay television, the Company's accountable receipts from the distribution of the program for exhibition according to Article 51.C. (Pay television networks such as HBO and Showtime are not deemed to be distributors for this purpose. However, license or other fees paid to the Company for the right to exhibit the program by such pay television networks shall be included in Company's accountable receipts.)

(2) For release to the videodisc/videocassette market, the fee or other payment actually received by the Company as producer from "net unit sales" as defined below and from the licensing of covered programs for rental.

(a) The term "disc," as used in this Section, shall refer to both videodiscs and videocassettes. The term "unit" shall refer to the disc or aggregate discs in each package released by the Company for sale or rental. "Net unit sales" shall mean sales of units which are released by the Company or its distributor for sale and are not returned.

(b) It is recognized that some Companies hereunder may act both as producers and as distributors of disc units in covered sales and/or rentals. In such a case, the payment set forth above shall be based on either (i) the fee or other payment received by the subsidiary, division or other department of the Company which serves as the production branch, as distinguished from the subsidiary, division or other department of the Company which serves as the distribution branch, or (ii) when no separate subsidiary, division, or other department serves as the production branch, a reasonable allocation of the gross receipts of the Company from covered sales and/or rentals attributable solely to fees or other payments which would be made to a production subsidiary, division or other department of the Company if one existed, or would be made to an outside producer. The reasonableness of such allocation in (ii) above, or of the fee or other payment received by the production subsidiary, division, or other department in (i) above, shall be determined by its license fee payments to outside producers for comparable disc units, or in the absence of such practice, by generally prevailing trade practice in the disc industry.

b. [Deleted.]

c. [Deleted.]

d. [Deleted.]

D. <u>Compensation for Dramatic Programs of a Type Generally Produced for Prime Time Network Television which are Produced Principally for Pay Television and Comedy-Variety Programs</u>

1. **<u>Initial Compensation</u>**

a. The minimum initial compensation for a writer employed for a dramatic program of a type generally produced for prime time network television which is produced principally for pay television shall be the same as the applicable minimum initial compensation

set forth in Article 13.B. or Article 14.[1] Notwithstanding the foregoing provisions of this subparagraph 1., the second paragraph of Article 13.B.7.r. shall not apply to such programs.

b. The minimum initial compensation for a writer employed for a comedy-variety program, as defined in Article 1.C.22. of Appendix A, shall be the same as the applicable minimum initial compensation set forth in Article 13.B.2. or 3. of Appendix A.

2. **What Initial Compensation Covers**

For dramatic programs of a type generally produced for prime time network television which are produced principally for pay television and for comedy-variety programs as defined in Article 1.C.22. of Appendix A, the minimum initial compensation set forth in Section D.1.a. or b. above, as applicable, shall constitute payment in full for ten (10) exhibition days for a program (with no limit on the number of broadcasts commenced in any calendar day) over all services in the United States and Canada to which the program is licensed in the pay television market within a period of one (1) year from the initial exhibition on each such service, but on no more than one (1) United States national pay television subscription service. For this purpose, commonly-owned pay television services, such as HBO/Cinemax/Festival and Showtime/The Movie Channel, shall each be considered a single service. However, with respect to programs produced primarily for play specifically relating to the holidays set forth below, the period shall be ten (10) exhibition days in three (3) consecutive holiday seasons:

New Year's Day, Valentine's Day, St. Patrick's Day, Easter, Passover, Independence Day (July 4th), Halloween, Thanksgiving, Chanukah and Christmas.

If a writer is engaged for a holiday program, it shall be so stated in his/her contract of employment.

An exhibition day shall commence at one second after midnight and end at midnight, unless any exhibition of a program shall commence prior to midnight and continue past midnight, in which case the exhibition day shall be deemed to begin when the program commenced.

The initial compensation shall also include payment for the first one

[1] The minimum initial compensation will be the Network Prime Time minimum for a program that is in the nature of a Network Prime Time program (*e.g., Sex and The City*, *Soul Food*, *The Sopranos*, *OZ*, *Rated X*). The Network Prime Time minimums will apply even if the program is intended for mature audiences.

hundred thousand (100,000) net unit sales, in the aggregate, except that the 100,000 unit figure shall be reduced to 75,000 units in the case of one-half hour and one-hour programs, in the videodisc/videocassette worldwide market.

3. **Additional Compensation (Residuals)**

In addition to initial compensation, for use in the pay television and/or videodisc/videocassette markets of a covered dramatic program of a type generally produced for prime time network television which is produced principally for pay television or a covered comedy-variety program as defined in Article 1.C.22. of Appendix A, the literary material for which is written on or after May 2, 2020, the Company shall pay as additional compensation (hereafter "residuals") to the credited writer(s) the following:

a. Pay Television - For such programs released in the pay television market:

(1) For exhibition days on any pay television service in the United States and Canada, either in excess of ten (10) or subsequent to one (1) year from the date of the initial exhibition on such service (the "first exhibition year"), the Company shall pay to the credited writer(s) for each of the three (3) exhibition years beyond the first exhibition year, starting with the first exhibition day of the second or any subsequent exhibition year, an amount in the aggregate equal to:

Program Length	**5/02/20-5/01/21**	**5/02/21-5/01/22**	**5/02/22-5/01/23**
30 minutes	$4,899	$ 5,021	$ 5,134
60 minutes	8,408	8,618	8,812
90 minutes	7,575	7,764	7,939
120 minutes or more	9,923	10,171	10,400

provided that such payment shall be due only if the covered program is actually exhibited during the subsequent exhibition year.
For a fifth exhibition year or any subsequent exhibition year beyond the fifth, the Company shall pay to the credited

writer(s), for each such exhibition year, an amount in the aggregate equal to:

Program Length	5/02/20-5/01/21	5/02/21-5/01/22	5/02/22-5/01/23
30 minutes	$ 884	$ 906	$ 926
60 minutes	1,162	1,191	1,218
90 minutes	1,338	1,371	1,402
120 minutes or more	1,465	1,502	1,536

Such amount(s) shall be paid not later than one hundred twenty (120) days after the first exhibition day of the second or any subsequent exhibition year. Such residuals shall be subject to Pension Plan and Health Fund contributions pursuant to Article 17.

(2) For exhibitions on foreign (*i.e.*, other than the United States and Canada) pay television, or for exhibitions on a second or subsequent United States national pay television subscription service, Company shall pay two percent (2%) of the "Producer's gross," as defined in Article 51.C.1.a. of this Agreement, from such other exhibitions. Such residuals shall be subject to Pension Plan and Health Fund contributions pursuant to Article 17.

(3) [Deleted]

(4) [Deleted]

b. Videodisc/Videocassette Market

(1) For sales of such a program in the videodisc/videocassette market, the Company shall pay two percent (2%) of the fee or other payment actually received by the Company from net unit sales in excess of one hundred thousand (100,000) units in the aggregate, except that the 100,000 unit figure shall be reduced to 75,000 units in the case of one-half hour and one-hour programs. Such residuals shall be subject to Pension Plan and Health Fund contributions pursuant to Article 17.

(2) The term "disc," as used in this Section D.3.b., shall have the same meaning as in Section C.3.a.(2)(a) above.

(3) The provisions of Section C.3.a.(2)(b) shall also apply to programs for which residuals are paid pursuant to this Section D.3.

E. The Company shall have the same rights under this Appendix B as it has in free television to credit or offset against residuals monies paid or payable for profit or other participations or as overscale compensation. Any monies paid to writer in excess of double minimum which are used to credit or offset against residual monies shall be specifically identified in the writer's contract as to amount and as to the specific use (*e.g.*, residuals for pay television or disc, compensation for free television reruns) for which such money is allocated.

F. **Distribution Formula**

The residuals payable under Section D. hereof shall be remitted by the Company to the Guild on a quarterly basis according to the provisions of Article 51.C.6. For a covered dramatic program of a type generally produced for prime time network television which is produced principally for pay television, said monies shall be distributed by the Guild to the writer(s) entitled to share in such residuals in accordance with the method set forth in Article 51.C.5., except that the proportional distribution shall be in the ratio of two (2) for the teleplay to one (1) for the story. For a covered comedy-variety program, said monies shall be distributed by the Guild to the writer(s) entitled to share in such residuals in accordance with the method set forth in Appendix A, Article 15.B.1.c.(2) and (3), except that the reference to “rerun and foreign telecast” shall be deleted from the first sentence of Appendix A, Article 15.B.1.c.(2) and “exhibition year” shall replace the references to “applicable rerun or foreign telecast” in the last sentence of Appendix A, Article 15.B.1.c.(2).

G. Release in Other Media

1. Free Television[2]

a. Except as otherwise provided herein, if a covered program is broadcast on free television, the Company shall pay to the credited writer(s) for the first such broadcast the applicable second run fee under Article 15.B. (or under Appendix A, where applicable) for such broadcast, and any subsequent broadcasts of such program shall be governed by that rerun formula; provided, that with respect to telecasts outside the United States and Canada, the foreign telecasting formula in Article 15.B.2. (or in Appendix A, when applicable) shall apply in lieu of the foregoing.

b. Broadcast Syndication Sales of Covered Dramatic Programs

If Company, on or after July 1, 2020, licenses a dramatic television motion picture or series covered by this Appendix B for exhibition in broadcast syndication in the United States and/or Canada, Company shall pay to the credited writer(s) a percentage residual of two percent (2%) of Company's 'accountable receipts,' as defined in Article 51.C.1.a. of the MBA, derived therefrom, in lieu of the payments required under any other provision of the MBA (or any prior MBA as applicable), including but not limited to Article 15.B.1.b.(2)(c) and to Article 15.B.1.b.(4) for any residual otherwise owed based on the exploitation of the television series sequel rights. It is understood that no payment shall be made to the writer with separated rights as an exploitation of the television sequel rights. The *pro rata* share payable to each credited writer shall be the same as provided in Article 51.C.5. The provisions of this subparagraph b. apply to all covered dramatic programs for which a fixed residual or higher percentage residual would otherwise be payable.

The foregoing does not apply to residuals for reruns of covered dramatic programs in network prime time as provided in subparagraph a. above. In addition, the foregoing does not apply to a license agreement, including options, entered into prior to July 1, 2020. As an example, assume that a current license agreement covers the sale of the first and second seasons of a dramatic series to broadcast syndication and includes an option to license all subsequent seasons of the series also to broadcast syndication.

[2] See also the provisions of the Sideletter to Article 15.B., Appendix A, Appendix B and Appendix C Re: License of Free Television, Basic Cable or Pay Television Motion Pictures to Secondary Digital Channels at page 631, and Sideletter Re: Syndication Licenses for Canada Only at page 634.

Because the license agreement is in effect before July 1, 2020, the sale of all seasons of the series pursuant to the options under the license agreement would not be covered by this provision.

Company will prepare an annual statement of Company's gross receipts for covered dramatic programs which have been licensed to domestic broadcast syndication pursuant to an agreement entered into on or after July 1, 2020. The annual statement will show cash, barter and any other consideration received by Company from the licensing to broadcast syndication of such covered dramatic programs and may be inspected by the Guild at the premises of Company upon notice by the Guild. The information provided by Company to the Guild, or made available for its inspection, will be treated by the Guild as confidential and appropriate arrangements will be made by the Guild to safeguard the confidentiality of that information.

2. Theatrical Exhibition - If a covered program is released in theatrical exhibition, the Company shall be obligated to pay to the credited writer(s) the applicable minimum compensation set forth in Article 13.A.

3. Basic Cable - If a covered program is licensed for exhibition on domestic basic cable (other than as part of domestic free television licensing), the Company shall be obligated to pay to the credited writer(s) two percent (2%) (plus pension and health contributions) of the Company's accountable receipts, in accordance with Article 51.C.1.a.

4. Supplemental Markets - If a program produced under these provisions is licensed for exhibition in other Supplemental Markets (such as "in-flight"), the Company shall pay the credited writer(s) in accordance with Article 51.

H. Separation of Rights

The provisions of Article 16.B. and, as to programs covered by Appendix A, the provisions of Appendix A which modify Article 16.B., shall include the pay television and/or videodisc/videocassette market and shall apply to writers employed under this Appendix B, and said Article 16.B. shall be redrafted accordingly. (*E.g.*, whether a writer is employed for free television, pay television and/or videodisc/videocassette markets, the Company's television rights under Article 16.B.2. shall include both free and pay television/videodisc/videocassette rights and the writer's reserved rights under Article 16.B.3. shall apply to both free and pay television/videodisc/videocassette materials).

It is understood that residual sequel payments are not applicable for exhibitions in the pay television and/or videodisc/videocassette markets.

The "upset price" for covered programs shall be determined in accordance with the provisions of Article 16.B.5.

I. Other Provisions

1. [Deleted.]

2. In addition to the Articles (as modified) already referred to in this Appendix B, the other Articles of the Basic Agreement (as modified by Appendix A, when applicable) insofar as they refer to television production shall also apply to programs produced under these provisions, provided that, throughout the Articles, "program" or "motion picture" shall ordinarily be substituted for "film" and "exhibition or release" ordinarily substituted for "broadcast."

J. Use of Excerpts

It is the intent of the parties that excerpts from programs covered by this Appendix B used on free television, pay television, videodiscs/videocassettes, basic cable or in a theatrical motion picture shall be paid for in the same manner and to the same extent as is provided for free television excerpts under Article 15.B.10. and Article 15.B.13.j. of this Agreement. However, it is recognized that the concepts of "run," "rerun" and "foreign telecast" have no application to the use of excerpts from such programs. Accordingly, except for the provisions of the first paragraph of Article 15.B.10.ff., the provisions of Article 15.B.10.a. through i. of this Agreement and the provisions of Article 15.B.13.j. shall be deemed incorporated herein by reference, making appropriate deletions when the terms "run," "rerun" or "foreign telecast" are used.

APPENDIX C[1]

PROGRAMS MADE FOR BASIC CABLE TELEVISION

1. The term "basic cable," as distinguished from pay television or free television, refers to that type of exhibition which is commonly understood in the industry today to be basic cable exhibition.

2. The rates and other conditions of employment or for the acquisition of literary material from a professional writer applicable to programs made for basic cable shall be as follows:

   a. The following shall apply except with respect to high budget dramatic programs, as defined in subparagraph 2.b. below:

      (1) The Company may elect, with respect to all other programs, including Appendix A programs, to apply the provisions of subparagraph 2.b. to the employment of a writer. Otherwise, either the Guild or Company may notify the other that it wishes to bargain concerning rates and other conditions of employment to be applicable to the employment of writers or the acquisition of literary material for programs of the types heretofore traditionally produced for free television pursuant to any WGA Basic Agreement, produced primarily for the basic cable market. The parties agree to commence such negotiations within thirty (30) days of receipt of such notice. If no agreement is reached within sixty (60) days after bargaining has commenced, the Guild may, upon written notice to Company, instruct its members to refuse to render services with respect to such programs.

      (2) Until such time as the Guild instructs its members to refuse to render services with respect to such programs produced pursuant to subparagraph 2.a.(1) above, the employment of a writer for such an entertainment program (herein “Program”) produced within the metropolitan areas of Los Angeles or New York, or of a writer hired within such areas for a Program to be produced within the United States, shall be subject to: (a) the Guild Shop provisions of this Agreement; (b) Article 17, the Pension Plan and Health Fund provisions of this Agreement; provided that in no event shall the Company be required to make pension and health contributions in an amount greater than would be required if the Program were made for free television; (c) the requirement that the Company tender a written contract of employment to the writer within ten (10) days following the commencement of his or her employment and

[1] The provisions governing programs made for basic cable formerly appeared in Article 15.B.16. of the 1981 and 1985 Basic Agreements.

the requirement that the Company send to the Guild a copy of any writer's executed contract for employment on a Program within one (1) week after receipt by Company of such executed contract; and (d) the requirement that the Company notify the Guild of its intention to produce such a program at least thirty (30) days prior to commencement of production; provided, however, that with respect to material written to be part of such a Program, this subparagraph 2.a.(2) shall apply to continuity material only when such material is written to be a part of a Program originally produced for exhibition on basic cable (as distinguished from a program originally produced for exhibition in another medium).

(3) The employment of a writer for a dramatic program one (1) hour or longer which is to be produced in the United States for basic cable television under a budget less than (i) $530,000 ($1,200,000 effective August 2, 2020) for a one (1) hour program; (ii) $850,000 ($1,500,000 effective August 2, 2020) for a ninety (90) minute program; or (iii) $1,250,000 ($1,500,000 effective August 2, 2020) for a two (2) hour or longer program (other than one covered by Paragraph 2.a.(2) above) shall be subject to the requirement that the Company notify the Guild of its intention to produce the program at least thirty (30) days prior to commencement of production.

b. With respect to the terms and conditions for the employment of writers and the acquisition of literary material from professional writers (as defined in Article 1.C.1.b.) for "high budget" dramatic programs and other programs to which Company has elected to apply this subparagraph 2.b., Company shall elect whether the provisions of subparagraphs (2)b.(2), (3) or (4) below shall apply. For purposes of this Appendix C, "high budget" programs shall mean programs the negative costs of which equal or exceed the following amounts:

15 minute program	$ 150,000 ($300,000 effective August 2, 2020)
30 minute program	$285,000 ($550,000 effective August 2, 2020)
60 minute program	$530,000 ($1,200,000 effective August 2, 2020)
90 minute program	$850,000 ($1,500,000 effective August 2, 2020)
120 minute program	$1,250,000 ($1,500,000 effective August 2, 2020)

Except as otherwise provided herein, all terms and conditions of the 2020 Writers Guild of America Theatrical and Television Basic Agreement and all amendments and modifications thereto that are applicable to a dramatic program produced for first run syndicated free television and other programs to which Company has elected to apply this subparagraph 2.b. shall apply to such employment or acquisition.

(1) The following initial compensation rates shall apply to sixty (60) minute high budget dramatic programs or series in their second or subsequent season:

	5/02/20 - 5/01/21	**5/02/21- 5/01/22**	**5/02/22- 5/01/23**
Story	$12,311	$12,619	$12,903
Teleplay	21,322	21,855	22,347
Story & Teleplay	30,780	31,550	32,260

"Applicable minimum," for residual purposes as provided in this subparagraph 2.b., shall mean the amount specified in Article 15.B.1.b.(3)(a) and not the foregoing minimums.

(2) If the program is exhibited more than once on the basic cable service for which it was primarily produced, or on any other basic cable service (except as provided in subparagraph 2.b.(5) below), then residuals shall be paid for each run thereafter as follows (commonly referred to as "**the Sanchez formula**"):

2nd run	17.0% of applicable minimum
3rd run	12.0% of applicable minimum
4th run	11.0% of applicable minimum
5th run	10.0% of applicable minimum
6th run	6.0% of applicable minimum
7th run	4.0% of applicable minimum
8th run	4.0% of applicable minimum
9th run	3.5% of applicable minimum
10th run	3.5% of applicable minimum
11th run	3.0% of applicable minimum

12th run	2.5% of applicable minimum
Each subsequent run	1.5% of applicable minimum

In such event, Company shall pay residuals for the second through fifth runs even if the program is not actually exhibited that many times. The residual payments for the third, fourth and fifth runs shall be made at the same time the residual payment is due for the second run. If the program is thereafter exhibited a third, fourth or fifth time, no additional payment shall be due for these runs. Such prepayment of residuals for the third, fourth or fifth run shall not constitute a violation of Article 15.B.3. of the MBA. Residuals for the sixth run and all runs thereafter will be triggered if, and only if, the program is actually run that many times.

Payment of any of the foregoing residuals shall include full residual payments for the first license agreement in Canada, whether it be for exhibition on a basic cable, pay television or free television service (which may not exceed five (5) years, except that the Guild shall not unreasonably withhold a waiver of the five (5) year limitation in the event of an outright sale, rather than a license of the program).

If the program is exhibited on syndicated free television (except for exhibitions in syndication covered under Paragraph 2.b.(7) below and except for the first Canadian license, if it is for free television exhibition), residuals shall be paid for each run thereon as follows:

1st run	40.0% of applicable minimum
2nd run	30.0% of applicable minimum
3rd run	25.0% of applicable minimum
4th run	25.0% of applicable minimum
5th run	25.0% of applicable minimum
6th run	15.0% of applicable minimum
7th run	15.0% of applicable minimum
8th run	15.0% of applicable minimum
9th run	10.0% of applicable minimum
10th run	9.7% of applicable minimum
11th run	10.0% of applicable minimum
Each subsequent run	5.0% of applicable minimum

If the program is exhibited in prime time on network free television in the United States, residuals shall be paid in accordance with the applicable network rerun provisions in Article 15.B.1.b.(2)(a).

Notwithstanding anything in this Agreement to the contrary, if the program has been exhibited ten (10) or more times on a basic cable service or if the program is part of a series that comprises sixty-six (66) or fewer episodes, and thereafter such program is run on free television, the credited writer(s) shall be paid for such runs pursuant to Article 58, in lieu of any payment that would otherwise be due.

- OR -

(3) Additional minimum compensation shall be paid to the credited writer(s) in the form of a reuse fee. For dramatic programs, the fee (commonly referred to as "**the Hitchcock formula**") shall be equal to one hundred twenty percent (120%) of the difference between the applicable minimum initial compensation due for such program had it been produced for network prime time and the other than network prime time minimum. Twenty-five percent (25%) of such fee shall be paid to the credited story writer(s) and seventy-five percent (75%) to the credited teleplay writer(s). A writer who receives "Written by" credit shall receive one hundred percent (100%) of such fee. For other programs, the fee shall be equal to eighty-four percent (84%) of the applicable minimum for such program. The reuse fee shall be payable upon initial exhibition of the program on any United States basic cable service or upon initial exhibition under the first Canadian license. Such fee shall cover use of the program for an initial cycle of no more than twelve (12) runs within five (5) years on such basic cable service and use of such program in Canada under the terms of the first license agreement, which may not exceed five (5) years (except that the Guild shall not unreasonably withhold a waiver of the five (5) year limitation in the event of an outright sale, rather than a license, of the program), entered into by the Company with a Canadian broadcast service (which, in this context, may be any free television, pay television or basic cable service). Such fee shall be sent to the Guild's Residuals Department, by check made payable to the writer(s).[2] Such payment may not be made prior to the determination of credit nor later than thirty (30) days after the initial exhibition.

[2] See Sideletter at page 738, which permits a Company to enter into an agreement with the Guild for payments via direct deposit in lieu of issuing checks.

If a program is reused beyond the initial basic cable cycle and/or the initial Canadian television cycle, then such additional reuse shall be treated and paid for in the same manner as reuse of a program made for free television, except as provided in subparagraph 2.b.(6) below.

Notwithstanding anything in this Agreement to the contrary, if the program has been exhibited ten (10) or more times on a basic cable service or if the program is part of a series that comprises sixty-six (66) or fewer episodes, and thereafter such program is run on free television, the credited writer(s) shall be paid for such runs pursuant to Article 58, in lieu of any payment that would otherwise be due.

-OR-

(4) In lieu of subparagraph b.(2) or (3) above, the Company may, at its election, notify the Guild that it wishes to bargain in good faith with respect to an analogous formula to apply to high budget dramatic programs and other programs covered by subparagraph 2.b. The parties agree to commence such negotiations within thirty (30) days of receipt of such notice. If no agreement is reached within sixty (60) days after such bargaining has commenced, the Guild may, upon written notice to the Company, instruct its members to refuse to render services with respect to such programs.

(5) Whenever a payment is due under subparagraphs (2) or (3) above for exhibition of an English language “high budget” dramatic program made for basic cable that is subsequently exhibited on a foreign language basic cable channel in a language or languages other than English (dubbed, not subtitled) in the United States or Canada, the payment due to the credited writer(s) of such program shall be an amount equal to two percent (2%) of the “accountable receipts” derived from the distribution of such basic cable program for such exhibition. This payment shall not affect the Company’s obligation to make the applicable rerun payments for the basic cable exhibition of the motion picture in English.

When the “accountable receipts” derived from such exploitation are received from a related or affiliated entity that acts as the Distributor or exhibitor of the program, then the “accountable receipts” received by the Company from the licensing of such rights shall be measured by the Distributor/exhibitor’s payments to unrelated and unaffiliated entities in arm’s length transactions for comparable programs, or, if none, then the amounts received by the Company from unrelated and unaffiliated Distributors/exhibitors in arm’s length transactions for comparable programs or series, or,

if none, a comparable Distributor/exhibitor's payments to comparable unrelated and unaffiliated entities in arm's length transactions for comparable programs or series.

Notwithstanding any of the foregoing, the minimum payment pursuant to this subparagraph for any program licensed to a related or affiliated entity shall be $50 for a 30-minute program, $100 for a 60-minute program, $150 for a 90-minute program, or $200 for a 120-minute program, as applicable.

This subparagraph will apply to all basic cable programs produced under this 2020 MBA or any prior MBA, as to which residuals otherwise would be payable.

(6) Residual Formula for Second or Subsequent Basic Cable License of High Budget Dramatic Programs Made for Basic Cable

When Company elects to apply the provisions of subparagraph 2.b.(2) (the Sanchez formula), Company shall pay a percentage residual of two percent (2%) of "accountable receipts" (as defined in Article 51.C. of the MBA) for any license of a "high budget" dramatic program or series made for basic cable, for which a fixed residual is otherwise payable under the Sanchez formula, to any basic cable service once the program or series is out of production, provided that for a second or subsequent sale to the same basic cable service to which the program or series was originally licensed, all runs licensed under the license agreement for the initial basic cable exhibition which are subject to a fixed residual have been exhausted. Company shall be deemed to have exhausted all unused runs under the initial license agreement upon payment under the run-based residual formula of a number of runs under the second license to the same basic cable service equal to the number of all unused runs under the initial license. Company shall allocate the "accountable receipts" for the second license to the same basic cable service evenly across all runs licensed under the second license.

For purposes of the foregoing, "out of production" means that all of the following have occurred: the program has been cancelled; the final episode of the final season has aired; no options remain for the continued employment of any above-the-line talent on the series in question; and no exhibitor has licensed rights to additional original episodes of the series at the time the series becomes available for exhibition under the license to the basic cable service.

When the "accountable receipts" derived from such license(s) are received from a related or affiliated entity that acts as the exhibitor

of the program, then the "accountable receipts" received by the Company from the licensing of such rights shall be measured by the exhibitor's payments to unrelated and unaffiliated entities in arm's length transactions for comparable programs or series, or, if none, then the amounts received by the Company from unrelated and unaffiliated exhibitors in arm's length transactions for comparable programs or series, or, if none, a comparable exhibitor's payments to comparable unrelated and unaffiliated entities in arm's length transactions for comparable programs or series.

Notwithstanding the foregoing, the minimum payment due pursuant to this provision for any license to a related or affiliated entity shall be an aggregate amount for all credited writers of $100.00 for a 30-minute program, $200.00 for a 60-minute program, $300.00 for a 90-minute program, and $400.00 for a 120-minute program. The "*pro rata*" share payable to each credited writer shall be the same as provided in Article 51.C.5.

The foregoing applies to motion pictures, whether produced under the 2020 MBA or any prior MBA, as to which residuals would otherwise be payable. For purposes of this provision, a "high budget" dramatic program or series made for basic cable means: (a) any program or series made for basic cable before August 8, 1988; or (b) a program or series made for basic cable on or after August 8, 1988 that meets the high budget test in effect at the time the basic cable program or series was produced.

(7) Broadcast Syndication Sales of High Budget Dramatic Programs Made for Basic Cable

If Company, on or after July 1, 2020, licenses a high budget dramatic program or series made for basic cable for exhibition in broadcast syndication in the United States and/or Canada, Company shall pay to the credited writer(s) a percentage residual of two percent (2%) of Company's 'accountable receipts,' as defined in Article 51.C.1.a. of the MBA, derived therefrom, in lieu of the payments required under any other provision of the MBA (or any prior MBA as applicable), including but not limited to subparagraph 2.b.(2) of Appendix C and Article 15.B.1.b.(2)(c) and to Article 15.B.1.b.(4) for any residual otherwise owed based on the exploitation of the television series sequel rights. It is understood that no payment shall be made to the writer with separated rights as an exploitation of the television sequel rights. The *pro rata* share payable to each credited writer shall be the same as provided in Article 51.C.5. The provisions of this subparagraph (7) apply to all

programs for which a fixed residual or higher percentage residual would otherwise be payable.

The foregoing does not apply to residuals for reruns of high budget dramatic programs made for basic cable in network prime time as provided in the penultimate paragraph of subparagraph 2.b.(2) of this Appendix C. In addition, the foregoing does not apply to a license agreement, including options, entered into prior to July 1, 2020. As an example, assume that a current license agreement covers the sale of the first and second seasons of a dramatic series to broadcast syndication and includes an option to license all subsequent seasons of the series also to broadcast syndication. Because the license agreement is in effect before July 1, 2020, the sale of all seasons of the series pursuant to the options under the license agreement would not be covered by this provision.

Company will prepare an annual statement of Company's gross receipts for covered dramatic programs described in the first paragraph of this provision which have been licensed to domestic broadcast syndication pursuant to an agreement entered into on or after July 1, 2020. The annual statement will show cash, barter and any other consideration received by Company from the licensing to broadcast syndication of such covered dramatic programs and may be inspected by the Guild at the premises of Company upon notice by the Guild. The information provided by Company to the Guild, or made available for its inspection, will be treated by the Guild as confidential and appropriate arrangements will be made by the Guild to safeguard the confidentiality of that information.

APPENDIX D

WRITER-DIRECTOR COLLABORATION - THEATRICAL

The following guidelines with respect to the collaborative relationship between writers and directors on theatrical motion pictures are offered with the expectation of enhancing the collaborative process through their implementation. They are adopted by the Committee on the Professional Status of Writers as an expression of the Committee's sense as to appropriate industry practice.

The guidelines have been included as an Appendix to the MBA in order to make them easily accessible to those who employ writers and to encourage their examination, review, dissemination and implementation. Notwithstanding their inclusion in the MBA, the guidelines are voluntary, not contractual, provisions. They are not subject to the grievance and arbitration provisions, nor are they to be used in interpreting any other provision of the MBA.

A. Writer-Director Collaboration on Theatrical Motion Pictures

1. General Statement

   Although writers and directors have distinct responsibilities, the creative process is enhanced by a good working relationship between them which is based upon mutual respect and derived from a common recognition of the creative contribution and responsibility of each.

   The filmmaking process often begins with the writing of the script and the writers' work is vital to the success of a production. Among other things, writers structure the screenplay and write the scenes, sequences, dialogue and characters. Directors are responsible for making the best possible film within the production's budgetary and other practical constraints, by applying their personal creative vision to this task within the collaborative process of filmmaking. As part of the production process, directors have responsibility at a minimum for preparing a film for production, running the set during production, communicating notes to cast and crew, presenting the first cut of the film, and participating in post-production.

2. Writers' Involvement - Generally

   A good working relationship between writers and directors is the ideal. Each should look upon the other as a natural ally, united in the joint pursuit of excellence. Writers may have a unique contribution to make throughout the filmmaking process, but their participation as part of the production team must not infringe upon the duties of either the director or the producer, nor interfere with their working relationships with others on the production.

3. Writers' Involvement - Development and Pre-production and Production

a. Shortly after a director is assigned to a film based upon an existing screenplay, the director will meet with the currently employed writer (or, if no writer is currently employed, a previously-employed writer of the director's choosing). This meeting will take place prior to a decision to hire a new writer.

b. There is often value in inviting the currently-employed writer to the first cast reading. A writer's attendance at the cast reading may trigger ideas that will improve the script and circumvent problems that would otherwise emerge during production. Accordingly, the preferred practice is for the director to invite the writer to the first cast reading. Because this reading is a delicate moment for both director and performers, the director must be able to exercise the discretion to include or exclude the writer.

When the writer attends the first cast reading, he/she should share any comments only with the director and this should be done privately.

c. A writer may wish to visit the set and may desire to bring with him/her a reasonable number of guests. The preferred practice is for the Company, in response to a request from the writer, to arrange for such a visit at an appropriate time. Because of the nature of the material being shot, confidentiality considerations, personal dynamics of the cast or other key personnel or for a variety of other reasons, visits may not be appropriate at all times on some sets. For that reason, the director must retain the discretion to approve any such visit.

B. Facilitating the Collaborative Process

1. In order to further the collegial relationship between writers and directors on theatrical motion pictures, the WGA and DGA agree to form a Joint Creative Rights Committee – Theatrical comprised of three (3) representatives from the writer members of the WGA's Committee on the Professional Status of Writers – Theatrical and three (3) director members of the DGA – Employers Creative Rights Committee. The Joint Committee will meet at least two (2) times per year to discuss matters of mutual concern in the area of creative rights and collaboration on theatrical motion pictures. In addition, the Joint Committee will meet annually with the senior level creative executives who usually meet as part of the WGA Committee on the Professional Status of Writers and the DGA Creative Rights Standing Committee to discuss issues of concern to both Guilds. This meeting shall count as one of the required meetings of the DGA Creative Rights Standing Committee and the WGA Committee on the Professional Status of Writers.

2. Either Guild may place an issue arising under this Appendix on the agenda of a meeting of the Joint Committee. It is understood that the specifics of any particular dispute between an individual writer and director that may arise will not be discussed at Joint Committee meetings. The Joint Committee may, however, discuss situations in a generic manner in order to attempt to find solutions that will avoid like problems in the collaborative process in the future.

3. Either Guild may terminate the provisions of this Section C. upon sixty (60) days notice to the other.

APPENDIX E

WRITER-DIRECTOR COLLABORATION - TELEVISION

The following guidelines with respect to the collaborative relationship between writers and directors in television are offered with the expectation of enhancing the collaborative process through their implementation. They are adopted by the Committee on the Professional Status of Writers as an expression of the Committee's sense as to appropriate industry practice.

The guidelines are included as an Appendix to the MBA in order to make them easily accessible to those who employ writers and to encourage their examination, review, dissemination and implementation. Notwithstanding their inclusion in the MBA, the guidelines are voluntary, not contractual, provisions. They are not subject to the grievance and arbitration provisions, nor are they to be used in interpreting any other provision of the MBA.

A. Writer-Director Collaboration in Long-Form Television

1. General Statement

   The history of long-form television has been one of a unique and productive collaborative effort among producer, writer and director that has frequently proved successful and rewarding. Although producers, writers and directors have distinct responsibilities, the creative process is enhanced by a good working relationship among these individuals which is based upon mutual respect and derived from a common recognition of the creative contribution and responsibility of each.

   The filmmaking process often begins with the writing of the script and the writers' work is vital to the success of a production. Among other things, writers structure the screenplay and write the scenes, sequences, dialogue and characters. Directors are responsible for making the best possible film within the production's budgetary and other practical constraints, by applying their personal creative vision to this task within the collaborative process of filmmaking. As part of the production process, directors at a minimum have responsibility for preparing a program for production, running the set during production, communicating notes to cast and crew, presenting the first cut of the film, and participating in post-production.

2. Writers' Involvement - Generally

   A good working relationship between writers and directors is the ideal. Each should look upon the other as a natural ally, united in the joint pursuit of excellence. Writers may have a unique contribution to make throughout the filmmaking process, but their participation as part of the

production team must not infringe upon the duties of either the director or the producer, nor interfere with their working relationships with others on the production.

3. Writers' Involvement - Development and Pre-production and Production

a. Shortly after a director is assigned to a film based upon an existing teleplay, the executive producer and director shall meet with the currently employed writer (or, if no writer is currently employed, a previously-employed writer of the Company's choosing) and share their understanding of the creative thrust of the script. The Company will encourage further communication between the director and the writer.

b. There is often value in inviting the currently-employed writer to the first cast reading, if there is one. A writer's attendance at the cast reading may trigger ideas that will improve the script and circumvent problems that would otherwise emerge during production. Accordingly, the preferred practice is for the writer to be invited to the first cast reading by the executive producer and director, in consultation with the licensee. Because this reading is a delicate moment for those involved in the production, the director, as well as the executive producer, must be able to exercise the discretion to exclude the writer.

When the writer attends the first cast reading, he/she should share any comments only with the director, and executive producer if he or she is present and/or available, and this should be done privately.

c. A writer may wish to visit the set and may desire to bring with him/her a reasonable number of guests. The preferred practice is for the Company, in response to a request from the writer, to arrange for such a visit at an appropriate time, after consultation with the director. Because of the nature of the material being shot, confidentiality considerations, personal dynamics of the cast or other key personnel, or for a variety of other reasons, visits may not be appropriate at all times on some sets. For that reason, the director, in consultation with the executive producer, must retain the discretion to approve any such visits.

B. Writer-Director Collaboration in Episodic Television

1. General Statement

Episodic television is a medium which requires collaboration among producers, writers and directors. As with long-form television, episodic

television production is enhanced by a good working relationship among these individuals which is based upon mutual respect and derived from a common recognition of the creative contribution and responsibility of each.

Writers also employed as producers have overall responsibility for developing and maintaining the consistency of stories and characters from show to show and season to season. Directors have the responsibility for directing the component parts of the production. For example, only the director calls "action" and "cut," and the director is responsible for deciding which takes to print.

All too often, writer-producers, in pursuit of their responsibilities, take inadvertent discourteous actions which impinge upon the authority necessary for directors to fulfill their artistic responsibilities, which in turn threatens the overall excellence to which all the collaborators aspire. Adherence to the following guidelines is intended to allow both the writer-producer and the director to enjoy a more productive collaboration.

2. General Guidelines

a. A successful collaboration among producer, director and writer is more likely to result if the completed shooting script is ready before the director begins his/her preparation period. Accordingly, preparation of the script must be a first priority for writer-producers. This will also enable the Companies to comply with their contractual obligation to furnish the director with a completed shooting script the day before the director starts preparation.

b. Writers should be aware that directors should be consulted about all substantive script changes, if at all possible. Besides the value of the director's creative input, script changes may have production consequences unforeseen by the writers.

c. Any changes and suggestions made by the producer(s) or executive producer(s) with respect to the manner in which the director will direct the production should be made to the director. In the situation comedy genre, following the table read and run-through, when notes are given collectively, the director should be a participant in all note sessions.

d. The DGA Basic Agreement gives the director the right to participate, subject to his/her availability, in all creative decisions, including casting, and in all post-production operations. The Company should make writer-producers aware of its obligation under that Agreement to notify the director of the scheduling of each post-production operation.

C. Facilitating the Collaborative Process

1. In order to further the collegial relationship between writers and directors in long-form television, the WGA and DGA agree to form a Joint Creative Rights Committee – Long-Form Television comprised of three (3) representatives from the writer members of the WGA's Committee on the Professional Status of Writers – Television and three (3) director members of the DGA – Employers Creative Rights Committee. The Joint Committee will meet at least two (2) times per year to discuss matters of mutual concern in the area of creative rights and collaboration in long-form television. In addition, the Joint Committee will meet annually with the senior level creative executives who usually meet as part of the WGA Committee on the Professional Status of Writers and the DGA Creative Rights Standing Committee to discuss issues of concern to both Guilds. This meeting shall count as one of the required meetings of the DGA Creative Rights Standing Committee and the WGA Committee on the Professional Status of Writers.

2. In order to further the collegial relationship between writers and directors in episodic television, the WGA and DGA agree to form a Joint Creative Rights Committee – Episodic Television comprised of three (3) representatives of WGAW Television Council and three (3) director members of the DGA – Employers Creative Rights Committee. The Joint Committee will meet at least two (2) times per year to discuss matters of mutual concern in the area of creative rights and collaboration in episodic television. In addition, the Joint Committee will meet annually with senior level creative executives from the Companies to discuss issues of concern to both Guilds.

3. Either Guild may place an issue arising under this Appendix on the agenda of a meeting of the appropriate Joint Committee. It is understood that the specifics of any particular dispute between an individual writer and director that may arise will not be discussed at Joint Committee meetings. The Joint Committee may, however, discuss situations in a generic manner in order to attempt to find solutions that will avoid like problems in the collaborative process in the future.

4. Either Guild may terminate the provisions of this Section C. upon sixty (60) days notice to the other.

SIDELETTER TO ARTICLE 3

As of November 1, 2004

J. Nicholas Counter III
President
Alliance of Motion Picture &Television Producers, Inc.
15503 Ventura Boulevard
Encino, California 91436

Re: Quarterly Earnings Reports and Employment Notices

Dear Nick:

The WGA and the Companies agreed that, upon ratification of this 2004 MBA, the Pension Plan shall furnish to the Guild, on a calendar quarterly basis, a document showing the earnings reported for each writer during the preceding calendar quarter. Copies of such document shall be mailed concurrently to the Writers Guild of America, west, Inc., 7000 West Third Street, Los Angeles, California 90048 and to the Writers Guild of America, East, Inc., 555 West 57th Street, New York, New York 10019.

In addition, the WGA and the Companies agree to the establishment of a committee comprised of representatives of the WGA and the Companies to discuss the necessity for quarterly earnings reports to be supplied to the Guild by the Companies in lieu of the above quarterly reports from the Pension Plan and to explore ways for each Company to provide the Guild with employment notices in lieu of the weekly work list/notices of employment required in Article 3 of the Basic Agreement.

Sincerely,

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ John McLean
John McLean
Executive Director, WGAw

ACCEPTED AND AGREED:

The respective signatory companies represented by the ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS, INC.

By: /s/ J.Nicholas Counter III
J. Nicholas Counter III
President

SIDELETTER TO ARTICLE 11.F., "EXPEDITED ARBITRATION OF CERTAIN DISPUTES CONCERNING REACQUISITION OF UNPRODUCED LITERARY MATERIAL (THEATRICAL)"

As of May 2, 1998

Reference is made to the provisions of Article 11.F. of the 1998 WGA Theatrical and Television Basic Agreement. This provision was first negotiated in 1997-1998 as a special expedited arbitration procedure to be used in resolving certain theatrical reacquisition disputes.

In the course of negotiating that clause, the parties agreed that an arbitrator in the expedited forum would have the authority to provide remedies as set forth in Article 11.F.10. only. The parties have agreed that the inclusion of Article 11.F.10. as a limitation on the arbitrator's authority in the expedited forum shall not be used in interpreting or applying other provisions in the Basic Agreement. No implication as to the meaning of any other provision of the MBA should be drawn from the language of Article 11.F.10.

In addition, the parties included an express statement of the ability to cite arbitration awards in Article 11.F.6.d. The parties have agreed that the inclusion of Article 11.F.6.d. shall not be used in interpreting or applying other provisions in the Basic Agreement. No implication as to the meaning of any other provision of the MBA should be drawn from the language of Article 11.F.6.d.

ACCEPTED AND AGREED:

/s/ J. Nicholas Counter III
J. Nicholas Counter III, President
Alliance of Motion Picture & Television
Producers, Inc.

/s/ Brian Walton
Brian Walton, Executive Director
WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

SIDELETTER TO ARTICLE 11.H.

SIDELETTER TO ARTICLE 11.H. - ARBITRATION OF DISPUTES CONCERNING TRI-GUILD RESIDUALS AUDITS

As of May 2, 1998
Revised as of May 2, 2001
Revised as of November 1, 2004
Revised as of February 3, 2008
Revised as of May 2, 2011
Revised as of May 2, 2014
Revised as of May 2, 2017
Revised as of May 2, 2020

This Sideletter is entered into by and among the Writers Guild of America, West, Inc., on behalf of itself and its affiliate, Writers Guild of America, East, Inc. ("WGA"), the Directors Guild of America, Inc. and the Screen Actors Guild - American Federation of Television and Radio Artists, Inc. (collectively "Guilds"), on the one hand, and the American Broadcasting Companies, Inc., an indirect wholly-owned subsidiary of ABC, Inc.; CBS Broadcasting Inc.; NBCUniversal Media, LLC; Universal Television LLC; and the Alliance of Motion Picture and Television Producers ("AMPTP"), on behalf of the entities it represented in the negotiation of the 2020 Writers Guild of America Theatrical and Television Basic Agreement, the Directors Guild of America, Inc. ("DGA") Basic Agreement of 2020, the DGA Freelance Live and Tape Television Agreement of 2020, the Producer-Screen Actors Guild-American Federation of Television and Radio Artists ("SAG-AFTRA") Codified Basic Agreement of 2020, the 2020 Screen Actors Guild-American Federation of Television and Radio Artists Television Agreement, [together with the 2020 WGA Theatrical and Television Basic Agreement (Networks) and all predecessor agreements listed in Exhibit A hereto to which such named parties were (are) signatory,[1] (collectively referred to as "Basic Agreements")], on the other hand.

A. MATTERS SUBJECT TO TRI-GUILD ARBITRATION

When there is unanimous agreement among the Guilds, the following matters shall be submitted to a tri-Guild arbitration:

Any dispute arising out of an audit conducted under the tri-Guild Gross Receipts Residuals Payment Monitoring Fund program concerning the interpretation or application, or alleged breach, of any residuals provisions of the Guilds' current or

[1] The Screen Actors Guild, and not SAG-AFTRA, was party to Sideletter No. 18 of the 1998, 2001, 2005, 2009 and 2011 Codified Basic Agreements.

predecessor Basic Agreements, when such provisions are the same or substantially similar.

This tri-Guild procedure is not available when the residuals obligation(s) at issue is (are) payable, guaranteed or assumed by a "Qualified Distributor," "Qualified Buyer" and/or a "Qualified Residuals Payor," except by mutual agreement.

B. GENERAL RULES

1. Parties

a. To the extent not inconsistent herewith, the arbitration provisions of the Guilds' Basic Agreements shall define the parties to a tri-Guild arbitration. Individuals and their respective loan-out companies shall not be parties to proceedings under this Sideletter.

b. The party against whom a tri-Guild arbitration is commenced is sometimes referred to herein as the respondent. Use of such term in the singular shall be deemed to include the plural.

2. Time Limits

The claim of each Guild is subject to the time limits set forth in its Basic Agreement.

3. Place of Hearing

All tri-Guild arbitrations shall be in Los Angeles, absent unanimous agreement of the parties to another situs.

The selection of the situs of the hearing room within the appropriate city shall be by mutual agreement of the Guilds and the respondent. If there is no such agreement, those parties will alternate in selecting the hearing room, with the party making the selection supplying the room at no charge to the other.

4. Award

The arbitrator may make any appropriate award to a Guild as permitted in that Guild's Basic Agreement. Such award shall be in writing and shall be limited as provided in each Guild's Basic Agreements. Subject to the provisions of those Basic Agreements, the award shall be final and binding upon the parties to the proceeding, whether participating in the proceeding or not.

5. Costs

The court reporter's per diem charges and the fee and the expenses of the arbitrator shall be borne fifty percent (50%) by the Guilds and fifty percent (50%) by the respondent. The cost of the arbitrator's copy of the transcript shall be shared seventy-five percent (75%) by the Guilds and twenty-five percent (25%) by the respondent.

6. Notices

a. All written notices referred to in this Sideletter commencing a tri-Guild proceeding shall be sent to the respondent by registered or certified mail or by personal delivery. If the moving party(ies) is (are) unable to effect service in this manner, service may then be effected by first class mail, postage prepaid, to the address for service last designated in writing to each of the Guilds by the respondent, together with publication in *Daily Variety, The Hollywood Reporter, The Los Angeles Times* and *The New York Times*. All other written notices may be sent to each party by messenger, certified mail, first class mail, facsimile or any other means agreed upon by the parties.

b. All notices sent by the Guilds to the respondent shall be sent to the address(es) designated by the respondent in writing to each of the Guilds at the time the respondent becomes signatory to each Guild's Basic Agreement. Should a signatory company change its address for the purpose of receiving notices relating to arbitration, the signatory company shall notify the Guilds of such new address, which shall then be substituted for the prior address.

c. Unless otherwise designated by a signatory company in a written notice to the Guilds, all notices sent by the Guilds to the respondent shall be addressed to the attention of its Labor or Industrial Relations Department or, in the absence of such department, to an officer of the respondent. If the respondent maintains an office in Los Angeles, California or its vicinity, all such notices shall be sent to said office.

d. A petition to confirm, modify or vacate, as the case may be, an arbitration award filed in any court of competent jurisdiction shall be served upon the respondent in such proceeding by registered or certified mail or by personal delivery. If the petitioner is unable to effect service in this manner, service then may be effected by first class mail, postage prepaid, to the address for service last designated in writing by the Company, together with publication in *Daily Variety, The Hollywood Reporter, The Los Angeles Times* and *The New York Times*.

7. Conduct of Proceedings

Except as set forth elsewhere herein, the arbitrator shall adopt such rules of procedure and shall conduct proceedings in such manner as he/she shall determine to be proper; provided, however, that each party to any arbitration shall be afforded a reasonable opportunity to present evidence and argument before the arbitrator.

All hearings, deliberations and proceedings of the arbitrator shall be closed to the public. Only interested parties, their representatives and witnesses may attend.

C. ARBITRATION

1. Initiation of Proceedings

a. When One or More Guilds Have Previously Served Separate Arbitration Claims and/or Grievances

A tri-Guild arbitration shall be initiated by the Guilds by written notice setting forth the particulars of the claim. The written notice shall describe all previously served claim(s) and/or grievance(s) to be submitted to the tri-Guild proceeding. The written notice shall be sent in accord with the procedures described in Section B.6. above, within eighteen (18) months following the date of the final audit report.

The tri-Guild procedure would not be available, however, when an arbitrator has been selected to hear a claim filed separately by one of the Guilds.

b. When No Arbitration Claims Have Been Previously Served By Any Guild

A tri-Guild arbitration shall be initiated by the Guilds by joint (*i.e.,* single) written notice setting forth the particulars of the claim, to be sent in accord with the procedures described in Section B.6. above. No grievance proceedings shall be utilized.

2. Respondent's Written Statement of Position

The respondent shall, within ten (10) business days following receipt of the notice of invocation of a tri-Guild proceeding, inform all Guilds of its representatives and serve a written statement of its position.

3. Selection of Arbitrator

The arbitrator shall be a neutral third party. The parties shall in good faith attempt to mutually agree upon an arbitrator within ten (10) business days after the respondent's receipt of the notice of invocation of a tri-Guild proceeding. Should the parties fail to so agree, the arbitrator shall be selected by the "Strike Process" as follows:

a. The arbitrators listed in subparagraph e.(2) below shall constitute the list of arbitrators.

b. On a respondent-by-respondent basis, the Guilds collectively and the respondent shall alternate on a case-by-case basis in first striking a name from the list of arbitrators. Thereafter, the other party shall "strike" a name from the list. The parties shall continue to alternate in striking names from the list, until one (1) arbitrator's name remains.

c. The arbitrator whose name remains (after the Strike Process is completed) shall be the arbitrator.

d. The "Strike Process" shall commence within two (2) business days following completion of the ten (10) business day period referred to in Section 3. above and must conclude no later than three (3) business days following completion of the ten (10) day period referred to in Section 3. above.

e. In the event that one of the parties fails to participate in the Strike Process, or fails to strike in order and/or timely, the other party may thereupon select the arbitrator to hear the matter.

(1) If there is more than one respondent, then the respondent which is the real party in interest shall participate in the striking process with the Guilds. In the event that such respondents cannot agree on which of them is the real party in interest, then such respondents shall determine by lot which of them shall participate in the striking process with the Guilds.

(2) The authorized list of arbitrators is as follows:

Sara Adler
Howard Block
Dixon Dern
Joseph Gentile
Fredric Horowitz

Edgar A. Jones, Jr.
Anita Christine Knowlton
Michael Rappaport
Sol Rosenthal

Additional names may be added from time to time by mutual agreement of the parties, provided that the panel shall consist of an odd number of arbitrators at all times.

4. Substitution of Arbitrators

If the arbitrator selected cannot serve, a substitute shall be selected in accordance with Section 3. above.

5. Notice of Hearing

The arbitrator or, at his/her request, one of the parties shall give written notice to the parties of the time and place of the arbitration hearing. In fixing such date, the arbitrator shall consult the parties and shall consider the time reasonably necessary for the parties to prepare their cases.

6. Exchange of Information

The parties will cooperate in the exchange of information reasonably in advance of the hearing date regarding the expected utilization of documents and physical evidence. Not later than thirty (30) days prior to the arbitration hearing, any party may make a written request to the other to produce, on a date not later than five (5) days before the hearing, documentary evidence of the type producible pursuant to a *subpoena duces tecum*. The documents must be produced on the date requested, but the other party may object to the production of the documents to the same extent as though the documents were subpoenaed. Any such objection shall be considered by the arbitrator at the hearing.

The introduction of documents or physical evidence shall not be precluded because they were not exchanged in advance of the hearing.

7. Hearing

a. The arbitrator may, upon a showing of good cause, continue the hearing. The arbitration hearing shall be continued by mutual agreement of the parties.

b. The arbitration shall take place as noticed or continued regardless of whether one (1) or more of the parties fails to participate.

8. Defenses

The respondent may assert any and all defenses available to it, including those available against only one or two Guilds.

9. Waiver of Time Limits

Any and all time limits in this Sideletter may be waived by the mutual consent of the parties.

10. Confidentiality

The parties and the arbitrator shall maintain the confidentiality of business records and/or other documents introduced at the hearing as if the provisions of Article 53.B. of the WGA Minimum Basic Agreement, Article 17-400 of the DGA Basic Agreement, Article 7.G. of the DGA Freelance Live and Tape Television Agreement and Article 6.1 of the SAG Codified Basic Agreement applied.

D. ARBITRATION OF DISPUTES WHICH INVOLVE QUESTIONS OF JURISDICTION OR ARBITRABILITY

1. General

An objection to jurisdiction or arbitrability shall first be determined by the arbitrator prior to proceeding with a hearing on the merits. If the arbitrator determines that there is jurisdiction and that the dispute is arbitrable, the arbitrator shall proceed to a decision on the merits; provided, however, that the party contesting arbitration or jurisdiction shall not, by proceeding to a determination of the merits of such arbitration, be deemed to have waived its position that the dispute is not arbitrable or that the arbitrator does not have jurisdiction. If the arbitrator rules he/she has no jurisdiction over the dispute or that the dispute is not arbitrable, then each party shall be free to pursue the remedies available to it.

2. Timeliness Defense

If the respondent alleges that the claim is time-barred under one or more of the Guilds' Agreements, such defense shall be bifurcated and heard in a separate proceeding in advance of the proceeding on the merits, absent consent of all parties to decide this defense in the same proceeding. In a

bifurcated proceeding, only the parties to the Agreement under which the timeliness defense has been raised shall be parties. These parties shall select a different arbitrator to decide the timeliness defense under the procedures described above in Section C.3., unless they agree to use the same arbitrator selected to decide the merits of the tri-Guild claim. The arbitrator shall refrain from issuing a decision on the merits of any tri-Guild claim subject to a timeliness defense until issuance of the decision on such defense.

E. ARBITRATION EXCLUSIVE REMEDY

Arbitration under this Sideletter shall be the exclusive remedy in connection with claims hereunder against the respondent concerning the interpretation or application, or alleged breach, of any residuals provisions of the Guilds' current or predecessor Basic Agreements.

Very truly yours,

/s/ Russell Hollander
Directors Guild of America, Inc.

/s/ Duncan Crabree-Ireland
Screen Actors Guild-American Federation of Radio and Television Artists

/s/ David J. Young
Writers Guild of America, West, Inc.
on behalf of itself and its affiliate
Writers Guild of America, East, Inc.

/s/ Carol A. Lombardini
Alliance of Motion Picture and Television Producers, Inc.

/s/ Marc L. Sandman
American Broadcasting Companies, Inc., an indirect wholly-owned subsidiary of ABC, Inc.

/s/ Sheldon D. Kasdan
CBS Broadcasting Inc.

/s/ Russell A. Wetanson
NBCUniversal Media, LLC
and Universal Television LLC

EXHIBIT A TO SIDELETTER TO ARTICLE 11.H

WGA Collective Bargaining Agreements:

1960 Network TV Film Agreement
1960 Network Live TV Agreement
1960 Network Documentary Agreement
1960 Theatrical Agreement
1960 Screen Agreement (Universal)
1960 TV Film Agreement (AMPP)
1960 TV Film Agreement (Independent)
1960 TV Film Agreement (Freelance)
1963 Live TV Agreement (Networks)
1963 Network Documentary Agreement
1963 Screen Agreement
1963 Screen Agreement (Universal)
1965 Live TV Agreement (Networks)
1965 Network Documentary Agreement
1965 Screen Agreement (Universal)
1966 Theatrical Agreement (Independent)
1966 TV Film Agreement (Freelance)
1967 Ext. to 1966 TV Film Agreement (Freelance)
1968 Live TV Agreement (Networks)
1968 Network Documentary Agreement
1970 Network Film MBA
1970 Theatrical & TV Agreement (AMPTP)
1971 Ext. to 1968 Live TV Agreement (Networks)
1971 Network Documentary Agreement
1973 Networks Basic Agreement
1973 Network Documentary Agreement
1973 Theatrical & TV Agreement (AMPTP)
1977 Networks Basic Agreement
1977 Network Documentary Agreement
1977 Theatrical & TV Agreement (AMPTP)
1977 Theatrical & TV Agreement (8 Companies)
1981 Theatrical & TV Agreement (AMPTP)
1985 Theatrical & TV Agreement (AMPTP)
1988 Theatrical & TV Agreement (Independent)
1988 Theatrical & TV Agreement (Indep. Revised)
1988 Theatrical & TV Agreement (AMPTP)
1992 Ext. To 1988 Theatrical & TV Agreement
1995 Theatrical & TV Agreement (AMPTP)
1995 Theatrical & TV Agreement (Networks)
1998 Theatrical & TV Agreement (AMPTP)
1998 Theatrical & TV Agreement (Networks)
2001 Theatrical & TV Agreement (AMPTP)
2001 Theatrical & TV Agreement (Networks)
2004 Theatrical & TV Agreement (AMPTP)
2004 Theatrical & TV Agreement (Networks)
2008 Theatrical & TV Agreement (AMPTP)
2008 Theatrical & TV Agreement (Networks)
2011 Theatrical & TV Agreement (AMPTP)
2011 Theatrical & TV Agreement (Networks)
2014 Theatrical & TV Agreement (AMPTP)
2014 Theatrical & TV Agreement (Networks)
2017 Theatrical & TV Agreement (AMPTP)
2017 Theatrical & TV Agreement (Networks)

DGA Collective Bargaining Agreements:

1960 Directors Guild of America Basic Agreement
1964 Directors Guild of America Basic Agreement
1968 Directors Guild of America Basic Agreement
1973 Directors Guild of America Basic Agreement
1975 Directors Guild of America Freelance Live & Tape Television Agreement
1978 Directors Guild of America Basic Agreement
1978 Directors Guild of America Freelance Live & Tape Television Agreement
1981 Directors Guild of America Basic Agreement
1981 Directors Guild of America Freelance Live & Tape Television Agreement
1984 Directors Guild of America Basic Agreement
1984 Directors Guild of America Freelance Live & Tape Television Agreement
1987 Directors Guild of America Basic Agreement
1987 Directors Guild of America Freelance Live & Tape Television Agreement
1990 Directors Guild of America Basic Agreement
1990 Directors Guild of America Freelance Live & Tape Television Agreement
1993 Directors Guild of America Basic Agreement
1993 Directors Guild of America Freelance Live & Tape Television Agreement
1996 Directors Guild of America Basic Agreement
1996 Directors Guild of America Freelance Live & Tape Television Agreement
1999 Directors Guild of America Basic Agreement
1999 Directors Guild of America Freelance Live & Tape Television Agreement
2002 Directors Guild of America Basic Agreement
2002 Directors Guild of America Freelance Live & Tape Television Agreement
2005 Directors Guild of America Basic Agreement
2005 Directors Guild of America Freelance Live & Tape Television Agreement
2008 Directors Guild of America Basic Agreement
2008 Directors Guild of America Freelance Live & Tape Television Agreement

2011 Directors Guild of America Basic Agreement
2011 Directors Guild of America Freelance Live & Tape Television Agreement
2014 Directors Guild of America Basic Agreement
2014 Directors Guild of America Freelance Live & Tape Television Agreement
2017 Directors Guild of America Basic Agreement
2017 Directors Guild of America Freelance Live & Tape Television Agreement

SAG Collective Bargaining Agreements:

Producer-Screen Actors Guild, Inc. Memorandum of Agreement of 1960 to the Producer-Screen Actors Guild Codified Basic Agreement of 1952 and the 1956 Supplement
1960 Screen Actors Guild Television Agreement
Producer-Screen Actors Guild, Inc. Memorandum of Agreement of 1963 to the Producer-Screen Actors Guild Codified Basic Agreement of 1952, the 1956 Supplement and the Producer-Screen Actors Guild, Inc. Memorandum of Agreement of 1960
1964 Screen Actors Guild Television Agreement
Producer-Screen Actors Guild, Inc. Memorandum of Agreement of 1965 to the Producer-Screen Actors Guild Codified Basic Agreement of 1952, the 1956 Supplement, the Producer-Screen Actors Guild, Inc. Memorandum of Agreement of 1960 and the Producer-Screen Actors Guild, Inc. Memorandum of Agreement of 1963
Producer-Screen Actors Guild Codified Basic Agreement of 1967
1967 Screen Actors Guild Television Agreement
1971 Supplement to the Producer-Screen Actors Guild Codified Basic Agreement of 1967
1971 Screen Actors Guild Television Agreement
Producer-Screen Actors Guild Memorandum of Agreement of 1974 to the Producer-Screen Actors Guild Codified Basic Agreement of 1967 and the 1971 Supplement and the 1971 Screen Actors Guild Television Agreement
1974 Screen Actors Guild Television Agreement
Producer-Screen Actors Guild Codified Basic Agreement of 1977
1977 Screen Actors Guild Television Agreement
1980 Supplement to the Producer-Screen Actors Guild Codified Basic Agreement of 1977 and 1977 Screen Actors Guild Television Agreement
1983 Memorandum of Agreement between AMPTP and Screen Actors Guild, Inc. to the Producer-Screen Actors Guild Codified Basic Agreement of 1977, the 1977 Screen Actors Guild Television Agreement and the 1980 Supplement
Producer-Screen Actors Guild Codified Basic Agreement of 1986
1986 Screen Actors Guild Television Agreement
1986 Memorandum of Agreement between Independent Producers and Screen Actors Guild to the Producer-Screen Actors Guild Codified Basic Agreement of 1977, the 1977 Screen Actors Guild Television Agreement, the 1980 Supplement and the 1983 Memorandum of Agreement between AMPTP and Screen Actors Guild, Inc.
Producer-Screen Actors Guild Codified Basic Agreement of 1989
1989 Screen Actors Guild Television Agreement
Screen Actors Guild Codified Basic Agreement of 1989 for Independent Producers
Producer-Screen Actors Guild Codified Basic Agreement of 1992
1992 Screen Actors Guild Television Agreement
1992 Memorandum of Agreement between Independent Motion Picture and Television Producers and Screen Actors Guild to the Screen Actors Guild Codified Basic Agreement of 1989 for Independent Producers and the Screen Actors Guild Television Agreement of 1989 for Independent Producers
Producer-Screen Actors Guild Codified Basic Agreement of 1995
1995 Screen Actors Guild Television Agreement
Screen Actors Guild Codified Basic Agreement of 1995 for Independent Producers
Screen Actors Guild Television Agreement of 1995 for Independent Producers
Producer-Screen Actors Guild Codified Basic Agreement of 1998
1998 Screen Actors Guild Television Agreement
Screen Actors Guild Codified Basic Agreement of 1998 for Independent Producers

Screen Actors Guild Television Agreement of 1998 for Independent Producers
Producer-Screen Actors Guild Codified Basic Agreement of 2001 (including the Extension Agreement effective as of July 1, 2004)
2001 Screen Actors Guild Television Agreement (including the Extension Agreement effective as of July 1, 2004)
Screen Actors Guild Codified Basic Agreement of 2001 for Independent Producers (including the Extension Agreement effective as of July 1, 2004)
Screen Actors Guild Television Agreement of 2001 for Independent Producers (including the Extension Agreement effective as of July 1, 2004)
Producer-Screen Actors Guild Codified Basic Agreement of 2005
2005 Screen Actors Guild Television Agreement
Screen Actors Guild Codified Basic Agreement of 2005 for Independent Producers
Screen Actors Guild Television Agreement of 2005 for Independent Producers
Producer-Screen Actors Guild Codified Basic Agreement of 2009
2009 Screen Actors Guild Television Agreement
Screen Actors Guild Codified Basic Agreement of 2009 for Independent Producers
Screen Actors Guild Television Agreement of 2009 for Independent Producers
Producer-Screen Actors Guild Codified Basic Agreement of 2011
2011 Screen Actors Guild Television Agreement
Screen Actors Guild Codified Basic Agreement of 2011 for Independent Producers
Screen Actors Guild Television Agreement of 2011 for Independent Producers
Producer-SAG-AFTRA Codified Basic Agreement of 2014
2014 SAG-AFTRA Television Agreement
Producer-SAG-AFTRA Codified Basic Agreement of 2017
2017 SAG-AFTRA Television Agreement

SIDELETTER TO ARTICLE 13.B.7.
"SUPERSIZED" EPISODES

As of November 1, 2004
Revised as of February 13, 2008
Revised as of May 2, 2011
Revised as of May 2, 2014
Revised as of May 2, 2017
Revised as of May 2, 2020

David J. Young
Executive Director
Writers Guild of America, West, Inc.
7000 West Third Street
Los Angeles, California 90048

Re: "Supersized" Episodes

Dear David:

This sideletter applies to any episode of a one-half hour or one-hour dramatic series covered under the 2020 Theatrical and Television Basic Agreement ("MBA") and produced for basic cable or broadcast in prime time on ABC, CBS, NBC, FBC or The CW, the running time of which extends beyond the regular time period of a typical episode of the series, but which does not consume a standard one-half hour or one (1) hour time period (*e.g.,* a forty-three [43] minute episode of a series which is ordinarily one-half hour in length). These episodes shall be referred to as "supersized" episodes. The parties agree that an episode which exceeds the length of a typical episode by up to three (3) minutes shall not be considered a "supersized" episode and no additional payment shall be due therefor.

The minimum compensation for a "supersized" episode of a series shall be the next highest rate applicable to a program closest in running time to the "supersized" episode, except that when there is no applicable 45 or 75 minute rate in a schedule, the minimum shall be the figure which is midway between the minimum applicable to the time period of a regular episode of the series and the next highest rate.

If the episode is rerun (either on the network or in syndication) after being edited to run as a one-half hour or one hour episode, as applicable, it is agreed that the residual base for such rerun shall be the minimum applicable to the length of a non-"supersized" episode of the series.

Sincerely,

/s/ Carol A. Lombardini
Carol A. Lombardini
President, AMPTP

ACCEPTED AND AGREED:

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young, Executive Director

SIDELETTER TO ARTICLE 13.B.7.f.
Time of Payment (Television)

As of March 28, 1995

Brian Walton
Executive Director
Writers Guild of America, west, Inc.
7000 W. Third Street
Los Angeles, California 90048-4329

Re: Long-form Television Motion Pictures; Payment for Writing Steps

Dear Mr. Walton:

Discussions among the Guild, Companies which produce television motion pictures ninety (90) minutes or longer, and licensees of such programming led to the following provision being added as the last paragraphs of Article 13.B.7.f. of the 1995 WGA Theatrical and Television Basic Agreement ("MBA"):

> "If the writer of a television motion picture ninety (90) minutes or longer has negotiated a salary sufficient to allow for three (3) revisions of the teleplay as follows, and the writer's contract provides for such revisions, the first draft teleplay shall be delivered to the producer (or other executive) designated in the writer's deal memorandum or contract and such producer shall be authorized to give notes to the writer and the writer shall utilize such notes in the first revision.
>
> Payment for such writing steps would be as follows:
>
> (1) commencement (10% of agreed compensation);
> (2) delivery of story (20% of agreed compensation);
> (3) delivery of first draft teleplay to producer (40% of agreed compensation);
> (4) (a) delivery of first set of revisions to producer, based on producer's notes, if any (10% of agreed compensation); or
> (b) if producer has not requested a revision, delivery of first set of revisions to network or licensee (10% of agreed compensation);
> (5) delivery of second set of revisions (10% of agreed compensation); and
> (6) delivery of polish (10% of agreed compensation).
>
> "SPECIAL COMPANY AFFIRMATIVE COVENANT OF TIMELY PAYMENT IN LONG-FORM TELEVISION
>
> "The following is without derogation of any other payment obligation in this Agreement.

"Given that industry practice in long-form television includes situations in which the Company (which employs the writer) receives payments, sometimes in stages, from a licensee, and that the licensee may contract with the Company for a number of drafts of a script prior to a production commitment, it is understood, and the Company hereby affirms that:

"(1) The obligation to make timely payment to the writer pursuant to this Article 13.B.7.f. and Article 13.B.9., including with respect to step 4(a) hereof, or otherwise, is an obligation of the Company regardless of any funding arrangement with a licensee of the motion picture; and

"(2) Lack of receipt by Company of payment from a licensee is not, and shall not be used as, an excuse for failure to pay the writer on a timely basis."

As participants in the discussions leading up to the addition of this new provision, we understand that in certain circumstances a producer employed or affiliated with a Company signatory to the MBA may request that the writer perform a set of revisions prior to submission of the first draft teleplay to the licensee. This would result in the licensee being entitled to one fewer draft of a teleplay than would have been the case prior to the addition of this provision, and licensees agree to adjust the time of their payment to the Company accordingly. We also understand that this provision was added to remove pressures upon the writer to perform uncompensated writing.

It was further discussed during the above-described discussions that should a licensee wish to preserve for itself the right to see all drafts, as contemplated under paragraph (4)(b) of Article 13.B.7.f., the licensee shall make appropriate contractual arrangements with the employing Company.

Each of the undersigned will instruct its employees on the meaning of this new provision and conduct its affairs accordingly.

Very truly yours,

[Insert signatures from ABC, CBS, NBC and other licensees]

cc: J. Nicholas Counter III

SIDELETTER TO ARTICLE 13.B.7.o.

As of February 13, 2008
Revised as of May 2, 2011
Revised as of May 2, 2014
Revised as of May 2, 2017
Revised as of May 2, 2020

Carol A. Lombardini
President
Alliance of Motion Picture and Television Producers, Inc.
15301 Ventura Boulevard, Building E
Sherman Oaks, California 91403

Re: Article 13.B.7.o. - Foreign Remakes

Dear Carol:

Reference is made to the provisions of Article 13.B.7.o. of the 2020 WGA Theatrical and Television Basic Agreement and to the corresponding provisions of prior MBAs. The parties agreed to codify an alternative payment formula for deals entered into on or after May 2, 2020 for foreign remakes of television formats and scripts and foreign remakes of a television motion picture ninety (90) minutes or longer ("MOW"), irrespective of whether the Company licensing the format rights is also a participant in the production. Where a Company sells or licenses the right to remake the format and/or episodes of an MBA-covered television series or MOW to be produced outside the United States in a language other than English for initial exhibition in a specific foreign market, Company may apply the provisions below as an alternative to Article 13.B.7.o.:

(1) For any sale or license of literary material for a remake of the format and/or episodes of an MBA-covered television series, Company will pay to the credited writer(s) of the literary material and to the writer accorded "Created by" credit on the related television series, if any, thirty percent (30%) of the license fee paid to the Company for the literary material used for each remade episode of the series. Alternatively, Company may allocate the foregoing payment (and residuals, if any) evenly among all episodes subject to the license agreement. Payment shall be made to the Guild's Residuals Department no later than sixty (60) days after Company receives such license fee. The Guild shall distribute such payment to the writer(s) who received final writing credit when the episode was originally produced ("Credited Writer(s)") and to the writer(s) who received "Created by" credit when the series was originally produced ("Creator(s)") as follows:

a. Remade episode on which Credited Writer(s) received "Written by" credit:

Payee	**Total % Due**		**Allocation**
Credited Writer(s)	88%		73.95% - writer
			6.29% - pension
			7.76% - health
		Total:	**88.00%**
Creator	12%		
TOTAL	**100%**		

b. Remade episode on which Credited Writer(s) received separate "Teleplay by" and "Story by" credit:

Payee	**Total % Due**		**Allocation**
Credited Writer(s) - Teleplay	55.3%		46.47% - writer
			3.95% - pension
			4.88% - health
		Total:	**55.30%**
Credited Writer(s) - Story	34.7%		29.16% - writer
			2.48% - pension
			3.06% - health
		Total:	**34.70%**
Creator(s)	10%		
TOTAL	**100%**		

c. Original episode for remade series (*i.e.*, no pre-existing episode on which the WGA determined the final writing credit):

Payee	**Total % Due**	**Allocation**
Creator	100%	100%

(2) For any sale or license of literary material for a remake of an MBA-covered MOW, Company will pay to the credited writer(s) of the literary material thirty percent (30%) of the license fee paid to the Company for the literary material used for the remake of the MOW. Payment shall be made to the Guild's Residuals Department no later than sixty (60) days after Company receives such license

fee. The Guild shall distribute such payment to the writer(s) who received final writing credit when the MOW was originally produced ("Credited Writer(s)") as follows:

a. Remade MOW on which Credited Writer(s) received "Written by" credit:

Payee	**Total % Due**	**Allocation**
Credited Writer(s)	100%	84.04% - writer
		7.14% - pension
		8.82% - health
	Total:	**100.00%**

b. Remade MOW on which Credited Writer(s) received separate "Teleplay by" and "Story by" credit:

Payee	**Total % Due**	**Allocation**
Credited Writer(s) - Teleplay	75%	63.02% - writer
		5.36% - pension
		6.62% - health
	Total:	**75.00%**
Credited Writer(s) - Story	25%	21.00% - writer
		1.79% - pension
		2.21% - health
	Total:	**25.00%**

(3) In addition to the payments in (1) and (2) above:

a. Should the Company distribute the remade episode or remade MOW in foreign markets, separate and apart from the license described in (1) and (2) above, Company shall pay one and two-tenths percent (1.2%) of Company's "accountable receipts," as that term is defined in Article 51.C.1.a., from foreign distribution of the remade episode(s) or remade MOW. Such payments shall be due and payable in accordance with the provisions of Article 51.

b. Should the Company exhibit the remade episode or remade MOW in the United States or Canada, the provisions of Article 15.B.1.c.(1) shall apply, and two percent (2%) of Company's "accountable receipts" shall be due.

(4) Except as set forth in (3)a. and b. above, no residuals shall be due or payable for reuse of any of the episodes of the remade series or remade MOW.

(5) Pension Plan and Health Fund contributions are payable on the residuals provided for in (3)a. and b. above, pursuant to the provisions of Article 17.

(6) Credits on such remade episodes or remade MOW shall be governed by the following subparagraphs a. through f.:

a. The credited writer(s) of each episode of the original series or the original MOW shall receive the same on-screen credit on the remade episode or remade MOW as he/she/they received on the original series episode or original MOW.

b. The Guild-determined "Created by" credit shall appear on the screen on all episodes of the remade series, *i.e.*, remade and original episodes.

c. As soon as practicable, Company will provide the Guild with the list of episodes to be remade (or, if the Company has elected to allocate evenly among all episodes, a list of the episodes subject to the license) and their writing credits as provided by Company to the foreign licensee. It is not necessary to provide the Guild with the writing credits as they appear (in a foreign language, or translated from the foreign language) in the remade episodes.

d. The Guild will allow a "Script Associate" credit (or other similar kind of credit) to be accorded to the foreign production company employee who conforms the remade episodes or remade MOW for the foreign language market.

e. Except as provided in this paragraph (6), no other writing credit shall be accorded on the remade episodes or remade MOW without the approval of the Guild, which approval shall not be unreasonably withheld.

f. All of the provisions of this paragraph (6) shall be subject to any laws or rules and regulations of the broadcast regulatory agency and/or country in which the remade series or remade MOW is produced.

(7) Except as provided herein, all other terms and condition of the WGA MBA, including, but not limited to, separation of rights and additional compensation, will apply to the remade episodes or remade MOW.

Sincerely,

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young

ACCEPTED AND AGREED:

The respective signatory companies represented by the ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS, INC.

By: /s/ Carol A. Lombardini
Carol A. Lombardini

SIDELETTER TO ARTICLE 14.E.2.

As of February 13, 2008

Carol A. Lombardini
President
Alliance of Motion Picture & Television Producers, Inc.
15301 Ventura Boulevard, Building E
Sherman Oaks, California 91403

Re: Pension Plan and Health Fund Contributions for Article 14.E.2. Writers

Dear Carol:

During the 2007-2008 negotiations, the parties discussed the contributions that are appropriate when a writer is employed under a development deal as an Article 14.E.2. writer and, under the same contract, is employed to perform Article 14.K. services on a series for which the writer receives additional money which is not creditable.

The parties agreed that in such circumstances, contributions shall be payable as set forth in Article 14.E.2. for the full term of the employment and shall be paid on the non-creditable Article 14.K. services, except for those periods of time when the writer is not performing development services and is receiving Article 14.K. compensation on the series outside of the Article 14.E.2. guarantee. In that case, contributions shall be payable on the non-creditable Article 14.K. minimum, script fees, program fees and on 50% of the amount otherwise due under Article 14.E.2.

Sincerely,

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young

ACCEPTED AND AGREED:

The respective signatory companies represented by
the ALLIANCE OF MOTION PICTURE &
TELEVISION PRODUCERS, INC.

By: /s/ Carol A. Lombardini
Carol A. Lombardini

SIDELETTER TO ARTICLE 15.B.1. RE PROGRAM INTERRUPTIONS

As of November 1, 2004
Revised as of February 13, 2008
Revised as of May 2, 2011
Revised as of May 2, 2014

Carol A. Lombardini
President
Alliance of Motion Picture and Television Producers, Inc.
15301 Ventura Blvd., Building E
Sherman Oaks, California 91403

Re: Program Interruptions

Dear Carol:

The parties agree that if a substantial portion of a television program or an element essential to the program is not shown because the program is preempted, as described below, the Guild shall, upon request of the network, program service or Company stating the reason therefor and the date, time and market(s) of the rebroadcast, grant a waiver permitting the network, program service or Company to re-exhibit the entire interrupted program on the network, station(s), or service whose transmission was interrupted within thirty (30) days following the interrupted transmission without incurring any additional payment to the writer(s) of the program. It is understood that the network, program service or Company will exercise discretion and limit such requests to situations such as governmental regulation or order, strike, the failure of program transmission facilities because of war or other calamity such as fire, earthquake, hurricane, or similar acts of God, or because of the breakdown of program transmission facilities due to causes beyond the reasonable control of the network, program service or Company, or because the program time is preempted by a Presidential broadcast, a news emergency, or a special news event.

Very truly yours,

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young
Executive Director, WGAW

ACCEPTED AND AGREED:

The respective signatory companies represented by
the ALLIANCE OF MOTION PICTURE AND
TELEVISION PRODUCERS, INC.

By: /s/ Carol A. Lombardini
Carol A. Lombardini
President

SIDELETTER NO. 1 TO ARTICLE 15.B.1.b.(2)(c)

As of August 8, 1988
Revised as of May 2, 1992
May 2, 1995
May 2, 1998
May 2, 2001
November 1, 2004
February 13, 2008
May 2, 2011
May 2, 2014
May 2, 2017 and
May 2, 2020

Carol A. Lombardini
President
Alliance of Motion Picture and Television Producers, Inc.
15301 Ventura Boulevard, Building E
Sherman Oaks, California 91403

Re: Waiver re Domestic Free Television Residuals for One-Hour Network and FBC Prime Time Dramatic Series

Dear Carol:

The terms of this Sideletter No. 1 to Article 15.B.1.b.(2)(c) shall apply only to licenses entered into prior to July 1, 2020.

A. Revenues Contracted For: The Writers Guild of America hereby grants a limited waiver from the provisions of Article 15.B.1.b.(2)(c) of the 2020 WGA-AMPTP MBA, and the comparable provisions of all prior MBAs, to all Companies signatory hereto with regard to residuals payable pursuant thereto ("fixed residual payments") to the credited writer(s) of episodes of one-hour network prime time dramatic series, which series have not been exhibited in syndication prior to March 1, 1988, and episodes of one-hour prime time dramatic series produced for initial broadcast on Fox Broadcasting Company ("FBC"), which series have not been exhibited in syndication prior to May 2, 2002.

Residuals for episodes of such series shall be computed by multiplying the fixed residual amount otherwise due by a ratio, the numerator of which is the revenue contracted for by the distributor, as may be adjusted below, and the denominator of which is six hundred fifty thousand dollars ($650,000.00). As subsequent payments are made for any episode, appropriate payments or credits shall be made to bring earlier residual payments into conformity with any increase or decrease in the multiplier. In no event, however, shall any

payment made pursuant to this limited waiver exceed one hundred fifty percent (150%) of the fixed residual payment otherwise due. Similarly, any such payment shall not be less than fifty percent (50%) of the fixed residual payment otherwise due, except in the case of series licensed only in markets representing fewer than one-third of all United States television households.

B. Combination Sales: If a series qualifying hereunder is sold in combination with any other series or other program, the Company shall allocate to each episode of the series qualifying hereunder a fair and reasonable portion of the revenues contracted for and shall include such amount in the numerator referred to above. The Company shall notify the Guild when a series qualifying hereunder is sold in combination with another series or program and in such notice identify the other series or program involved. If the Guild contends that the amounts so allocated were not fair and reasonable, such claim may be determined by submission to arbitration and the arbitrator shall have the authority to determine the fair and reasonable amount to be so allocated.

C. Barter Syndication: If any series qualifying hereunder is syndicated with advertising time withheld by the distributor (*i.e.*, barter syndication), the fair market value of the amount allocated to the "barter" portion of the deal shall be included in the numerator referred to above. The Company shall notify the Guild when a series qualifying hereunder is syndicated in any barter arrangement. If the Guild contends that the amount so allocated does not represent the fair market value of the "barter," such claim may be determined by submission to arbitration and the arbitrator shall have the authority to determine the fair market value to be so allocated.

D. Reporting:

1. The Company shall make the foregoing payments within the time period set forth in Article 15.B.1.b.(5) and in the manner required by Article 15.B.4. Simultaneously with each payment due hereunder, the Company shall submit to the Guild a statement showing per-episode market-by-market[1] revenue amounts used to compute the multiplier for the episode. In calculating the numerator of each multiplier, the revenue contracted for by the distributor shall be adjusted by the Company to take into account uncollected revenues, to the extent that such are evidenced by bankruptcy, contract restructuring (including amendments and cancellations), reorganizations or accounts that are more

[1] The Guild agrees to maintain such information on a strictly confidential basis. The regular practice required by this Agreement is for the Company to send the Guild the market-by-market information in the statement; however, it is recognized that in certain limited instances, the Company may have business reasons, unrelated to compliance with this Basic Agreement, for believing that the inclusion in the written statement of specific market revenues contracted for, or some of them (as distinguished from the total revenues contracted for), may not be appropriate. In such instances, the Company will advise the Guild that such figures are being omitted from its statement and the reasons therefor. In such cases, Company will meet promptly to provide such figures in a confidential setting, limited to appropriate executives of the Guild and the Company.

than 270 days delinquent. In its statement to the Guild, the Company shall notify the Guild of any such adjustment and the basis therefor.

2. If the Company excludes any amounts not collected with respect to contracts with any party whose debts have been discharged or whose contracts have been modified in a bankruptcy or reorganization proceeding, the Company shall notify the Guild of the exclusion and, upon request, shall promptly provide the Guild with copies of court documents, including those which substantiate the discharge, reorganization or contract modification.[2]

3. Upon collection of any revenues previously treated as "uncollected" under this section D., the Company shall add such collected revenues back into the numerator of the multiplier. Any increased amounts shall be due with the next payment otherwise required hereunder, but in no event later than four (4) months from recovery or collection of such revenue by the Company. In its statement to the Guild, the Company shall notify the Guild of the amounts of such a collection and the basis therefor.

4. In any dispute over a decrease in the numerator alleged to have been made under this section D., the burden of proof shall be on the Company to establish that such decrease comports with the terms and conditions hereof.

5. The Company affirms its obligations under Article 15.B.5. and Article 53. Upon written request of the Guild, the Company shall promptly send to the Guild copies of those parts of the contracts showing the financial terms relevant to the determination of the accuracy of the payments to be made hereunder.[3] The Company shall also, upon request of the Guild, provide the Guild promptly with access to any and all documents or records reasonably necessary to confirm compliance with the foregoing terms and conditions and, thereafter, upon written request of the Guild, the Company

[2] The Guild recognizes that there may be situations in which the Company has already made residual payments to writers under this sideletter based upon the revenues it contracted for, but ultimately fails to receive those revenues. When the reason for failing to collect the revenues originally contracted is one of those which would justify an adjustment in the numerator under this provision, but the Company is unable to recoup its excess residual payments to writers, the Guild agrees to cooperate in good faith with the Company to arrive at an equitable solution calculated to place the Company in the same position that it would have been in had it made the adjustment in the numerator before its payment of residuals.

[3] The Guild agrees to maintain such information on a strictly confidential basis. It is recognized that in certain limited instances the Company may have business reasons, unrelated to compliance with this Basic Agreement, for believing that sending copies of financial terms of certain contracts to the Guild may not be appropriate. In such instances, the Company may confer with the Guild to explain its concerns. The Guild shall in good faith consider the Company's concerns and, if it concurs with the Company, it shall so indicate in writing and the Company shall not be required to send such items.

shall provide the Guild with copies of such documents and records. If the Company in good faith contends that any of such documents or records are proprietary and/or confidential, the Guild shall in good faith seek to address appropriate Company concerns. The Company may withhold copies pending an agreement with the Guild on how the Guild shall maintain appropriate confidentiality. If such an agreement is not reached, the Company may withhold such documents pending action by an arbitrator.

E. Termination of Waiver: If the Guild desires to terminate this limited waiver, it may, once during the term of this Agreement, so advise the AMPTP, ABC, CBS, NBC and FBC not later than June 1 of any year of this Agreement. In such event, the parties shall promptly submit the issue of whether the economics of the off-network domestic syndication market for one-hour dramatic programs produced for network prime time have recovered sufficiently to justify the expiration of this limited waiver to a neutral fact-finder for an expeditious determination. The neutral fact-finder, who shall be chosen by mutual agreement of the parties or, absent such agreement of the parties, from a panel of arbitrators of the American Arbitration Association (AAA) in accordance with AAA rules, shall issue his/her findings in writing prior to the commencement of the fall television season.

The parties hereto agree that such written findings constitute an arbitration award for the purpose of proceedings to enforce, modify or vacate an arbitration award in any court of competent jurisdiction.

In the event the neutral fact-finder determines that the syndication market has recovered sufficiently to justify the expiration of the limited waiver, the Guild shall have the option to terminate this limited waiver as to the next fall television season and, in lieu thereof, to reinstate the fixed residual formula, as provided in Article 15.B.1.b.(2)(c). In the event the Guild elects to terminate the waiver, such election shall apply to series premiering on a network in the fall season(s) following the Guild's request for fact-finding.

Sincerely,

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young

ACCEPTED AND AGREED:

The respective signatory companies represented by the ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS, INC.

By: /s/ Carol A. Lombardini
Carol A. Lombardini

SIDELETTER NO. 2 TO ARTICLE 15.B.1.b.(2)(c)

As of May 2, 2001
Revised as of November 1, 2004
Revised as of February 13, 2008
Revised as of May 2, 2011
Revised as of May 2, 2014
Revised as of May 2, 2017
Revised as of May 2, 2020

Carol A. Lombardini
President
Alliance of Motion Picture and Television Producers, Inc.
15301 Ventura Boulevard, Building E
Sherman Oaks, California 91403

Re: Experiment in Syndication of Half-Hour Series in Markets Representing 50% or Fewer of U.S. Television Households

Dear Carol:

Reference is made to the provisions of Article 15.B.1.b.(2)(c) of the 2020 WGA Theatrical and Television Basic Agreement. During the 2001 negotiations, the Companies expressed a concern that if a series could only be syndicated in markets representing 50% or fewer of the U.S. television households, residuals payable pursuant to Article 15.B.1.b.(2)(c) would render such syndication fiscally untenable. The Companies asserted that the payment of any residuals in such circumstances would benefit both the Company and the individual writers since no payments are presently made.

While the WGA expressed concern that an accommodation might be subject to abuse or otherwise reduce overall syndication residuals, the parties agreed to an experiment for the term of the 2001 MBA, agreed to renew it for the terms of the 2004 MBA, 2008 MBA, 2011 MBA, 2014 MBA, 2017 MBA, and 2020 MBA to be reviewed by May 1, 2023 to determine its effectiveness and whether or not it should be extended. In such regard, the Companies agree to provide the WGA with license fee information at the time of the first payment hereunder.

When a half-hour series is syndicated in markets representing in the aggregate fifty percent (50%) or fewer of U.S. television households, residuals for such series shall be payable at twenty percent (20%) of the "applicable minimum" pursuant to Article 15.B.1.b.(3) for each such run but shall not constitute a "run" for purposes of Article 15.B.1.b.(2)(c).

If the series is further syndicated and the aggregate of the markets in which the series is syndicated exceeds fifty percent (50%) of the U.S. television households, the payments required pursuant to Article 15.B.1.b.(2)(c) shall be due on any subsequent runs.

This experiment will only apply to series that have not yet been placed into syndication as of May 2, 2001.

The terms of this Sideletter No. 2 to Article 15.B.1.b.(2)(c) shall apply only to licenses entered into prior to July 1, 2020.

Sincerely,

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young

ACCEPTED AND AGREED:

The respective signatory companies represented by
the ALLIANCE OF MOTION PICTURE AND
TELEVISION PRODUCERS, INC.

By: /s/ Carol A. Lombardini
Carol A. Lombardini

SIDELETTER TO ARTICLE 15.B.13., APPENDICES A, B AND C AND THE SIDELETTER ON LITERARY MATERIAL WRITTEN FOR PROGRAMS MADE FOR NEW MEDIA

As of May 2, 2017
Revised as of May 2, 2020

Carol A. Lombardini
President
Alliance of Motion Picture and Television Producers, Inc.
15301 Ventura Boulevard, Building E
Sherman Oaks, California 91403

Re: Limited Theatrical Exhibition with Admission Charge of Series Episode(s) or MOWs

Dear Carol:

During the 2017 negotiations, the parties agreed that for limited theatrical exhibitions with an admission charge of series episode(s) or MOWs as described below, the following shall apply in lieu of the payments required for theatrical exhibition under Article 15.B.13., Appendices A, B and C and the Sideletter on Literary Material Written for Programs Made for New Media:

(1) If one or more episodes of a free television, pay television or basic cable series or one or more episodes of a High Budget SVOD series or mini-series (as defined in the Sideletter on Literary Material Written for Programs Made for New Media), either alone or in combination with another episode of the same or different series, or a long-form television motion picture made for free television, pay television or basic cable (but not one that is a High Budget SVOD Program), is exhibited theatrically with an admission charge after its initial exhibition on television (or initial availability on a subscription consumer pay platform in the case of a High Budget SVOD series or mini-series), the Company shall pay to the credited writer(s) an amount equal to three percent (3%) of the Company's "accountable receipts" (as defined in Article 51.C.1.a. of the MBA) derived from licensing the theatrical exhibition rights and, for this purpose, shall include the fair market value of any in-kind consideration, provided that:

(a) The theatrical exhibition shall take place at least twenty-four (24) hours after the episode's initial telecast (or, for a High Budget SVOD

series or mini-series, at least twenty-four (24) hours after the episode has been made available for viewing on the streaming service) or at least thirty (30) days after the initial telecast of a long-form television motion picture;

(b) The theatrical exhibition shall not exceed eight (8) days, which need not be consecutive, unless the initial theatrical exhibition takes place more than one year after the initial telecast or streaming availability, in which case there is no limit on the length of the theatrical exhibition;

(2) If one or more episodes of a 30-minute or 60-minute free television, pay television or basic cable series or one or more episodes of a 20-35 minute or 36-65 minute High Budget SVOD series, either alone or in combination with another episode of the same or different series, is exhibited theatrically with an admission charge no more than thirty (30) days in advance of or simultaneous with its exhibition on television (or, in the case of an episode of a High Budget SVOD series, thirty (30) days in advance of or on the same date that it is made available for exhibition on a streaming service), the Company shall pay to the credited writer(s) an amount equal to three percent (3%) of the Company's "accountable receipts" (as defined in Article 51.C.1.a. of the MBA) derived from licensing the theatrical exhibition rights and, for this purpose, shall include the fair market value of any in-kind consideration, provided that:

(a) The theatrical exhibition shall not exceed six (6) days, which need not be consecutive;

(b) The episode, including the pilot, is part of a series order of at least six (6) episodes.

(3) Company shall provide the Guild with notice of any theatrical exhibition covered hereunder as soon as possible after an agreement in principle has been reached for the theatrical exhibition.

(4) The provisions above also apply to a double-length episode, a pilot of any length for which a series has been ordered and any "supersized" episode of a series.

(5) In the case of a dispute as to the manner of allocation of the payment between credited writer(s), the Guild will make the determination.

(6) The theatrical use fee provided in Article 15.B.13.a. or b., less the amount of the percentage residual payment already paid, shall apply if the foregoing conditions are not met or if the television motion picture(s) or High Budget SVOD series or mini-series as theatrically exhibited is submitted for theatrical award consideration.

(7) The provisions above shall apply to the use after May 2, 2020 of any television episode, High Budget SVOD Program or long-form television motion picture for which a theatrical release payment is due, regardless of when produced.

(8) Within ten days of a request by the Guild, the Company shall provide for inspection by the Guild's designated employee(s) or auditor(s), at Company's premises, full access to all unredacted agreements related to the theatrical exhibition of the television motion picture. The information provided to the Guild will be treated as confidential pursuant to Article 53.B.

(9) The above provisions shall expire on the termination date of the 2020 MBA and will be of no force and effect thereafter; however, the terms of this Sideletter shall continue to apply to any license agreement entered into before May 2, 2023.

Sincerely,

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By:/s/ David J. Young
David J. Young

ACCEPTED AND AGREED:

The respective signatory companies represented by
the ALLIANCE OF MOTION PICTURE AND
TELEVISION PRODUCERS, INC.

By:/s/ Carol A. Lombardini
Carol A. Lombardini

SIDELETTER TO ARTICLE 15.B.14.h.(2)

As of May 2, 2011

David J. Young
Executive Director
Writers Guild of America, West, Inc.
7000 West Third Street
Los Angeles, California 90048

Re: Committee Re Character Payments

Dear David:

The parties agree to form a joint committee to consider ways to simplify the process and the rules associated with a writer's eligibility for and the payment of character payments under Article 15.B.14.h.(2).

The Committee will commence its meetings within one hundred eighty (180) days after the ratification of this Agreement.

Sincerely,

/s/ Carol A. Lombardini
Carol A. Lombardini
President, AMPTP

ACCEPTED AND AGREED:

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young, Executive Director

SIDELETTER RE ELECTRONIC DATA TRANSFER

As of May 2, 1998
Revised as of February 13, 2008
Revised as of May 2, 2011

Carol A. Lombardini
President
Alliance of Motion Picture & Television Producers, Inc.
15301 Ventura Boulevard, Building E
Sherman Oaks, California 91403

Re: Electronic Data Transfer

Dear Carol:

Reference is made to the 1997-98 negotiations between the Guild, on the one hand, and the Companies represented by the AMPTP, on the other hand, in which the parties discussed the Guild's proposal for electronic transfer of certain data.

In the 1997-98 negotiations, the Companies confirmed it was their objective to move toward an electronic data transfer of residuals and other agreed-upon information, as appropriate, to the WGA. The Companies also confirmed their willingness to cooperate with the WGA in implementing these transfers.

In the 2007-2008 negotiations, the Guild proposed a deadline for implementation of electronic data transfer. In response, the Companies agreed that electronic data transfer is in the best interest of the parties. The parties agreed that each Company would meet with the Guild on a Company-by-Company basis, to discuss the feasibility of establishing a mutually acceptable method of transfer to be implemented as soon as practicable, considering competing IT priorities within the Company.

In the 2011 negotiations, the parties affirmed their agreement to meet on a Company-by-Company basis to discuss electronic data transfer as provided in the immediately preceding paragraph.

Sincerely,

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young

ACCEPTED AND AGREED:

The respective signatory companies represented by
the ALLIANCE OF MOTION PICTURE &
TELEVISION PRODUCERS, INC.

By: /s/Carol A. Lombardini
Carol A. Lombardini

SIDELETTER TO ARTICLE 16
RE REACQUISITION PROVISIONS

As of August 8, 1988
Revised as of May 2, 1998

Alliance of Motion Picture & Television Producers, Inc.
15503 Ventura Boulevard
Encino, California 91436

Ladies and Gentlemen:

The parties acknowledge that during the 1988 MBA negotiations disputes arose concerning certain alleged ambiguities in the provisions of prior MBAs relating to reacquisition in screen and TV (hereinafter "the disputes"). As to the disputes, the WGA and the Companies expressly reserved their positions.

In addition, the parties agreed that the provisions of Article 16.A.8.a), b) and c)[1] shall not apply to Article 16.A.8.d)[2] of the 1988 MBA, except as specifically provided therein.

The parties participated in several "side bar" discussions during June, July and August, 1988, with respect to Articles 16.A.8. and 16.B.2. In connection with these side bar discussions, as with all other side bars, the parties agreed not to introduce into evidence in any legal proceeding arising under a prior MBA the proposals or counterproposals made in such side bars, or any oral statement made by any party during such side bars, concerning the disputes.

The parties further agreed that in any legal proceeding arising under a prior MBA, the parties will not introduce into evidence Article 16.A.8.d) or Article 16.B.2. of the 1988 MBA concerning issues of interpretation of reacquisition provisions in prior MBAs.

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ Brian Walton
Brian Walton
Executive Director, WGAw

[1] These provisions have been redesignated as Article 16.A.8.a.,b., and c., respectively, in the 1998 MBA.

[2] This provision has been redesignated as Article 16.A.8.d. in the 1998 MBA.

ACCEPTED AND AGREED:

The respective signatory companies represented by
the ALLIANCE OF MOTION PICTURE
& TELEVISION PRODUCERS, INC.

By: /s/ J. Nicholas Counter III
J. Nicholas Counter III
President

SIDELETTER TO ARTICLE 16.A.8.d) RE REACQUISITION

As of August 8, 1988
Revised as of May 2, 1998

J. Nicholas Counter III
President
Alliance of Motion Picture & Television Producers, Inc.
15503 Ventura Boulevard
Encino, California 91436

Dear Nick:

Reference is made to Article 16.A.8.d)[1] of the 1988 WGA MBA, which governs the reacquisition of literary material written or acquired on or after August 8, 1988. In drafting that provision, the parties agreed to structure that clause in a manner that is different from the structure of subparagraphs a), b) and c) of Article 16.A.8.[2], on which subparagraph d) is in large part based. This "restructuring" involved the addition of contract language, lettering and numbering and subtitles and was designed to provide a more convenient and precise means of referencing portions of the language in the new reacquisition clause.

By this letter, the parties reaffirm their agreement that the language so added was not intended, and should not be construed, as effecting any substantive difference between Article 16.A.8.d) and the language in Articles 16.A.8.a), b) and c) upon which it is based. To avoid any possible confusion in identifying substantive and non-substantive language changes in Article 16.A.8.d), the parties have agreed to the following list specifying the language added to Article 16.A.8.d) solely for the purpose of accomplishing the restructuring:

(1) The addition of the subtitle "Reacquisition under the 1988 Basic Agreement" at the beginning of subparagraph d).

(2) The addition of the subtitle "Procedures for Reacquisition" after the second full paragraph of subparagraph d).

[1]This provision has been redesignated as Article 16.A.8.d. in the 1998 MBA.

[2]These provisions have been redesignated as Article 16.A.8.a., b., and c., respectively, in the 1998 MBA.

(3) The addition of "(i)," "(ii)," "(iii)," "(iv)," "(v)," "(vi)" and "(vii)"[3] as paragraph identifications before the first through seventh paragraphs, respectively, immediately following the "Procedures for Reacquisition" subtitle.

(4) The deletion of the words "provided, however, that" at the end of subparagraph (iii) and the word "instead" in the first sentence of subparagraph (iv) under "Procedures for Reacquisition" and the addition of the words "In the alternative" at the beginning of the latter subparagraph.

(5) The substitution of the words "subparagraph (iv)" in lieu of "the proviso in the third paragraph" in the first sentence of subparagraph (vi) under "Procedures for Reacquisition."

(6) The addition of the subtitle "Rights and Procedures Relating to Reacquisition of Material That Has Been Sold or Optioned."

(7) The addition of "(i)," "(ii)," "(iii)" and "(iv)" as paragraph identifications before the first through fourth paragraphs, respectively, immediately following the subtitle "Rights and Procedures Relating to Reacquisition of Material That Has Been Sold or Optioned."

(8) The addition of the number "8" in the reference to:

(a) "subparagraph 8.d)" at the end of the first sentence of subparagraph (i) under the subtitle "Rights and Procedures Relating to Reacquisition of Material That Has Been Sold or Optioned";

(b) "subparagraph 8.d)" at the end of the last sentence of subparagraph (i) under the subtitle "Rights and Procedures Relating to Reacquisition of Material That Has Been Sold or Optioned";

(c) "subparagraph 8.c)" in the first sentence of subparagraph (iii) under the heading "Rights and Procedures Relating to Reacquisition of Material That Has Been Sold or Optioned";

(d) "subparagraph 8.d)" in the first sentence of subparagraph (iv) under the heading "Rights and Procedures Relating to Reacquisition of Material That Has Been Sold or Optioned"; and

(e) "subparagraph 8.d)" in the first sentence of subparagraph (i) under the heading "Payment."

[3]These provisions have been redesignated as Article 16.A.8.d.(1)(a) through (g), respectively, in the 1998 MBA.

(9) The addition of the words "it was" after the words "the date" and before the words "actually received" in the second sentence of subparagraph (i) under the heading "Rights and Procedures Relating to Reacquisition of Material That Has Been Sold or Optioned."

(10) The addition of the subtitle "Payment."

(11) The deletion of the comma preceding the parenthetical in the last sentence under subparagraph (i) under the heading "Payment."

(12) The addition of the heading "Procedure if More than One Writer Desires to Reacquire the Literary Material."

Sincerely,

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ Brian Walton
Brian Walton, Executive Director
Writers Guild of America, west, Inc.

ACCEPTED AND AGREED:

By: /s/ J. Nicholas Counter III
J. Nicholas Counter III, President
Alliance of Motion Picture &
Television Producers, Inc.

SIDELETTER RE THEATRICAL RIGHTS

As of May 2, 1998

Brian Walton
Executive Director
Writers Guild of America, west, Inc.
7000 West 3rd Street
Los Angeles, California 90048-4329

Re: Purchase of Theatrical Rights Under Article 16.B.3.e.(1)

Dear Brian:

The WGA agrees to participate in a committee to discuss Company concerns regarding the cost of purchasing theatrical motion picture rights under Article 16.B.3.e.(1).

Sincerely,

/s/ J. Nicholas Counter III
J. Nicholas Counter III

ACCEPTED AND AGREED:

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

/s/ Brian Walton
Brian Walton

SIDELETTER NO. 1 RE ARTICLE 48.B.

As of May 2, 1995

Brian Walton
Executive Director
Writers Guild of America, west, Inc.
7000 West Third Street
Los Angeles, California 90048

Re: New MBA Provision Modifying Article 48.B.; 1995 WGA-AMPTP MBA

Dear Brian:

This will summarize certain understandings regarding the revisions to Article 48.B. of the 1995 WGA-AMPTP MBA.

The new "Affirmations" paragraph in Article 48.B. is a statement of policy and intent. Although it may be used by the parties to interpret what follows, it does not in and of itself create specific obligations. Those are in the paragraphs that follow in Article 48.B.

With respect to the obligations under paragraph 2, the CEOs described perceived problems with applying these provisions to "each participating writer." They described circumstances in which they believe it would be impracticable if not impossible to extend an invitation to "each." The CEOs would have preferred that the obligation pertain only to "credited" writers, meaning, in this instance, those writers who would be proposed for credit in the Company's notice of tentative writing credits. The CEOs decided not to hold up agreement on this point. The waiver procedure described in Article 48.B. is available in instances such as these.

Lastly, the CEOs asserted that they cannot ensure that writers see a cut of the picture if they grant the director final cutting authority. The WGA disagrees and has reserved its position in regard to such assertion. The CEOs pointed out that the grant of final cutting authority occurs infrequently since the Company has a strong interest in reserving that authority for itself. Disputes in individual cases may be referred to the "hot line" procedures and this subject may be revisited in the Committee on the Professional Status of Writers.

Sincerely,

/s/ J. Nicholas Counter III
J. Nicholas Counter III, President, AMPTP
on behalf of the Companies represented by
the AMPTP in the negotiation of the 1995
WGA-AMPTP MBA

AGREED AND ACCEPTED:

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate
WRITERS GUILD OF AMERICA, EAST, INC.

/s/ Brian Walton
Brian Walton, WGAw Executive Director

SIDELETTER NO. 2 RE ARTICLE 48.B.

As of May 2, 1995

J. Nicholas Counter III
President
Alliance of Motion Picture
and Television Producers
15503 Ventura Boulevard
Encino, CA 91436

Re: The Writer's Viewing Period; Article 48.B. - 1995 AMPTP-WGA MBA

Dear Nick:

The final language of Article 48.B. provides, *inter alia*, that "each" participating writer has the right to a Writer's Viewing Period and that the scheduling of the Writer's Viewing Period shall be at the sole discretion of the Company. In a situation in which there are multiple participating writers, the fact that the right to the Writer's Viewing Period is individual to each writer does not preclude the Company from scheduling one screening, so long as in so doing each writer is "given a reasonable opportunity" to view the cut in a timely manner.

The parties deliberately declined to spell out notice and time requirements and the like for screenings of the cut. The new provision is to be interpreted so as to give effect to the right granted in a reasonable and good faith manner consistent with the legitimate and reasonable needs of the Company. As Article 48.B. acknowledges, processes will differ from film to film.

It is anticipated that in most instances a timely invitation from the Company to a writer to view the cut at a reasonable time and place will be sufficient to ensure that the writer has been "given an opportunity to see a cut ...," but both the writer and the Company are expected to cooperate so that the writer's right is fulfilled in a manner consistent with the Company's legitimate and reasonable business needs.

Sincerely,

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate
WRITERS GUILD OF AMERICA, EAST, INC.

/s/ Brian Walton
Brian Walton, WGAw Executive Director

AGREED AND ACCEPTED:

/s/ J. Nicholas Counter III

J. Nicholas Counter III, President, AMPTP
On behalf of the Companies represented by the AMPTP
in the negotiation of the 1995 WGA-AMPTP MBA

SIDELETTER TO ARTICLE 48.F.

As of August 8, 1988
Revised as of May 2, 1995
Revised as of May 2, 1998
Revised as of May 2, 2001
Revised as of November 1, 2004
Revised as of February 13, 2008

Alliance of Motion Picture & Television Producers, Inc.
15301 Ventura Boulevard, Building E
Sherman Oaks, California 91403

Re: Committee on the Professional Status of Writers

Ladies and Gentlemen:

This will acknowledge that among the matters to be reviewed periodically by the Committee on the Professional Status of Writers are the existing practices of according credit on screen, in advertising and publicity for theatrical and television motion pictures.

During the term of the Writers Guild Theatrical and Television Basic Agreement - 1992 Extension, the parties discussed the Guild's belief that there were abuses of the speculative writing provisions and agreed to revisit issues pertaining to speculative writing in the Committee on the Professional Status of Writers.

In addition, the Committee on the Professional Status of Writers – Theatrical agrees to discuss the following issues:

a. The use of possessive credits on screen and in advertising and publicity;

b. The right of a writer to elect to use a pseudonym regardless of the amount of compensation paid and the time within which a writer must elect to use a pseudonym;

c. Placement of writer’s credit in advertising;

d. Audio credit to the writer in theatrical trailers and in television and radio advertising;

e. Comparable treatment of the writer in publicity and promotional matter;

f. Use of writers to perform writing services set forth in Article 1.B.1.a.(2)(a)-(g) for the duration of principal photography;

g. Compliance with cover page requirements;

h. Alternative rules for writing credits in advertising; and

i. What the Guild regards as the problem of "free rewrites."

The Committee on the Professional Status of Writers – Television agrees to discuss the following issues with regard to long-form television:

a. The use of possessive credits on screen and in advertising and publicity;

b. The right of a writer to elect to use a pseudonym regardless of the amount of compensation paid and the time within which a writer must elect to use a pseudonym;

c. Use of writers to perform writing services set forth in Article 1.C.1.a.(2)(a)-(g) for the duration of principal photography;

d. Compliance with cover page requirements; and

e. What the Guild regards as the problem of "free rewrites."

The Theatrical and Television Committees will meet to discuss late payments and the Companies agree to make Business Affairs executives available for such discussions.

Other persons, Companies or institutions may be invited to participate in Committee discussions.

Very truly yours,

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate
WRITERS GUILD OF AMERICA, EAST, INC.

/s/ David J. Young
David J. Young
Executive Director, WGAW

AGREED AND ACCEPTED:

/s/ Carol A. Lombardini
Carol A. Lombardini, President, AMPTP
On behalf of the Companies represented by the AMPTP
in the negotiation of the 2008 WGA-AMPTP MBA

SECOND SIDELETTER TO ARTICLE 48.F.

As of November 1, 2004
Revised as of February 13, 2008

Alliance of Motion Picture & Television Producers, Inc.
14301 Ventura Boulevard, Building E
Sherman Oaks, California 91403

or

American Broadcasting Companies, Inc.
77 West 66th Street
New York, New York 10023

CBS Broadcasting Inc.
51 West 52nd Street
New York, New York 10019

National Broadcasting Company, Inc. and NBC Studios, Inc.
3000 Alameda Avenue
Burbank, California 91523

Re: Committee on the Professional Status of Writers-Television

Ladies and Gentlemen:

During the negotiation of the 2004 MBA, it was agreed that the Committee on the Professional Status of Writers – Television ("Committee") would hereafter address matters relating not only to long-form television, but also to episodic television.

During the term of prior MBAs, members of the WGA, West and East, met with CEOs and high level executives of the major studios and networks to discuss matters related to the professional status of writers working in the field of long-form television. It became evident that certain Companies not present at those meetings of the Committee produce a significant number of long-form television motion pictures. To address this, it was agreed that CEOs and high level executives of such Companies will be invited to participate in future meetings of the Committee.

Sincerely,

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

/s/ David J. Young
David J. Young
Executive Director, WGAW

ACCEPTED AND AGREED:

/s/ Carol A. Lombardini
Carol A. Lombardini
Alliance of Motion Picture & Television Producers, Inc.

/s/ Marc L. Sandman
Marc L. Sandman
American Broadcasting Companies, Inc.

/s/ Harry Isaacs
Harry Isaacs
CBS Broadcasting Inc.

/s/ Steven Berkowitz
Steven Berkowitz
National Broadcasting Company, Inc. and NBC Studios, Inc.

SIDELETTER TO ARTICLE 51

As of March 1, 1985
Revised as of May 2, 1998

Alliance of Motion Picture & Television Producers, Inc.
15503 Ventura Boulevard
Encino, California 91436

Ladies and Gentlemen:

This letter clarifies the meaning of the terms "Distributor" (of video cassettes and video discs) and "worldwide wholesale receipts derived by the Distributor" as used in Article 51.3.a.(ii)[1] of the 1985 Writers Guild of America Theatrical and Television Basic Agreement ("1985 MBA") when the "Distributor" is the Company or owned by or affiliated with the Company.

Background

Prior MBAs

Article 51 of the 1973, 1977 and 1981 Writers Guild of America Theatrical and Television Basic Agreements provided that the "gross receipts derived by the distributor of Such Picture (who may be the Company or a distributor licensed by the Company) from licensing the right to exhibit Such Picture in Supplemental Markets..." would constitute the Producer's gross. It further provided that if the distributor did not itself distribute Such Picture directly in Supplemental Markets, but employed a "subdistributor" to "distribute Such Picture, then the 'Producer's gross' shall be the worldwide total gross receipts derived by such subdistributor from licensing the right to exhibit Such Picture in Supplemental Markets."

1985 Negotiations

During the negotiations for and the drafting of the 1985 MBA, it was agreed that the method of calculating "Producer's gross" would be as now set forth in Article 51 of the 1985 MBA. It provides that twenty percent (20%) of the receipts of the Distributor would constitute the "Producer's gross" when the Distributor is owned by or affiliated with the Company.

The Companies' position was that the sentence dealing with subdistributors (as it relates to video cassettes) should be deleted in order to conform with said agreement as to "Producer's gross" and in any event that sentence is not applicable since the owned or affiliated home video companies are "Distributors," not "subdistributors." The Guild expressed a number of concerns, including that an unexplained deletion of the

[1]This provision has been redesignated as Article 51.C.1.b. in the 1998 MBA.

subdistributor language, among other things, could be the basis of an attempt to dilute the receipts used in the calculation of the Producer's gross by, among other things, a Company calling an owned or affiliated distribution company a subdistributor as opposed to a Distributor, and/or declining to include the receipts of such a "subdistributor" in the calculations of "Producer's gross."

By way of example and illustration, the following clarifications are made to satisfy the concerns of the Guild and prevent misunderstanding by all signatories to the 1985 MBA as to the receipts from the sale or license of video cassettes and video discs to be included in "Producer's gross."

It is the understanding of the parties signatory to the 1985 MBA that:

1. Paramount Home Video, for example, is the "Distributor" of "Such Pictures" for Paramount Pictures Corporation, and that CBS-Fox Home Video, for example, is the "Distributor" of "Such Pictures" for Twentieth Century-Fox. The "Producer's gross" is and shall be twenty percent (20%) of one hundred percent (100%) of the worldwide receipts derived by Distributors such as Paramount Home Video and CBS-Fox Home Video from the sale or license of videocassettes or videodiscs.

2. Distributors currently utilize and in the future will utilize various methods of delivering video cassettes and video discs to retail outlets ("such methods") including, without limitation, (a) wholesalers (such as Comtron and Ingram) who act as "middle men" in selling or licensing video cassettes or video discs to retail outlets, (b) rack jobbers (such as Handleman) who deliver video cassettes or video discs to retail outlets, (c) direct sales or licenses from the Distributors to large "chain-retailers" (for example, Tower Records, The Wherehouse or Erols), (d) direct sales or licenses from the Distributors to specialty "mass merchandisers" (for example, K Mart), and (e) direct sales or licenses to direct mail outlets (for example, Columbia House). Twenty percent (20%) of one hundred percent (100%) of the receipts of the Distributor derived from such methods constitute the "Producer's gross."

3. Should, for example, Paramount Pictures Corporation or the Distributor Paramount Home Video establish or acquire an affiliated company or companies, whether a subdivision, subsidiary or otherwise (for example, without limitation, the establishment of a Paramount Home Video, East and/or a Paramount Home Video, West to service different geographical areas), which perform some or all of the functions of a Distributor, then "Producer's gross" is twenty percent (20%) of one hundred percent (100%) of the total receipts of Paramount Home Video and such affiliated company or entity derived from licensing or selling video cassettes or video discs.

4. Should, for example, Paramount Pictures Corporation or the Distributor Paramount Home Video either establish or acquire an affiliated company

or companies, whether a subdivision, subsidiary or otherwise, which performs functions in addition to those of a Distributor (for example, without limitation, those of a wholesaler, a rack jobber or by other "such methods") and/or should a company such as the Distributor Paramount Home Video perform functions in addition to those of a Distributor (for example, without limitation, those of a wholesaler, a rack jobber or by other "such methods") and/or should Paramount Pictures Corporation perform some or all of the functions of a Distributor, twenty percent (20%) of one hundred percent (100%) of the receipts derived from the Distribution function (as opposed to the non-distribution functions) of all such entities shall be allocated to and included in the "Producer's gross."

5. It is agreed and understood that if the Guild shall in the future contend that any amount allocated in situations such as those hypothecated in paragraph 4 is not fair or reasonable, such claim may be determined by submission to grievance/arbitration in accord with Articles 10, 11 and 12 of the 1985 MBA. Each Company signatory to the 1985 MBA agrees, for itself, its Distributors and affiliated companies, that the Guild shall, upon request, have access to the books and records of the Distributors and other affiliated Companies that are relevant and necessary to the Guild's ability to evaluate the merits of such a claim or potential claim, or to process such a claim in grievance/arbitration proceedings. This provision for Guild access to books and records does not expand or restrict the rights or obligations of the Company or the Guild with regards to information access in any subject area except that covered in this paragraph.

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ Brian Walton
Brian Walton
Executive Director, WGAw

ACCEPTED AND AGREED:

The respective signatory companies represented by the
ALLIANCE OF MOTION PICTURE &
TELEVISION PRODUCERS, INC.

By: /s/ J. Nicholas Counter III
J. Nicholas Counter III
President

SIDELETTER TO ARTICLE 15.B., APPENDIX A, APPENDIX B AND APPENDIX C RE: LICENSE OF FREE TELEVISION, BASIC CABLE OR PAY TELEVISION MOTION PICTURES TO SECONDARY DIGITAL CHANNELS

As of May 2, 2014
Revised as of May 2, 2017
Revised as of May 2, 2020

David J. Young
Executive Director
Writers Guild of America, West, Inc.
7000 West Third Street
Los Angeles, CA 90048

Re: License of Free Television, Basic Cable or Pay Television Motion Pictures to Secondary Digital Channels

Dear David:

During the 2017 negotiations, the parties discussed the residual formula for exhibition of television motion pictures on certain secondary digital channels.

The parties agreed that instead of a fixed residual formula, the Company shall pay a percentage residual formula of two percent (2%) of "accountable receipts" (as defined in Article 51.C. of the MBA) for any license to a secondary digital channel of any free television motion picture, pay television motion picture, High Budget SVOD Program (as defined in the Sideletter on Literary Material Written for Programs Made for New Media), motion picture made for home video or basic cable program as to which a fixed residual would otherwise be payable, provided that such program is out of production. For purposes of the foregoing, "out of production" means that all of the following have occurred: the program has been cancelled; the final episode of the final season has aired or been made available; no options remain for the continued employment of any above-the-line talent on the series in question; and no exhibitor has licensed rights to additional original episodes of the series at the time the series becomes available for exhibition under the license to the secondary digital channel.

When the "accountable receipts" derived from such license(s) are received from a related or affiliated entity that acts as the exhibitor of the program, then the "accountable receipts" received by the Company from the licensing of such rights shall be measured by the exhibitor's payments to unrelated and unaffiliated entities in arm's length transactions for comparable programs or series, or, if none, then the amounts received by the Company from unrelated and unaffiliated exhibitors in arm's length transactions for comparable programs or series, or, if none, comparable exhibitor's

payments to comparable unrelated and unaffiliated entities in arm's length transactions for comparable programs or series.

Notwithstanding the foregoing, the minimum payment pursuant to this provision for any program, except non-dramatic programs, licensed to a related or affiliated entity shall be an aggregate amount for all credited writers of $75.00 for a 30-minute program, $150.00 for a 60-minute program, $200.00 for a 90-minute program, and $250.00 for a 120-minute program; and the minimum payment pursuant to this Sideletter for any non-dramatic program licensed to a related or affiliated entity shall be $50.00 for a 30-minute program, $100.00 for a 60-minute program, $150.00 for a 90-minute program or $200.00 for a 120-minute program, as applicable.

The *pro rata* share payable to each credited writer shall be the same as provided in Article 51.C.5.

The foregoing applies to motion pictures, whether produced under the 2020 MBA or any prior MBA, as to which free television residuals would otherwise be payable.

This sideletter shall also apply to the following secondary digital networks: Antenna TV, Bounce TV, Cozi TV, Live Well, ME TV, Movies!, getTV, This TV and any other similar secondary digital network so long as such secondary digital network has (i) an overall average Nielsen NTI rating (9am to 2am) of 1.0 or less (HHLD Live+7, as measured by the previous calendar year) and (ii) the majority of such network's broadcast station affiliates in the top 100 Nielsen markets comprising the network are not full-power primary digital channels.

The residual formula provided under this sideletter shall not apply to any license agreement entered into more than 90 days after the end of a measuring year in which such Nielsen rating is greater than 1.0 or after a majority of such network affiliates in such markets become full-power primary digital channels.

In no event shall Ion or MyNetworkTV qualify as secondary digital networks for purposes of applying the terms of this sideletter; however, Qubo and ION Life shall qualify as secondary digital networks for purposes of applying the terms of this sideletter.

Sincerely,

By: /s/Carol A. Lombardini
Carol A. Lombardini
President, AMPTP

ACCEPTED AND AGREED:

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/David J. Young
David J. Young
Executive Director, WGAW

SIDELETTER RE: SYNDICATION LICENSES FOR CANADA ONLY

As of May 2, 2014
Revised as of May 2, 2017
Revised as of May 2, 2020

David J. Young
Executive Director
Writers Guild of America, West, Inc.
7000 West Third Street
Los Angeles, CA 90048

Re: Syndication Licenses for Canada Only

Dear David:

If a Company licenses a television motion picture (including a program or series made for The CW, but excluding any other program or series made for syndication) for exhibition in syndication only in Canada, and residuals would otherwise be payable for that exhibition, it shall have the option to pay to the credited writer(s) thereof four percent (4%) of "accountable receipts" (as defined in Article 51.C. of the MBA) derived therefrom, in lieu of any other compensation required under this MBA or any prior MBA, as applicable, and such exhibition shall not count as a "run" for purposes of calculating residuals. The foregoing applies to television motion pictures, whether produced under the 2020 MBA or any prior MBA, as to which free television residuals would otherwise be payable.

Sincerely,

By: /s/Carol A. Lombardini
Carol A. Lombardini
President, AMPTP

ACCEPTED AND AGREED:

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/David J. Young
David J. Young
Executive Director, WGAW

SIDELETTER ON LITERARY MATERIAL WRITTEN FOR PROGRAMS MADE FOR NEW MEDIA

As of February 13, 2008
Revised as of May 2, 2011
Revised as of May 2, 2014
Revised as of May 2, 2017
Revised as of May 2, 2020

Carol A. Lombardini
President
Alliance of Motion Picture and Television Producers, Inc.
15301 Ventura Boulevard, Building E
Sherman Oaks, California 91403

Re: Literary Material Written for Programs Made for New Media

Dear Carol:

This Sideletter confirms the understanding of the WGA and the Companies concerning the application of this Basic Agreement (hereinafter "the MBA") to literary material written for exhibition on the Internet, mobile devices (such as cell phones or PDAs) or any other new media platform known as of February 13, 2008 (hereinafter collectively referred to as "new media"), but not including methods of distribution addressed in other provisions of the MBA such as free television, basic cable, pay TV, videodisc/videocassette and radio, even if digital. With respect to literary material written under employment, or acquired from a professional writer, which is intended for initial use on new media, the parties agree as follows:

1. **Recognition** The Company recognizes the Guild as the exclusive bargaining representative of writers of literary material written under employment, or acquired from a professional writer, intended for use in motion pictures of the type traditionally covered under the MBA which are intended for initial exhibition in new media, but excluding news and "Experimental New Media Productions" as defined in the following paragraph.

   Coverage shall be at the Company's option with respect to "Experimental New Media Productions." An "Experimental New Media Production" is defined as any Original New Media Production (1) for which the actual cost of production is: (a) $15,000 or less per minute of program material as exhibited, and (b) $300,000 or less per single production as exhibited, and (c) $500,000 or less per series of programs produced for a single order; and (2) the literary material for which has not been written under employment by, or acquired from, a "professional writer," as that term is defined in Article 1.C.1.b. of the MBA.

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

Notwithstanding the foregoing, if the Company intends that the project fall within the budget parameters of an Experimental New Media Production, but the actual cost of the Experimental New Media Production exceeds those parameters, then the sole remedy shall be that all writers employed on the project, or any professional writer from whom literary material was acquired for the project, shall be retroactively covered under the terms and conditions for Original New Media Productions set forth in Paragraph 3 of this Sideletter.

2. **Terms and Conditions for "Derivative New Media Productions" (Other than "High Budget" Dramatic Derivative Programs and Series Made for a Subscription Consumer Pay Platform)**

A "Derivative New Media Production" is a production for New Media based on an existing television motion picture that was produced for "traditional" media – *e.g.*, a free television, basic cable, or pay television motion picture (the "Original Production") – and is otherwise included among the types of motion pictures traditionally covered by the MBA. The following provisions apply to "Derivative New Media Productions" other than "high budget" dramatic derivative programs and series made for a subscription consumer pay platform described in Paragraph 4 below.

a. **Initial Compensation**

The Company shall pay the writer compensation for a Derivative New Media Production separate from compensation for writing services for the Original Production.

The minimum initial compensation for a Derivative New Media Production shall be the rate applicable to a two (2) minute program, as indicated below. For programs longer than two (2) minutes, the minimum per minute rate over two (2) minutes shall be added to the two (2) minute minimum as shown below.

	5/02/20 - 5/01/21	5/02/21- 5/01/22	5/02/22- 5/01/23
New Media Productions Derivative of Dramatic Programs (other than Daytime Serials)	$818 for programs up to two minutes in length, plus $409 for each minute or portion thereof in excess of two minutes	$838 for programs up to two minutes in length, plus $419 for each minute or portion thereof in excess of two minutes	$857 for programs up to two minutes in length, plus $429 for each minute or portion thereof in excess of two minutes
New Media Productions Derivative of Comedy-Variety Programs and Daytime Serials	$477 for programs up to two minutes in length, plus $239 for each minute or portion thereof in excess of two minutes	$489 for programs up to two minutes in length, plus $245 for each minute or portion thereof in excess of two minutes	$500 for programs up to two minutes in length, plus $250 for each minute or portion thereof in excess of two minutes
All Other Types of Derivative New Media Productions	$411 for programs up to two minutes in length, plus $206 for each minute or portion thereof in excess of two minutes	$421 for programs up to two minutes in length, plus $211 for each minute or portion thereof in excess of two minutes	$430 for programs up to two minutes in length, plus $215 for each minute or portion thereof in excess of two minutes

b. **Other Terms and Conditions**

All terms and conditions of employment (other than credits as provided in subparagraph (3) below) are subject to negotiation between the Company and the individual writer.

(1) **Applicable Provisions of the MBA.** The following provisions of the MBA are incorporated herein. To the extent the provisions herein are inconsistent with the MBA, the provisions of this sideletter control.

(a) Article 6, “Guild Shop (General).”

(b) Article 7, “No Strike No Lock-out Clause (General)”

(c) Article 10, “Grievance and Arbitration”

(d) Article 11, “Grievance and Arbitration Rules and Procedures”

(e) Article 12, “Court Proceedings”

(f) Article 13.B.9., “Time of Payment”

(g) Article 17, “Pension Plan and Health Fund”

(h) Article 35, “Recognition of Agreement (General)”

Except as provided herein, no other terms of the MBA shall apply to the employment of such writer, or to the sale of such literary material, unless agreed in writing between the writer and the Company.

(2) **Written Contract of Employment.** The Company shall tender a written contract of employment to the writer within ten (10) days following the commencement of his or her employment and shall send a copy to the Guild within one (1) week after receipt by Company of the executed contract.

(3) **Screen Credit.** The Company will submit a Notice of Tentative Writing Credits to the Guild and participating writers for each covered program produced for new media as soon as practicable upon completion of principal photography. The parties agree to discuss further whether modifications to the WGA credit determination process should be made based on the nature of the program writing, production and distribution. The Company shall be required to accord screen credit to the writer if any other person receives screen credit on the New Media Production. The writing credit shall be in the form “Written by” for dramatic programs and in the form “Writer(s)” for all other programs and must be accorded in the same size and style of type as any other personal credit. Credits may appear in the corner of the screen. “Click-through” credits may be used.

(4) **Residual Compensation.**

(a) Initial compensation for a Derivative New Media Production shall constitute payment for thirteen (13) consecutive weeks of use on all free to the consumer advertiser-supported platforms transmitted via new media (hereinafter “advertiser-supported platforms”), commencing with the first day that the Derivative New Media Production is available for exhibition on any advertiser-supported platform, and for a separate twenty-six (26) consecutive week period of use on any consumer pay new media platform (hereinafter “consumer

pay platform"), commencing with the first day that the Derivative New Media Production is available for exhibition on any consumer pay platform.

(b) Use on Advertiser-Supported Platforms Within One Year Following Expiration of the Thirteen Consecutive Week Period

(i) If the Company desires to use the Derivative New Media Production on advertiser-supported platforms beyond the thirteen (13) consecutive week period, but commencing within one (1) year after expiration of the thirteen (13) consecutive week period, then the Company shall make a residual payment equal to three and one-half percent (3.5%) of the amounts set forth in subparagraphs (A) through (E) below, as applicable, as modified by subparagraph (F) below, to the extent applicable, as consideration for a twenty-six (26) consecutive week period of use, commencing with the first day that the Derivative New Media Production is available for use on any advertiser-supported platform following the expiration of the thirteen (13) consecutive week period. The foregoing payment is an aggregate payment, to be allocated among all credited writer(s). In no event shall any payment be less than $20.00.

(A) For a Derivative New Media Production that is derivative of a dramatic television motion picture covered by the MBA, other than a serial covered by Appendix A, Article 13.B.5., the percentage shall be applied to the "bargain rate" in Article 13.B.7.c. for a program of the same length as the Derivative New Media Production.

(B) For a Derivative New Media Production that is derivative of a serial covered by Appendix A, Article 13.B.5., the percentage shall be applied to the script fee set forth in Appendix A, Article 13.B.5.a.(2) for a program of the same length as the Derivative New Media Production.

(C) For a Derivative New Media Production that is derivative of a comedy-variety program covered by Appendix A, Article 13.B.2., the percentage shall be applied to the minimum compensation

per program set forth in Appendix A, Article 13.B.2.a. for a program of the same length as the Derivative New Media Production.

(D) For a Derivative New Media Production that is derivative of a quiz and audience participation program covered by the MBA, the percentage shall be applied to the rate applicable to a writer employed solely to write questions, answers and/or ideas for stunts under a term contract guaranteeing thirteen (13) weekly units as set forth in Appendix A, Article 13.B.4.b.(1).

(E) For a Derivative New Media Production that is derivative of a non-dramatic program covered by Appendix A, Article 13.B.6.a. or b., the percentage shall be applied to the applicable minimum compensation set forth in Appendix A, Article 13.B.6.a.(1)(a) (depending upon whether it is derivative of a prime time program or a non-prime time program) for a program of the same length as the Derivative New Media Production.

(F) If the lowest base figure in subparagraphs (A) through (E) above for a particular type of program covers programs up to ten (10) or fifteen (15) minutes in length, then the base shall be prorated for a Derivative New Media Production ten (10) minutes or less in length in five (5) minute increments, to a five (5) minute rate for programs 0-5 minutes in length and to a ten (10) minute rate for programs more than five (5) minutes in length, but not exceeding ten (10) minutes.

(1) For example, for a Derivative New Media Production five (5) minutes in length that is derivative of a network prime time dramatic television motion picture, the residual payment is calculated by multiplying the “bargain rate” applicable minimum in Article 13.B.7.c. for a high budget dramatic program 15 minutes or less in length, prorated to five (5) minutes because the Derivative New

Media Production is five (5) minutes or less in length *(e.g.,* $2,894 as of May 2, 2020) by 3.5%.

(2) As a further example, for a Derivative New Media Production three (3) minutes in length that is derivative of a comedy-variety program, the residual payment is calculated by multiplying the minimum compensation per program set forth in Appendix A, Article 13.B.2.a. for a five (5) minute program (*e.g.,* $2,065 as of May 2, 2020) by 3.5%.

(ii) If the Company desires to use the Derivative New Media Production on advertiser-supported platforms for all or any part of the twenty-six (26) consecutive week period immediately following the twenty-six (26) consecutive week period described in subparagraph (4)(b)(i) above, but commencing within one (1) year after expiration of the thirteen (13) consecutive week period, then the Company shall make a residual payment equal to three and one-half percent (3.5%) of the amounts set forth in subparagraph (4)(b)(i)(A) through (E) above, as applicable, as modified by subparagraph (F) above, to the extent applicable, as consideration for a twenty-six (26) consecutive week period of use, commencing with the first day that the Derivative New Media Production is available for use during such twenty-six (26) consecutive week period.

(iii) None of the aforementioned twenty-six (26) consecutive week periods shall cover a period that is more than one (1) year after the expiration of the thirteen (13) consecutive week period. In the event that use of the television motion picture on advertiser-supported platforms is commenced on a date that does not allow for the full twenty-six (26) consecutive week period of use within one (1) year of the expiration of the thirteen (13) consecutive week period, then the payment for that period shall be prorated in weekly units to cover the shorter use period.
For example, suppose that the Company uses a television motion picture on advertiser-supported platforms during the thirteen (13) consecutive week period and then does not use the motion picture on

advertiser-supported platforms again until thirty-nine (39) weeks after the expiration of the thirteen (13) consecutive week period. Since only thirteen (13) weeks remain within the one (1) year period, a payment of one-half of the payment that would otherwise be due for the twenty-six (26) consecutive week period would be payable for use during the remaining thirteen (13) week period.

(c) Use on Advertiser-Supported Platforms More Than One Year Following Expiration of the Thirteen Week Period

Upon expiration of the one (1) year period following expiration of the thirteen (13) consecutive week period, if the Company desires to use the Derivative New Media Production on advertiser-supported platforms, then it shall pay residuals at the rate of two percent (2%) of "accountable receipts," as defined in Paragraph 3 of the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media.

(d) Use on Consumer Pay Platforms

For use of a Derivative New Media Production on new media platforms for which the consumer pays (*e.g.*, download-to-own, download-to-rent, paid streaming), the Company shall pay a residual equal to 1.2% of the "accountable receipts," as defined in Paragraph 3 of the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media, attributable to the period beyond the twenty-six (26) week period of use.

(e) Use in Traditional Media

The Company shall pay residuals for the use of a Derivative New Media Production in "traditional media" (*e.g.*, free television, basic cable, pay television, home video) as a supplemental use under existing MBA formulas.

(i) Free Television Exhibition

(A) Except with respect to exhibition of Derivative New Media Productions that are more than fifteen (15) minutes in length in network prime time as provided in subparagraph (B) below and with respect to broadcast syndication of dramatic Derivative New Media Productions as

provided in subparagraph (C) below, residual payments for free television exhibition of Derivative New Media Productions shall be computed as follows:

The new media exhibition of the Derivative New Media Production shall constitute the first run for purposes of calculating residual payments in free television. The base figure used to compute the residual payment shall be the base amounts set forth in subparagraphs (4)(b)(i)(A) through (E) above, as applicable, as modified by subparagraph (F) above, to the extent applicable, for a program of the same category and length as the Derivative New Media Production. The base figure shall be multiplied by the percentage applicable to the run in question, except that payments for network prime time shall be paid according to the percentages for network non-prime time, and the resulting product shall be the residual payment.

If the lowest base figure for a particular type of program covers programs up to ten (10) or fifteen (15) minutes in length, then the base shall be prorated for a Derivative New Media Production ten (10) minutes or less in length in five (5) minute increments, to a five (5) minute rate for programs 0-5 minutes in length and to a ten (10) minute rate for programs more than five (5) minutes in length, but not exceeding ten (10) minutes.

The foregoing payment is an aggregate payment, to be allocated among all credited writer(s).

(1) As an example, suppose that a five (5) minute Derivative New Media Production that is derivative of a high budget dramatic program is exhibited for the first time in network prime time. The applicable base is the “bargain rate” applicable minimum used for high budget dramatic programs fifteen (15) minutes

or less in length, prorated to five (5) minutes because the Derivative New Media Production is five (5) minutes or less in length (*e.g.,* $2,894 as of May 2, 2020). That figure will be multiplied by 50%, the percentage applicable to a second run on a network in other than prime time, for a total residual payment of $1,447.

(2) If the same Derivative New Media Production were exhibited a second time on the network, that run would generate a residual payment of $1,158 ($2,894 x 40%).

(3) As a further example, suppose that a three (3) minute Derivative New Media Production that is derivative of a comedy-variety program is exhibited for the first time on a network, but not in prime time. The base is the minimum compensation per program set forth in Appendix A, Article 13.B.2.a. for a five (5) minute program (*e.g.,* $2,065 as of May 2, 2020). That figure will be multiplied by 50%, the percentage applicable to a second run on a network in other than prime time, for a total residual payment of $1,033.

(B) The formula for reruns in network prime time of Derivative New Media Productions more than fifteen (15) minutes in length is as follows: The new media exhibition of the Derivative New Media Production shall constitute the first run for purposes of calculating residual payments for use on free television. The residual payment shall be the amount payable under the MBA for a rerun in network prime time of a free television motion picture or program of the same type and length as the Derivative New Media Production. For dramatic programs, other than a serial covered by Appendix A, Article 13.B.5., the residual payment shall be

one hundred percent (100%) of the residual base for a story and teleplay as set forth in Article 15.B.1.b.(2)(a) for a program of the same length as the Derivative New Media Production. The foregoing payment is an aggregate payment, to be allocated among all credited writer(s).

(1) For example, if a Derivative New Media Production twenty (20) minutes in length that is derivative of a high budget dramatic program is shown once in network prime time, the residual payment applicable to that exhibition is $13,511 (as of May 2, 2020), the same payment applicable to the rerun of a thirty (30) minute other than network prime time television program in network prime time. If the Derivative New Media Production were run a second time in network prime time, the same payment would be due ($13,511).

(2) As another example, if a dramatic Derivative New Media Production forty-three (43) minutes in length were exhibited once in network prime time, the residual payment applicable to that exhibition is $24,558 (as of May 2, 2020), the same payment applicable to the rerun of a sixty (60) minute other than network prime time television program in network prime time. If the Derivative New Media Production were run a second time in network prime time, the same payment would be due ($24,558).

(C) Broadcast Syndication Sales of Dramatic Derivative New Media Productions

If Company, on or after July 1, 2020, licenses a dramatic Derivative New Media Production, the literary material for which was written under this MBA or any prior MBA covering Derivative New Media Productions, for exhibition in broadcast syndication in the United States and/or Canada,

Company shall pay to the credited writer(s) a percentage residual of two percent (2%) of Company's 'accountable receipts,' as defined in Article 51.C.1.a. of the MBA, derived therefrom, in lieu of the payments required under the MBA (or any prior MBA as applicable), including but not limited to Paragraph 2.b.(4)(e)(i)(A) above of this Sideletter and Article 15.B.1.b.(2)(c) and to Article 15.B.1.b.(4) of the MBA for any residual otherwise owed based on the exploitation of the television series sequel rights. It is understood that no payment shall be made to the writer with separated rights as an exploitation of the television sequel rights. The *pro rata* share payable to each credited writer shall be the same as provided in Article 51.C.5. The provisions of this subparagraph (C) apply to all dramatic Derivative New Media Productions for which a fixed residual or higher percentage residual would otherwise be payable.

The foregoing does not apply to residuals for reruns of a dramatic Derivative New Media Production in network prime time as provided in subparagraph 2.b.(4)(e)(i)(B) above. In addition, the foregoing does not apply to a license agreement, including options, entered into prior to July 1, 2020. As an example, assume that a current license agreement covers the sale of the first and second seasons of a dramatic series to broadcast syndication and includes an option to license all subsequent seasons of the series also to broadcast syndication. Because the license agreement is in effect before July 1, 2020, the sale of all seasons of the series pursuant to the options under the license agreement would not be covered by this provision.

Company will prepare an annual statement of Company's gross receipts for a dramatic Derivative New Media Production which has been licensed to domestic broadcast syndication pursuant to an agreement entered

into on or after July 1, 2020. The annual statement will show cash, barter and any other consideration received by Company from the licensing to broadcast syndication of such dramatic Derivative New Media Production and may be inspected by the Guild at the premises of Company upon notice by the Guild. The information provided by Company to the Guild, or made available for its inspection, will be treated by the Guild as confidential and appropriate arrangements will be made by the Guild to safeguard the confidentiality of that information.

(ii) Exhibition on Pay Television, Home Video, Basic Cable and in an Interactive Program

For exhibition on pay television, the Company shall pay residuals equal to 1.2% of Company's "accountable receipts" pursuant to Article 51.C.1.a. of the MBA. For home video exploitation, the Company shall pay residuals pursuant to Article 51.C.1.b. of the MBA. For exhibition on basic cable, Company shall pay pursuant to the provisions of Article 58 of the MBA. For use of a Derivative New Media Production in an "interactive program," as defined in Article 64.A., the provisions of Article 64 shall apply.

(5) **Separated Rights**

If the writer of a Derivative New Media Production introduces a new character in the Derivative New Media Production, and the characterization of that character is fully developed and fully described in the material written by the writer, and from such development and description the character appears to be unique and the principal creation of the writer, and if the Company uses that character as the central character in a new television series, the provisions of Article 16.B.1.d. will apply.

3. Terms and Conditions for "Original New Media Productions" (Other than "High Budget" Dramatic Original Programs and Series Made for a Subscription Consumer Pay Platform)

The following provisions apply to "Original New Media Productions" other than "high budget" dramatic original programs and series made for a subscription consumer pay platform described in Paragraph 4 below.

a. Initial Compensation

Initial compensation will be subject to negotiation between the Company and the individual writer.

b. Other Terms and Conditions

All terms and conditions of employment (other than credits as provided in subparagraph (3) below) are subject to negotiation between the Company and the individual writer.

(1) **Applicable Provisions of the MBA.** The following provisions of the MBA are incorporated herein. To the extent the provisions herein are inconsistent with the MBA, the provisions of this sideletter control.

(a) Article 6, "Guild Shop (General)."

(b) Article 7, "No Strike No Lock-out Clause (General)"

(c) Article 10, "Grievance and Arbitration"

(d) Article 11, "Grievance and Arbitration Rules and Procedures"

(e) Article 12, "Court Proceedings"

(f) Article 13.B.9., "Time of Payment"

(g) Article 17, "Pension Plan and Health Fund"

(h) Article 35, "Recognition of Agreement (General)"

Except as provided herein, no other terms of the MBA shall apply to the employment of such writer, or to the sale of such literary material, unless agreed in writing between the writer and the Company.

(2) **Written Contract of Employment.** The Company shall tender a written contract of employment to the writer within ten (10) days following the commencement of his or her employment and shall send a copy to the Guild within one (1) week after receipt by Company of the executed contract.

(3) **Screen Credit.** The Company will submit a Notice of Tentative Writing Credits to the Guild and participating writers for each covered program produced for new media as soon as practicable upon completion of principal photography. The parties agree to discuss further whether modifications to the WGA credit determination process should be made based on the nature of the program writing, production and distribution. The Company shall be required to accord screen credit to the writer if any other person receives screen credit on the New Media Production. The writing credit shall be in the form "Written by" for dramatic programs and in the form "Writer(s)" for all other programs and must be accorded in the same size and style of type as any other personal credit. Credits may appear in the corner of the screen. "Click-through" credits may be used.

(4) **Residual Compensation.**

(a) What Initial Compensation Covers

Initial compensation for an Original New Media Production shall constitute payment for a twenty-six (26) consecutive week period of use on any consumer pay new media platform (hereinafter "consumer pay platform"), commencing with the first day that the Original New Media Production is available on any consumer pay platform, and all uses on free to the consumer advertiser-supported platforms transmitted via new media (hereinafter "advertiser-supported platforms").

(b) Use on Consumer Pay Platforms

(i) No payment shall be due for any use on consumer pay platforms for an Original New Media Production budgeted below $25,000 per minute of actual program material as exhibited.

(ii) For all uses of an Original New Media Production budgeted at or above $25,000 per minute of actual program material as exhibited on consumer pay platforms (*e.g.*, download-to-own, download-to-rent, paid streaming) beyond the twenty-six (26)

consecutive week period, the Company shall pay a residual equal to 1.2% of the "accountable receipts," as defined in Paragraph 3 of the "Sideletter on Exhibition of Motion Pictures Transmitted Via the Internet," attributable to the period beyond the twenty-six (26) consecutive week use period.

(iii) Subparagraph (a) above shall apply to an Original New Media Production initially released on a consumer pay platform which is subsequently released on an advertiser-supported platform or vice versa.

(c) Use in Traditional Media

The Company shall pay residuals for the use of an Original New Media Production in "traditional media" (*e.g.*, free television, basic cable, pay television, home video) as a supplemental use under existing MBA formulas.

(i) Free Television Exhibition

(A) Except with respect to exhibition of Original New Media Productions that are more than fifteen (15) minutes in length in network prime time as provided in subparagraph (B) below and with respect to broadcast syndication of dramatic Original New Media Productions as provided in subparagraph (C) below, residual payments for free television exhibition of Original New Media Productions shall be computed as follows:

The new media exhibition of the Original New Media Production shall constitute the first run for purposes of calculating residual payments in free television. The base figure used to compute the residual payment shall be the base amounts set forth in subparagraphs 2.b.(4)(b)(i)(A), (C), (D) or (E) above, as applicable, as modified by subparagraph (F) above, to the extent applicable, for a program of the same category and length as the Original New Media Production. The base figure for all dramatic Original New Media Productions shall be as provided in subparagraph 2.b.(4)(b)(i)(A) above. If the program category has both a high

budget and a low budget rate, then the base shall be the base applicable to the low budget category. If the program category has both a prime time and a non-prime time rate, then the residual base shall be the base applicable to the non-prime time category. The residual base shall be multiplied by the percentage applicable to the run in question, except that payments for network prime time shall be paid according to the percentages for network non-prime time, and the resulting product shall be the residual payment.

If the lowest base amount for a particular type of program covers programs up to ten (10) or fifteen (15) minutes in length, then the base shall be prorated for an Original New Media Production ten (10) minutes or less in length in five (5) minute increments, to a five (5) minute rate for programs 0-5 minutes in length and to a ten (10) minute rate for programs more than five (5) minutes in length, but not exceeding ten (10) minutes.

The foregoing payment is an aggregate payment, to be allocated among all credited writer(s).

(1) As an example, suppose that a five (5) minute dramatic Original New Media Production is exhibited for the first time in network prime time. The applicable residual base is the “bargain rate” applicable minimum used for other than network prime time low budget dramatic programs fifteen (15) minutes or less in length, prorated to five (5) minutes because the Original New Media Production is five (5) minutes or less in length ($2,458 as of May 2, 2020). That figure will be multiplied by 50%, the percentage applicable to a second run on a network, for a total residual payment of $1,229.

(2) If the same Original New Media Production were exhibited a second time on the network, that run would generate a residual payment of $983 ($2,458 x 40%).

(3) As a further example, suppose that a three (3) minute comedy-variety Original New Media Production is exhibited for the first time on a network, but not in prime time. The residual base is the minimum compensation per program set forth in Appendix A, Article 13.B.2.a. for a five (5) minute program ($2,065 as of May 2, 2020). That figure will be multiplied by 50%, the percentage applicable to the second run on a network, for a total residual payment of $1,033.

(B) The formula for reruns in network prime time of Original New Media Productions more than fifteen (15) minutes in length is as follows: The new media exhibition of the Original New Media Production shall constitute the first run for purposes of calculating residual payments for use on free television. The residual payment shall be the amount payable under the MBA for a rerun in network prime time of a free television motion picture or program of the same type and length as the Original New Media Production.

For dramatic programs, the residual payment shall be one hundred percent (100%) of the residual base for a story and teleplay as set forth in Article 15.B.1.b.(2)(a) for a program of the same category and length as the Original New Media Production.

(1) For example, if a dramatic Original New Media Production twenty (20) minutes in length is shown once in network prime time, the residual payment applicable to that exhibition is $13,511 (as of May 2, 2020), the same payment applicable to

the rerun of a thirty (30) minute other than network television program in network prime time. If the Original New Media Production were run a second time in network prime time, the same payment would be due ($13,511).

(2) As another example, if a dramatic Original New Media Production forty-three (43) minutes in length were exhibited once in network prime time, the residual payment applicable to that exhibition is $24,558 (as of May 2, 2020), the same payment applicable to the rerun of a sixty (60) minute other than network prime time television program in network prime time. If the Original New Media Production were run a second time in network prime time, the same payment would be due ($24,558).

(C) Broadcast Syndication Sales of Dramatic Original New Media Productions

If Company, on or after July 1, 2020, licenses a dramatic Original New Media Production, the literary material for which was written under this MBA or any prior MBA covering Original New Media Productions, for exhibition in broadcast syndication in the United States and/or Canada, Company shall pay to the credited writer(s) a percentage residual of two percent (2%) of Company's 'accountable receipts,' as defined in Article 51.C.1.a. of the MBA, derived therefrom, in lieu of the payments required under the MBA (or any prior MBA as applicable), including but not limited to Paragraph 3.b.(4)(c)(i)(A) above of this Sideletter and Article 15.B.1.b.(2)(c) and to Article 15.B.1.b.(4) of the MBA for any residual otherwise owed based on the exploitation of the television series sequel rights. It is understood that no payment shall be made to the writer with separated rights as an exploitation of the television sequel rights. The *pro rata* share payable to each credited writer shall be the same as provided in Article 51.C.5. The

provisions of this subparagraph (C) apply to all dramatic Original New Media Productions for which a fixed residual or higher percentage residual would otherwise be payable.

The foregoing does not apply to residuals for reruns of a dramatic Original New Media Production in network prime time as provided in subparagraph 3.b.(4)(c)(i)(B) above. In addition, the foregoing does not apply to a license agreement, including options, entered into prior to July 1, 2020. As an example, assume that a current license agreement covers the sale of the first and second seasons of a dramatic series to broadcast syndication and includes an option to license all subsequent seasons of the series also to broadcast syndication. Because the license agreement is in effect before July 1, 2020, the sale of all seasons of the series pursuant to the options under the license agreement would not be covered by this provision.

Company will prepare an annual statement of Company's gross receipts for a dramatic Original New Media Production which has been licensed to domestic broadcast syndication pursuant to an agreement entered into on or after July 1, 2020. The annual statement will show cash, barter and any other consideration received by Company from the licensing to broadcast syndication of such dramatic Original New Media Production and may be inspected by the Guild at the premises of Company upon notice by the Guild. The information provided by Company to the Guild, or made available for its inspection, will be treated by the Guild as confidential and appropriate arrangements will be made by the Guild to safeguard the confidentiality of that information.

(ii) Exhibition on Pay Television, Home Video, Basic Cable and in an Interactive Program

For exhibition on pay television, the Company shall pay residuals equal to 1.2% of "Company's

accountable receipts" pursuant to Article 51.C.1.a. of the MBA. For home video exploitation, the Company shall pay residuals pursuant to Article 51.C.1.b. of the MBA. For exhibition on basic cable, Company shall pay pursuant to the provisions of Article 58 of the MBA. For use of an Original New Media Production in an "interactive program," as defined in Article 64.A., the provisions of Article 64 shall apply.

(5) Separated Rights

(a) If the Company acquires literary material from a writer or employs a writer to write literary material for exhibition on new media and subsequently employs that writer to write a television or theatrical motion picture based on such literary material, the writer shall not be disqualified from having separated rights under Article 16.A. or 16.B. of this Basic Agreement solely because the motion picture was based on literary material originally written for new media.

(b) For any Original New Media Production to which separation of rights would apply if written for free television, the writer shall retain the television and theatrical motion picture rights specified in Article 16.B.2. and 16.B.3. of this Basic Agreement, but only to the extent those rights apply to television and theatrical exploitation and not to exploitation in new media. The Company has the right to negotiate directly with the writer at any time to acquire these rights. The rights acquired after negotiation shall be set forth either in the acquisition or employment contract with the writer or in a separate contract and a separate consideration (other than the consideration for the original employment or purchase) shall be stated for such rights.

In the event that the writer of an Original New Media Production to which separation of rights applies later qualifies for separated rights pursuant to subparagraph (a) above, then the writer's rights under this subparagraph (b) shall be extinguished and shall be replaced by the rights set forth in Article 16.A. or Article 16.B., as applicable.

Should the writer desire to sell, license or otherwise dispose of the television or theatrical rights as set forth above, the Company shall have a right of first refusal thereof as follows: At such time as writer shall receive from a third party a *bona*

fide offer, and the writer desires to sell, license or otherwise dispose of the rights involved on the terms of such offer, writer will, by written notice to the Company, advise the Company of the rights involved and of such terms. Within seven (7) days (excluding non-business days as provided in Article 43) after receipt of such notice, Company may, by written notice to the writer, elect to purchase, license or otherwise acquire the rights involved on the terms set forth in writer's notice, in which case Company and writer will enter into an agreement upon such terms. If, within the seven (7) day period, Company notifies the writer that it does not elect to exercise its right of first refusal, or fails to give writer any written notice, the writer shall be free to enter into an agreement with such third party, but may not do so on terms more favorable to the third party than those set forth in the notice to the Company without again submitting the more favorable terms to the Company for first refusal, as herein provided.

(c) For any Original New Media Production to which separation of rights would apply if written for free television, if the actual cost of production is above $25,000 per minute of program material (as exhibited) and the length of each program, as exhibited on new media, is twenty (20) minutes or longer, the writer of the literary material shall be entitled, in addition to the rights set forth in subparagraph (b) above, to series sequel payments in the amount of $1,355 ($1,389 effective May 2, 2021 and $1,420 effective May 2, 2022) for each Original New Media Production that is twenty (20) minutes or longer that is produced based on the Original New Media Production.

4. Terms and Conditions for "High Budget" Derivative and Original Dramatic New Media Productions Made for Initial Exhibition on a Subscription Consumer Pay Platform

a. **Grandfathering**

(1) The terms and conditions set forth in this Paragraph 4 shall not apply to any High Budget SVOD series that continues in production on or after May 2, 2020 and was grandfathered, and remains grandfathered, pursuant to Paragraph 4.a. of the 2017 Sideletter on Literary Material Written for Programs Made for New Media (*i.e.*, it is subject to the 2014 or 2011 Sideletter on Literary Material Written for Programs Made for New Media, as applicable). Any such series shall continue to be grandfathered if it continues to meet the applicable test in Paragraph 4.a. of the 2017 or 2014 Sideletter and shall not be subject to the 2020 Sideletter on Literary Material Written for Programs Made for New Media, except that for episodes of such series written on or after May 2, 2020 and subject to a *bona fide* license agreement entered into between May 2, 2014 and May 1, 2017 (*i.e.,* grandfathered under Paragraph 4.a. of the 2017 Sideletter and subject to the 2014 Sideletter on Literary Material Written for Programs Made for New Media):

(a) the minimum initial compensation rates shall be as set forth in the Attachment to this Sideletter at page 682;

(b) the pension and health contribution rates set forth in Article 17 of the 2020 MBA shall apply; and

(c) the Paid Parental Leave Fund contribution rate set forth in Article 71 of the 2020 MBA shall apply.

(2) In addition, this Paragraph 4 shall not apply to any program or series budgeted at less than $1,300,000 for a 20-35 minute program or less than $2,500,000 for a 36-65 minute program as of August 2, 2020 that would otherwise qualify as a "High Budget SVOD Program" under the 2020 MBA. Instead, such program or series shall be subject to Paragraph 2. if a "Derivative New Media Production" (other than a "High Budget SVOD Program") or Paragraph 3. if an "Original New Media Production" (other than a "High Budget SVOD Program") of the 2020 Sideletter on Literary Material Written for Programs Made for New Media, if:

(a) the literary material for the program, or for the first episode in the case of a series, is written prior to August 2, 2020; or

(b) the literary material for the program, or for the first episode in the case of a series, is written on or after August 2, 2020 pursuant to a license agreement entered into prior to that date.[1, 2]

(3) Except as provided otherwise in subparagraphs (1) and (2) above:

Subject to the next paragraph, any High Budget SVOD Program, the literary material for which is written on or after May 2, 2020, pursuant to a license agreement entered into prior to August 2, 2020,[3, 4] shall be subject to the 2017 Sideletter on Literary Material Written for Programs Made for New Media instead of the 2020 Sideletter on Literary Material Written for Programs Made for New Media, except that the minimum initial compensation rates, the

[1] If the licensee orders additional programs or episodes of the series, the literary material for which is written on or after August 2, 2020, pursuant to a license agreement entered into prior to that date, and the Company has the right to negotiate with respect to the material terms and conditions of the license for the additional programs or episodes, then the program or episodes of the series shall be subject to the terms of 2020 Sideletter on Literary Material Written for Programs Made for New Media.

[2] The Company shall notify the Guild of any such license agreement that it enters into prior to August 2, 2020. The notice shall include the name of the licensee, the term of the license agreement, the license fee, the number of programs or the number of minutes of programming to be produced under the license agreement, the anticipated start date of principal photography, the anticipated date of delivery of the program or series, and whether the licensee has an option to order additional programs or series under the license agreement and, if so, whether the material terms and conditions applicable to such additional programs or series are fixed in the license agreement or are subject to negotiation. At the Guild's request, the Company must make an unredacted license agreement available for inspection at the Company's office in Los Angeles subject to a confidentiality agreement equivalent to those governing new media license agreement inspections.

[3] If the licensee orders additional High Budget SVOD Programs or episodes of a High Budget SVOD series, the literary material for which is written on or after May 2, 2020, pursuant to a license agreement entered into prior to August 2, 2020, and the Company has the right to negotiate with respect to the material terms and conditions of the license for the additional programs or episodes, then the High Budget SVOD Program or episodes of the High Budget SVOD series shall be subject to the terms of the 2020 Sideletter on Literary Material Written for Programs Made for New Media.

[4] The Company shall notify the Guild of any such license agreement that it enters into prior to August 2, 2020. The notice shall include the name of the licensee, the term of the license agreement, the license fee, the number of programs or the number of minutes of programming to be produced under the license agreement, the anticipated start date of principal photography, the anticipated date of delivery of the program or series, and whether the licensee has an option to order additional programs or series under the license agreement and, if so, whether the material terms and conditions applicable to such additional programs or series are fixed in the license agreement or are subject to negotiation. At the Guild's request, the Company must make an unredacted license agreement available for inspection at the Company's office in Los Angeles subject to a confidentiality agreement equivalent to those governing new media license agreement inspections.

pension and health contribution rates and the Paid Parental Leave Fund contribution rate shall be as set forth in the 2020 MBA.

There shall be no grandfathering with respect to any new season of a High Budget SVOD series covered under this subparagraph 4.a.(3) for which the principal photography of the first episode of the new season commences on or after July 1, 2021. All episodes of that season and any subsequent seasons of the series shall be subject to the terms and conditions (including residuals) applicable at the time the writer is employed to provide writing services and/or literary material is acquired from the writer.

Examples of High Budget SVOD "grandfathering" scenarios are set forth below.

Example 1:

A license for a High Budget SVOD series is first entered into on May 2, 2016.

- The literary material for Season 1 is written between May 2, 2016 and May 1, 2017;
- The literary material for Season 2 is written between May 2, 2017 and May 1, 2018;
- The literary material for Season 3 is written between May 2, 2018 and May 1, 2019;
- The literary material for Season 4 is written between May 2, 2019 and May 1, 2020;
- The literary material for Season 5 is written between May 2, 2020 and May 1, 2021; and
- The literary material for Season 6 is written between May 2, 2021 and May 1, 2022 and principal photography of the first episode of Season 6 commences after July 1, 2021.

In this example, the entire series would remain grandfathered and subject to the terms of the 2014 Sideletter on Literary Material Written for Programs Made for New Media, and not subject to the 2020 Sideletter on Literary Material Written for Programs Made for New Media, except that for Seasons 5 and 6, the minimum initial

compensation rates and fringe rates, including the contribution to the Paid Parental Leave Fund, would be as negotiated in the 2020 negotiations.

Example 2:

A license for a High Budget SVOD series is first entered into on May 2, 2018.

- The literary material for Season 1 is written between May 2, 2018 and May 1, 2019;
- The literary material for Season 2 is written between May 2, 2019 and May 1, 2020;
- The literary material for Season 3 is written between May 2, 2020 and May 1, 2021; and
- The literary material for Season 4 is written between May 2, 2021 and May 1, 2022 and principal photography of the first episode of Season 4 commences after July 1, 2021.

Seasons 1 and 2 were written under the terms of the 2017 Sideletter on Literary Material Written for Programs Made for New Media, and those terms would remain applicable.

Season 3 would be grandfathered, and would be subject to the 2017 Sideletter on Literary Material Written for Programs Made for New Media, except that the minimum initial compensation rates and fringe rates, including the contribution to the Paid Parental Leave Fund, would be as negotiated in the 2020 negotiations.

Season 4 would not be grandfathered, and would be subject to the 2020 Sideletter on Literary Material Written for Programs Made for New Media.

Example 3:

A license for a High Budget SVOD series is first entered into on May 2, 2019.

- The literary material for Season 1 is written between May 2, 2019 and May 1, 2020;

- The literary material for Season 2 is written between July 2, 2020 and May 1, 2021; and principal photography of the first episode of Season 2 commences after July 1, 2021.

Season 1 was written under the terms of the 2017 Sideletter on Literary Material Written for Programs Made for New Media, and those terms would remain applicable.

Season 2 would be initially treated as grandfathered, subject to the 2017 Sideletter on Literary Material Written for Programs Made for New Media, except that the minimum initial compensation rates and fringe rates, including the contribution to the Paid Parental Leave Fund, would be as negotiated in the 2020 negotiations; however, Season 2 would lose grandfathered status because principal photography of the first episode of Season 2 occurs after July 1, 2021, making Season 2 subject to the 2020 Sideletter on Literary Material Written for Programs Made for New Media for residuals purposes. (The subscriber tier that applied at the time the literary material for Season 2 was written remains the applicable subscriber tier for all purposes.)

Example 4:

A license for a High Budget SVOD series is first entered into on March 1, 2019.

- The literary material for the pilot is written in January 2019;

- The literary material for Season 1 is written between March 1, 2019 and September 30, 2020; and

- The literary material for Season 2 is written between January 1, 2021 and April 30, 2021 and principal photography of the first episode of Season 2 commences after July 1, 2021;

The pilot was written under the terms of the 2017 Sideletter on Literary Material Written for Programs Made for New Media, and those terms would remain applicable.

Season 1 would be grandfathered, and would be subject to the 2017 Sideletter on Literary Material Written for Programs Made for New Media except that the minimum initial compensation rates and fringe rates, including the contribution to the Paid Parental Leave Fund, as negotiated in the 2020 negotiations would apply to literary material written on or after May 2, 2020.

Season 2 would not be grandfathered because principal photography of the first episode of the season began after July 1, 2021, and would be subject to the 2020 Sideletter on Literary Material Written for Programs Made for New Media. (The subscriber tier that applied at the time the literary material for Season 2 was written remains the applicable subscriber tier for all purposes.)

b. "High Budget SVOD Programs" Defined

The terms and conditions set forth in Paragraph 4 of this Sideletter shall be applicable only to derivative and original dramatic new media productions made for initial exhibition on a subscription video-on-demand consumer pay platform which meet the following "high budget" criteria (hereinafter "High Budget SVOD Program(s)") and are not "grandfathered" under subparagraph 4.a. above:

Length of Program as Initially Exhibited*	**"High Budget" Threshold**
20-35 Minutes	$1,000,000 and above effective August 2, 2020 ($1,030,000 and above effective May 2, 2022) (See subparagraph 4.a.(2) of this Sideletter for the grandfathering of certain programs or series budgeted at less than $1,300,000 as of August 2, 2020).
36-65 Minutes	$1,700,000 and above effective August 2, 2020 ($1,750,000 and above effective May 2, 2022) (See subparagraph 4.a.(2) of this Sideletter for the grandfathering of certain programs or series budgeted at less than $2,500,000 as of August 2, 2020).
66 Minutes or more	$3,000,000 and above

* Programs less than 20 minutes are not considered "high budget" for the purpose of this Sideletter, regardless of their budgets.

c. Minimum Initial Compensation for Story and Teleplay

(1) Minimum initial compensation for writers employed on a High Budget SVOD Program intended for initial exhibition on a subscription consumer pay new media platform with 20 million or

more subscribers in the United States and Canada shall be as follows:

Program Length	Budget Tier	Rate
20-35 Minutes	Tier 1: $2,100,000 or more	Article 13.B.7.d.
	Tier 2: $1,000,000 or more ($1,030,000 or more effective May 2, 2022) but less than $2,100,000	Article 13.B.7.a., b. or c., as applicable
36-65 Minutes	Tier 1: $3,800,000 or more	Article 13.B.7.d.
	Tier 2: $1,700,000 or more ($1,750,000 or more effective May 2, 2022) but less than $3,800,000	Article 13.B.7.a., b., or c., as applicable
66-95 Minutes	Tier 1: $4,000,000 or more	Article 13.B.7.d.
	Tier 2: $3,000,000 or more but less than $4,000,000	Article 13.B.7.a., b., or c., as applicable
96 Minutes or more	Tier 1: $4,500,000 (plus $2,250,000 for each additional 35 minutes or portion thereof) or more	Article 13.B.7.d.
	Tier 2: $3,000,000 or more but less than $4,500,000 (plus $2,250,000 for each additional 35 minutes or portion thereof) or more	Article 13.B.7.a., b., or c., as applicable

(2) Minimum initial compensation for writers employed on a High Budget SVOD Program intended for initial exhibition on a subscription consumer pay new media platform with fewer than 20 million subscribers in the United States and Canada shall be as provided in Article 13.B.7.a., b., or c., as applicable.

(3) For purposes of determining applicable minimum compensation under subparagraphs (1) and (2) above, a High Budget SVOD Program between 20 and 35 minutes in length shall be treated as a 30-minute program; a High Budget SVOD Program between 36 and 65 minutes shall be treated as a 60-minute program; a High Budget

SVOD Program between 66 and 95 minutes shall be treated as a 90-minute program; and a High Budget SVOD Program 96 minutes or longer shall be treated as a 120-minute program.[5]

d. Other Terms and Conditions for High Budget SVOD Programs

Except as otherwise provided herein, the terms and conditions applicable to High Budget SVOD Programs in Tier 1 intended for initial exhibition on a subscription consumer pay new media platform with 20 million or more subscribers in the United States and Canada shall be those applicable to programs made for network prime time, and the terms and conditions applicable to all other High Budget SVOD Programs shall be those applicable to programs made for basic cable, subject to the following clarifications and modifications:

(1) Article 13.B.7.r. shall not apply to any High Budget SVOD Program.

(2) Article 14.G. shall not apply to any High Budget SVOD Program.

(3) Article 20.B.3.e. shall not apply to any High Budget SVOD Program.

(4) A High Budget SVOD Program between 20 and 35 minutes in length shall be treated as a 30-minute program; a High Budget SVOD Program between 36 and 65 minutes shall be treated as a 60-minute program; a High Budget SVOD Program between 66 and 95 minutes shall be treated as a 90-minute program; and a High Budget SVOD Program 96 minutes or longer shall be treated as a 120-minute program.[5]

e. Residual Compensation

(1) Initial compensation paid to the credited writer(s) of a High Budget SVOD Program intended for initial exhibition on a subscription consumer pay new media platform constitutes payment for ninety (90) days of use worldwide on such platform (including any related or affiliated foreign subscription consumer pay platform(s)),

[5] For purposes of determining the applicable minimum compensation and other terms and conditions under Paragraph 4 of this Sideletter, the parties agree that an episode of a High Budget SVOD series may exceed the "program length" which applies to a typical episode of the series by up to three (3) minutes without becoming subject to the terms and conditions applicable to the next highest program length. (For example, if a typical episode of a High Budget SVOD series falls in the 20-35 minute category, a given episode of such series which is 38 minutes in length will still be subject to the compensation and terms and conditions applicable to a program between 20 and 35 minutes in length.) The parties further confirm that this applies to High Budget SVOD Programs produced under the Sideletter on Literary Material Written for New Media to the 2014 and 2017 MBAs.

commencing with the first day the High Budget SVOD Program is available on such subscription consumer pay platform(s).

Company shall pay to such credited writer(s) residual compensation as set forth below.

(2) Subsequent Use on the Domestic Subscription Consumer Pay Platform on Which the High Budget SVOD Program Was Initially Exhibited.

For use on the subscription consumer pay platform in the United States and Canada on which the High Budget SVOD Program is initially exhibited during the first exhibition year after the ninety (90) day period following the initial availability of the Program on such platform, and for each year of domestic use thereafter, the Company shall pay residuals calculated by multiplying the applicable residual base set forth in subparagraph (a) below by the applicable percentage for the period of use set forth in subparagraph (b) below and by the subscriber factor set forth in subparagraph (c) below.

(a) Base for High Budget SVOD Program Residual

The following residual bases are applicable to a one-time High Budget SVOD Program or an episode of a High Budget SVOD series and shall apply in perpetuity to that program or episode:

Program Length in Minutes	Story	Teleplay	Story and Teleplay
20-35 minutes			
05/02/20-05/01/21	$ 6,073	$ 9,861	$15,178
05/02/21-05/01/23	6,528	10,601	16,316
36-65 minutes			
05/02/20-05/01/21	11,034	19,111	27,588
05/02/21-05/01/23	11,862	20,544	29,657
66-95 minutes*			
05/02/20-05/01/21	16,583	29,396	41,460
05/02/21-05/01/23	17,827	31,601	44,570
96 minutes or more*			
05/02/20-05/01/21	21,732	38,989	54,332
05/02/21-05/01/23	23,362	41,913	58,407

*The residual base for a High Budget SVOD Program that is 85 minutes or longer with a budget of $13 million or more and made for a subscription consumer pay platform with 20 million or more domestic subscribers shall be the applicable minimum as set forth in Article 13.B.7.a., b. and c. for a program length in minutes of either “90 or less (but more than 75)” or “120 or less (but more than 90),” as applicable.

(b) Percentage of Above Base Rate Payable for Residuals

Exhibition Year*	Percentage of Applicable High Budget SVOD Program Residual Base
Year 1*	45.0%
Year 2	40.0%
Year 3	35.0%
Year 4	25.0%
Year 5	20.0%
Year 6	15.0%

Exhibition Year*	Percentage of Applicable High Budget SVOD Program Residual Base
Year 7	10.0%
Year 8	8.0%
Year 9	5.0%
Year 10	4.5%
Year 11	3.0%
Year 12	2.5%
Each Year thereafter	1.5%

*Exhibition Year 1 shall commence on the first day that the High Budget SVOD Program is made available for exhibition on the subscription pay platform following ninety (90) days after the initial exhibition date. Each Exhibition Year thereafter shall commence with the first day that the High Budget SVOD Program is made available for exhibition on the subscription consumer pay platform following the conclusion of the prior one-year use period.

(c) Subscriber Factor

Subscriber Tier	Domestic Subscribers	Subscriber Factor
1	Under 1 million	20%*
2	1 million to 5 million	40.0%
3	Over 5 million but fewer than 20 million	65.0%
4	20 million to 45 million	100.0%
5	Over 45 million	150.0%

*No residual shall be owed for the first year of exhibition of a High Budget SVOD Program or series produced for initial exhibition on a subscription consumer pay platform with fewer than 1,000,000 domestic subscribers.

(d) Payment

Payment for each Exhibition Year shall be due sixty (60) days after the end of the calendar quarter in which the High Budget SVOD Program was first made available in that Exhibition Year.

(3) Use on a Foreign Subscription Consumer Pay Platform Related to or Affiliated with the Domestic Subscription Consumer Pay Platform[6, 7]

(a) Foreign Subscription Consumer Pay Platforms Related to or Affiliated with a Domestic Subscription Consumer Pay Platform with Over 45 Million Subscribers.

(i) When Company licenses the right to exhibit a High Budget SVOD Program to a domestic subscription consumer pay platform with over 45 million subscribers and also licenses SVOD rights for use on its related or affiliated foreign subscription consumer pay platform(s), Company shall pay a fixed residual for each exhibition year of use in foreign markets (after an initial ninety (90) consecutive day window measured from initial availability on the domestic subscription consumer pay platform) that is thirty-five percent (35%) of the domestic residual set forth in subparagraph 4.e.(2) above.

Payment of the additional fixed residual above shall cover worldwide use of the High Budget SVOD Program on all foreign subscription consumer pay platforms for the applicable exhibition year.

(ii) However, when Company's license includes the SVOD rights for use on the related or affiliated foreign subscription consumer pay platform(s) of such domestic subscription consumer pay platform in foreign territories which constitute fifteen percent (15%) or less of the value of all foreign markets (*i.e.*, outside the United States and Canada), then gross receipts-based residuals for such foreign SVOD licensing shall be paid pursuant to subparagraph 4.e.(2)(b)(ii) below in lieu of the foreign fixed residual in subparagraph 4.e.(2)(a)(i) above. In that case, the Company shall allocate a fair and reasonable portion

[6] Residuals shall also be payable under this provision when the Company is related to or affiliated with the domestic subscription consumer pay platform that is related to or affiliated with the foreign subscription consumer pay platform.

[7] It is understood that this provision also applies when a subscription consumer pay platform that holds foreign exhibition rights sublicenses those rights.

of the license fee to the foreign territories for which related or affiliated foreign subscription consumer pay platform(s) have exhibition rights, and make a residual payment equal to 1.2% of such allocated amount.[8, 9] If the Guild contends that the amount so allocated was not fair and reasonable, such claim may be submitted to arbitration. In the event the arbitrator finds that such allocation was not fair and reasonable, he or she shall determine the fair and reasonable amount to be allocated.

(b) Foreign Subscription Consumer Pay Platforms Related to or Affiliated with a Domestic Subscription Consumer Pay Platform with 45 Million or Fewer Subscribers.

(i) When a Company licenses the right to exhibit a High Budget SVOD Program to a domestic subscription consumer pay platform with 45 million or fewer subscribers and also licenses "worldwide" SVOD rights to its related or affiliated foreign subscription consumer pay platform(s), the Company shall pay a fixed residual for each exhibition year of use in foreign markets (after an initial ninety (90) consecutive day window measured from initial exhibition on the domestic subscription consumer pay platform) that is an additional percentage of the domestic residual set forth in subparagraph 4.e.(2) above according to the schedule in subparagraph 4.e.(3)(a)(i) above.

(ii) When a Company licenses the right to exhibit a High Budget SVOD Program to a domestic subscription consumer pay platform with 45 million or fewer subscribers and also licenses foreign SVOD rights other than "worldwide" to its related or affiliated foreign

[8] If the Company is related to or affiliated with the domestic subscription consumer pay platform that is related to or affiliated with the foreign subscription consumer pay platform, the allocation shall be measured by the exhibitor's payments to unrelated or unaffiliated entities in arm's length transactions for comparable programs, or, if none, then the amounts received by the Company from unrelated and unaffiliated exhibitors in arm's length transactions, or, if none, a comparable exhibitor's payments to comparable unrelated and unaffiliated entities in arm's length transactions for comparable programs.

[9] At the Guild's request, the Company must make an unredacted license agreement available for inspection at the Company's office subject to a confidentiality agreement equivalent to those governing new media license agreement inspections as described in the Sideletter on the Exhibition of Motion Pictures Transmitted Via New Media.

subscription consumer pay platform(s), the Company shall make a residual payment equal to 1.2% of "accountable receipts" as defined in Paragraph 3 of the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media. For purposes of this provision, when the license includes both the right to exhibit a High Budget SVOD Program on a domestic subscription consumer pay platform and on its related or affiliated foreign consumer pay platform(s), the Company shall allocate a fair and reasonable portion of the license fee to the foreign territories for which related or affiliated foreign subscription consumer pay platform(s) have exhibition rights, and then make the residual payment provided herein of such allocated amount.[10, 11] If the Guild contends that the amount so allocated was not fair and reasonable, such claim may be submitted to arbitration. In the event the arbitrator finds that such allocation was not fair and reasonable, he or she shall determine the fair and reasonable amount to be allocated.

(4) For subsequent exhibition of a High Budget SVOD Program on any subscription consumer pay new media platform other than the domestic subscription consumer pay platform on which the program was initially exhibited and its related or affiliated foreign subscription consumer pay platform(s) (other than on a foreign subscription consumer pay platform for which the fixed residual has been paid pursuant to subparagraphs 4.e.(3)(a)(i) or 4.e.(3)(b)(i) above), the Company shall make a residual payment equal to 1.2% of Company's "accountable receipts" as defined in Paragraph 3 of the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media.

(5) For subsequent exhibition of a High Budget SVOD Program on any consumer pay new media platform other than a subscription

[10] If the Company is related to or affiliated with the domestic subscription consumer pay platform that is related to or affiliated with the foreign subscription consumer pay platform, the allocation shall be measured by the exhibitor's payments to unrelated or unaffiliated entities in arm's length transactions for comparable programs, or, if none, then the amounts received by the Company from unrelated and unaffiliated exhibitors in arm's length transactions, or, if none, a comparable exhibitor's payments to comparable unrelated and unaffiliated entities in arm's length transactions for comparable programs.

[11] At the Guild's request, the Company must make an unredacted license agreement available for inspection at the Company's office subject to a confidentiality agreement equivalent to those governing new media license agreement inspections as described in the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media.

consumer pay platform (*i.e.*, on a transactional consumer pay platform involving download-to-own or download-to-rent transactions), the Company shall make a residual payment equal to 1.2% of Company's "accountable receipts" as defined in Paragraph 3 of the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media.

(6) Except as provided in subparagraph (c) below:

(a) For subsequent exhibition of a High Budget SVOD Program on a free-to-the-consumer/advertiser-supported new media platform (other than a free-to-the-consumer/advertiser-supported new media platform that is related to or affiliated with the SVOD platform for which the High Budget SVOD Program is made), the Company shall make a residual payment equal to 2% of Company's "accountable receipts" as defined in Paragraph 3 of the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media.

(b) For subsequent exhibition of a High Budget SVOD Program on any free-to-the-consumer/advertiser-supported new media platform that is related to or affiliated with the SVOD platform for which the High Budget Program is made, the Company shall make a residual payment pursuant to Paragraph 2.b.(4) of the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media as if such High Budget SVOD Program were a television motion picture, except that:

(i) The residual base for calculating the fixed residual under Paragraph 2.b.(4)(A) of the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media shall be the applicable "Base for High Budget SVOD Program Residual" under Paragraph 4.e.(2)(a) of this Sideletter.

(ii) The twenty-six (26) consecutive week periods described in Paragraph 2.b.4.(A) and (B) of the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media shall be measured from the date the High Budget SVOD Program is first made available on the SVOD platform. Likewise, the one (1) year period described in Paragraph 2.b.4.(A) and (B) of that Sideletter shall be measured from the date the High Budget SVOD Program is first made available on the SVOD platform.

(iii) The residual described in subparagraph (a) above (*i.e.*, 2% of Company's "accountable receipts") shall be payable if the High Budget SVOD Program is made available on the related or affiliated free-to-the-consumer/ advertiser-supported new media platform after the expiration of the one (1) year period following the date the High Budget SVOD Program is first made available on the SVOD platform.

(c) Notwithstanding the provisions of subparagraphs (a) and (b) above, Company shall have the right to exhibit a High Budget SVOD Program (including any one-time program or the first three (3) episodes of a new series), without any additional payment, on any free-to-the-consumer/ advertiser-supported new media platform for a period of seven (7) consecutive days for the purpose of promoting the High Budget SVOD Program.

(7) When the Company's "accountable receipts" derived from any such licensing of High Budget SVOD Programs are received from a related or affiliated entity that acts as the exhibitor/retailer of the program, then the Company's "accountable receipts" received by the Company from the licensing of such rights shall be measured by the exhibitor/retailer's payments to unrelated and unaffiliated entities in arm's length transactions for comparable programs or series or, if none, the amounts received by the Company from unrelated and unaffiliated exhibitors/retailers in arm's length transactions for comparable programs or series, or, if none, a comparable exhibitor/retailer's payments to comparable unrelated and unaffiliated entities in arm's length transactions for comparable programs or series.

(8) For use of a Derivative High Budget SVOD Program in traditional media (*e.g.*, free television, basic cable, pay television or home video), the Company shall pay residuals as a supplemental use as set forth in Paragraph 2.b.(4)(e) of this Sideletter; for use of an Original High Budget SVOD Program in traditional media, the Company shall pay residuals as a supplemental use as set forth in Paragraph 3.b.(4)(c) of this Sideletter.

f. Screen Credit

Screen credit for High Budget SVOD Programs shall be subject to the provisions of Television Schedule A as modified below. As to material marked "not applicable," or if material in Television Schedule A is

inconsistent with this Paragraph 4.f., Television Schedule A shall not apply. The substance of material marked "not applicable" may be covered in other paragraphs of this Paragraph 4.f., or may be omitted entirely.

1. Television Schedule A applies, except as follows:

   (a) The word "television" shall be deleted from the term "television screen."

   (b) In the second paragraph, the reference to "television motion picture" shall be replaced with "High Budget SVOD Program."

   (c) The first sentence of the third paragraph shall be revised as follows: "Subject to contractual commitments which may exist on May 2, 2020, a writer who is entitled to credit on the screen and who has been paid or has been guaranteed payment of less than three (3) times the applicable minimum provided for in Paragraph 4 of this Sideletter for his/her writing services or literary materials relating to the particular teleplay, shall have the right to have credit given to him/her on the screen, advertising or otherwise in a reasonable pseudonymous name."

2. Television Schedule A applies, except as follows:

   (a) In Paragraphs 2.a. and 2.b., the references to "television writer" shall be replaced with "writer of a High Budget SVOD Program."

   (b) In the first paragraph of Paragraph 2.d., the reference to "television motion picture" shall be replaced with "High Budget SVOD Program."

   (c) The third paragraph of Paragraph 2.e. is not applicable.

3. The reference to "Article 13.B.1.b." shall be replaced with "Paragraph 4 of this Sideletter."

4. Television Schedule A applies, except the phrase "revues, variety and audience participation shows" is not applicable.

5. The reference to "Article 13.B.7.c." shall be replaced with "Paragraph 4 of this Sideletter."

6. The word “television” shall be deleted from the term “television screen.”

7. Television Schedule A applies, except that: the word “television” shall be deleted from the term “television screen;” Paragraph 7.e., references to “television writer or writers” shall be replaced with “writer or writers of High Budget SVOD Program;” the date “March 18, 1957" shall be replaced with “May 2, 2014;” and the term “television” shall be stricken from the phrase “television writing credit.”

8. and 9. Television Schedule A applies.

10. Television Schedule A applies, except that the date “March 2, 1981" shall be replaced with “May 2, 2014.”

11., 12., 13., and 14. Television Schedule A applies.

15. Television Schedule A applies, except that the Company may provide notices via email.

16. Television Schedule A applies, except as provided in Paragraph 4.f.15. above.

17., 18., 19., and 20. Television Schedule A applies.

21. Television Schedule A applies, except as follows:

    (a) The first sentence of Paragraph 21 shall be replaced with the following:

    “Writing credit for High Budget SVOD Programs 96 minutes or longer shall be included in publicity releases issued by the Company relating to the motion picture when the producer and the director are mentioned, whether in the form of a ‘production’ or ‘presentation’ credit or otherwise, except when such release is restricted to information about such individual or individuals.”

    (b) References to “long-form television motion picture(s)” shall be replaced with “High Budget SVOD Programs 96 minutes or longer” and references to “television” and “laserdiscs” shall be deleted.

22. Television Schedule A applies, except the parenthetical in Paragraph 22.b. is not applicable.

23. Television Schedule A applies, except as follows:

    (a) The first sentence of Paragraph 23 shall be replaced with the following:

    "A credit on the screen in the form '*Created by*' shall be given on each episode of an episodic series or serial to the writer when such writer has separated rights and is entitled to sequel payments for such episode pursuant to Paragraph 4.g. of this Sideletter."

    (b) The dates "June 16, 1966" and "March 2, 1981" shall be replaced with "May 2, 2014."

    (c) The first sentence of Paragraph 23.b. shall be replaced with the following:

    "With regard to any episodic series or serial in which a writer subject to this Sideletter has separated rights, is entitled to sequel payments under Paragraph 4.g. of this Sideletter, and receives a '*Created by*' credit, if the Company desires to grant a '*Developed by*' credit, such credit may only be given for writing and shall be subject to a Guild arbitration to determine its appropriateness."

24. Television Schedule A applies.

25. Television Schedule A applies, except that, in the title of the "Notice of Tentative Writing Credits," the word "Television" shall be replaced with "High Budget Dramatic SVOD."

26. Television Schedule A applies.

27. Television Schedule A applies, except the reference to "correct each print before such print is retelecast" shall be replaced with "provide the new media exhibitor service(s) with a corrected file as soon as practicable."

28. Television Schedule A applies.

29. The “circumstances” referenced in Paragraph 29 shall include, but are not limited to, circumstances unique to forms of distribution or exhibition in new media.

30. Television Schedule A applies.

31. Television Schedule A applies.

g. Separated Rights

The provisions of Article 16.B. shall apply to High Budget SVOD Programs as modified below:

(1) Article 16.B.1. applies, except:

(a) Substitute “High Budget SVOD Program” for “television motion picture,” “High Budget SVOD Programs” for “television motion pictures” and in subparagraph “c.” of Article 16.B.1., “High Budget SVOD Program” for “production of a television motion picture.”

(b) In subparagraph “d,” of Article 16.B.1., add “comprised of High Budget SVOD Programs” after “a serial or episodic series” and before “(herein called ‘new serial or new episodic series’).”

(2) Article 16.B.2. applies, except:

(a) Add “(a High Budget SVOD Program of more than sixty-five (65) minutes in length)” after the reference to “a program of more than sixty (60) minutes in length” in Article 16.B.2.a.(1).

(b) Delete the reference to “only to sixty percent (60%) of said amount for fifteen minute episodes, but shall be entitled” and change “sixty (60) minute episodes” to “thirty-six (36) to ninety-five (95) minute episodes in the case of a High Budget SVOD Program)” and “ninety (90) minute or longer episodes” to “ninety-six (96) minute or longer episodes in the case of a High Budget SVOD Program” in the third paragraph of Article 16.B.2.a. (beginning “For such literary material...”).

(c) Add a sentence at the end of the third paragraph of Article 16.B.2.a. (beginning “For such literary material...”) to read as follows: “It is understood that residual sequel payments are

not applicable for exhibitions of High Budget SVOD Programs on any new media platform."

(d) Modify the first sentence of Article 16.B.2.b. to provide:

"The 'first MOW,' for purposes of this Section, is a television motion picture ninety (90) minutes or longer, or a High Budget SVOD Program ninety-six (96) minutes or longer, to which the separation of rights provisions of this Article 16.B. apply. 'MOW sequels' are programs ninety (90) minutes or longer, or High Budget SVOD Programs ninety-six (96) minutes or longer, which are ordered subsequent to the exhibition of the first MOW and are other than an exploitation of the series sequel rights."

(e) Add a sentence at the end of the seventh paragraph of Article 16.B.2.b. as follows: "It is understood that residual sequel payments are not applicable for exhibitions of High Budget SVOD Programs ninety-six (96) minutes or longer on any new media platform."

(3) Article 16.B.3. applies, except:

(a) Modify Article 16.B.3.b.(1) to provide:

"(1) The live television rights until a date three and one-half (3½) years after the first broadcast of the television motion picture or the date of first availability of the High Budget SVOD Program, or a date five (5) years after the delivery of the story and teleplay, whichever shall be earlier."

(b) Modify Article 16.B.3.b.(2) to provide:

"(2) The right to broadcast directly by television, or make available in new media, a live dramatic presentation of the material, in the exercise of the reserved dramatic rights until a date three and one-half (3½) years after the first broadcast of the television motion picture or the date of first availability of the High Budget SVOD Program, or a date five (5) years after the delivery of the story or story and teleplay, whichever shall be earlier."

(c) Add “or the date of first availability of a High Budget SVOD Program” after “first broadcast of the television motion picture” in the first sentence of Article 16.B.3.b.(3) and Article 16.B.3.b.(4).

(d) Modify Article 16.B.3.b.(5) to provide:

“The right to use the leading character or characters in a substantially different story in an ‘interactive program,’ other than in the nature of a game, until after the expiration of the Company’s exclusive right to commence the exploitation of the television sequel rights as set forth in Article 16.B.2. or until six (6) months after the date of the last broadcast of the television series or after the date of the first availability of the last episode in the case of a High Budget SVOD Program, if such rights have been exploited.”

(e) Change the last sentence of Article 16.B.3.c. to provide as follows:

“The right of first refusal herein granted shall apply to series sequel rights and MOW sequel rights if the same shall revert to the writer prior to the expiration of said four (4) year period.”

(f) Modify the first sentence of Article 16.B.3.e.(1) to provide as follows:

“Theatrical Rights - The Company shall pay two and one-half percent (2.5%) of the *bona fide* budgeted direct cost (and overhead or other indirect cost shall be excluded except to the extent it exceeds twenty-five percent (25%) of direct cost), or $20,000.00, whichever is greater, but in no event more than $500,000.00 for theatrical rights.”

(g) Change “ninety (90)” to “ninety-six (96)” and change “television motion picture” to “High Budget SVOD Program” in Article 16.B.3.h.

(4) Delete Article 16.B.4. (Sketches and Routines).

(5) Article 16.B.5. applies, except:

(a) Delete the upset prices for programs 15 minutes or less, 45 minutes or less and 90 minutes or less.

(b) Apply the upset prices for programs 30 minutes or less to High Budget SVOD Programs 20-35 minutes, the upset prices for programs 60 minutes or less to High Budget SVOD Programs 36-65 minutes and the upset prices for programs more than 90 minutes to High Budget SVOD Programs 66 minutes or more.

(6) Article 16.B.6. through Article 16.B.9. apply.

h. Subscriber Count for High Budget SVOD Programs

(1) The number of domestic subscribers shall be determined as of July 1st of each year of the Agreement and shall apply for all purposes under Paragraph 4 of this Sideletter to a High Budget SVOD Program or episode of a High Budget SVOD series, the literary material for which is written on or after July 1st of the measuring year but not later than June 30th of the following year. The number of domestic subscribers so determined shall apply to the Program or the episode of the High Budget SVOD series in perpetuity.

(2) In addition to any other exclusion agreed to by the parties, the subscriber count for any subscription consumer pay platform shall exclude subscribers during any 'free trial period' of no more than thirty (30) days.

(3) The parties shall agree upon a methodology to determine the number of domestic subscriber whose subscription includes a video-on-demand platform for which a High Budget SVOD Program is made and other services, such as gaming, music or free shipping.

(4) The following shall apply to a new subscription consumer pay platform that launches on or after August 2, 2020:

(a) Such platform is encouraged to enter into good faith discussions with the Guild prior to launch to reach agreement on the number of domestic subscribers to be attributed to that platform for purposes of applying the provisions of Paragraph 4 of this Sideletter pertaining to High Budget SVOD Programs.

(b) The number of domestic subscribers to a new subscription consumer pay platform shall be determined ninety (90) days after launch, and shall apply for the remainder of the measuring year (*i.e.*, until the July 1st immediately following

the 90th day after launch). Thereafter, the number of domestic subscribers shall be determined as of July 1st of each year of the Agreement as provided in subparagraph h.(1) above.

(c) Absent any agreement to the contrary between the new subscription consumer pay platform and the Guild:

(i) Initial compensation and other terms and conditions for a High Budget SVOD Program, the literary material for which is written prior to the ninetieth (90th) day after the launch of a new subscription consumer pay platform, shall be those that are applicable to a High Budget SVOD Program made for a subscription consumer pay platform with fewer than 20 million domestic subscribers.

(ii) Residuals for High Budget SVOD Programs, the literary material for which is written prior to the ninetieth (90th) day after launch, shall be calculated according to the number of domestic subscribers to the subscription consumer pay platform as of ninety (90) days after launch.

5. **Work Lists**

With respect to Derivative and Original New Media Productions covered under this Sideletter which are 30 minutes or more in length as exhibited, the Company each week shall send the Guild a list of the names of writers in the employ of the Company, and/or the names of professional writers from whom previously unexploited literary material has been purchased, at any time during the preceding week. The Company may submit such list to the Guild via email.

Sincerely,

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young
Executive Director

ACCEPTED AND AGREED:

The respective companies represented by the
ALLIANCE OF MOTION PICTURE AND
TELEVISION PRODUCERS, INC.

By: /s/ Carol A. Lombardini
Carol A. Lombardini
President

ATTACHMENT TO SIDELETTER ON
LITERARY MATERIAL WRITTEN FOR PROGRAMS MADE FOR NEW MEDIA
RE: INITIAL COMPENSATION AND RESIDUALS APPLICABLE TO
"GRANDFATHERED" HIGH BUDGET SVOD PROGRAMS
COVERED BY THE 2014 MBA

(See Paragraph 4 of the Sideletter on Literary Material Written for Programs Made for New Media to the 2014 MBA for other terms and conditions that apply to "grandfathered" High Budget SVOD Programs covered by the 2014 MBA.)

1. INITIAL COMPENSATION

Minimum initial compensation for writers on a "grandfathered" High Budget SVOD Program[1] covered by the 2014 MBA and intended for initial exhibition on a subscription consumer pay platform with 15 million or more subscribers in the United States and Canada shall be as follows:

a. Story

Program Length	Budget Tier	5/02/20 - 5/01/21	5/02/21- 5/01/22	5/02/22- 5/01/23
20-35 Minutes	Tier 1: $2,100,000 or more	$ 9,445	$ 9,681	$ 9,899
	Tier 2: $1,300,000 or more but less than $2,100,000	6,363	6,522	6,669
36-65 Minutes	Tier 1: $3,800,000 or more	16,626	17,042	17,425
	Tier 2: $2,500,000 or more but less than $3,800,000	11,563	11,852	12,119
66-95 Minutes	Tier 1: $4,000,000 or more	22,211	22,766	23,278
	Tier 2: $3,000,000 or more but less than $4,000,000	17,378	17,812	18,213

[1] See Paragraph 4.a.(1) of the Sideletter on Literary Material Written for Programs Made for New Media of the 2020 MBA.

Program Length	Budget Tier	5/02/20 - 5/01/21	5/02/21- 5/01/22	5/02/22- 5/01/23
96 Minutes or More	Tier 1: $4,500,000 (plus $2,250,000 for each additional 35 minutes or portion thereof) or more Serial & Episodic Non-Episodic	 29,658 32,367	 30,399 33,176	 31,083 33,922
	Tier 2: $3,000,000 or more but less than $4,500,000 (plus $2,250,000 for each additional 35 minutes or portion thereof)	22,772	23,341	23,866

b. Teleplay

Program Length	Budget Tier	5/02/20 - 5/01/21	5/02/21- 5/01/22	5/02/22- 5/01/23
20-35 Minutes	Tier 1: $2,100,000 or more	$20,315	$20,823	$21,292
	Tier 2: $1,300,000 or more but less than $2,100,000	10,333	10,591	10,829
36-65 Minutes	Tier 1: $3,800,000 or more	27,410	28,095	28,727
	Tier 2: $2,500,000 or more but less than $3,800,000	20,024	20,525	20,987
66-95 Minutes	Tier 1: $4,000,000 or more	39,494	40,481	41,392
	Tier 2: $3,000,000 or more but less than $4,000,000	30,800	31,570	32,280
96 Minutes or More	Tier 1: $4,500,000 (plus $2,250,000 for each additional 35 minutes or portion thereof) or more Serial & Episodic Non-Episodic	 50,670 55,294	 51,937 56,676	 53,106 57,951
	Tier 2: $3,000,000 or more but less than $4,500,000 (plus $2,250,000 for each additional 35 minutes or portion thereof)	40,856	41,877	42,819

c. Story and Teleplay

Program Length	Budget Tier	5/02/20 - 5/01/21	5/02/21- 5/01/22	5/02/22- 5/01/23
20-35 Minutes	Tier 1: $2,100,000 or more	$28,328	$29,036	$29,689
	Tier 2: $1,300,000 or more but less than $2,100,000	15,903	16,301	16,668
36-65 Minutes	Tier 1: $3,800,000 or more	41,662	42,704	43,665
	Tier 2: $2,500,000 or more but less than $3,800,000	28,907	29,630	30,297
66-95 Minutes	Tier 1: $4,000,000 or more	58,617	60,082	61,434
	Tier 2: $3,000,000 or more but less than $4,000,000	43,443	44,529	45,531
96 Minutes or More	Tier 1: $4,500,000 (plus $2,250,000 for each additional 35 minutes or portion thereof) or more Serial & Episodic Non-Episodic	 77,124 84,298	 79,052 86,405	 80,831 88,349
	Tier 2: $3,000,000 or more but less than $4,500,000 (plus $2,250,000 for each additional 35 minutes or portion thereof)	56,932	58,355	59,668

Minimum initial compensation for writers on such a “grandfathered” High Budget SVOD Program intended for initial exhibition on a subscription consumer pay platform with fewer than 15 million subscribers in the United States and Canada shall be as set forth in Tier 2 in the charts above.

2. RESIDUAL COMPENSATION

Initial compensation paid to the credited writer(s) of a “grandfathered” High Budget SVOD Program covered by the 2014 MBA shall include one year of use worldwide on the original platform. For each subsequent year of use on a platform with 15 million or more subscribers, Company shall make a fixed residual payment based upon the applicable Network Prime Time residual base as set forth in Article 15.B.1.b.(2)(a) of the 2017 MBA (for reference see Table 1, below), according to the schedule set forth in Table 2 below:

TABLE 1

Program Length in Minutes	Story	Teleplay	Story and Teleplay
20-35 minutes	$ 5,406	$ 8,778	$13,511
36-65 minutes	9,822	17,012	24,558
66-95 minutes	14,762	26,167	36,906
96 minutes or more	19,345	34,707	48,365

TABLE 2

Exhibition Year	Percentage of Residual Base in Table 2
Year 2	30.0%
Year 3	30.0%
Year 4	25.0%
Year 5	20.0%
Year 6	15.0%
Year 7	10.0%
Year 8	8.0%
Year 9	5.0%
Year 10	4.5%
Year 11	3.0%
Year 12	2.5%
Each Year thereafter	1.5%

Initial compensation paid to the credited writer(s) of such a High Budget SVOD Program intended for initial exhibition on a subscription consumer pay new media platform with fewer than 15 million subscribers in the United States and Canada constitutes payment for one year of use on the domestic subscription consumer pay platform on which it is first exhibited and on any related or affiliated foreign subscription consumer pay platform(s), commencing with the first day that the High Budget SVOD Program is available on such subscription consumer pay platform. For all use of such High Budget SVOD Program on the domestic subscription consumer pay platform and on any related or affiliated foreign subscription consumer pay platform(s) beyond the initial one-year use period, the Company shall make a fixed residual payment for each subsequent one-year period according to the schedule set forth above, but the residual base shall be 65% of the applicable network prime time residual base (Article 15.B.1.b.(2)(a)) of the 2017 MBA (for reference see Table 1 above).

SIDELETTER RE: "BUNDLED" SUBSCRIPTION CONSUMER PAY PLATFORMS

As of May 2, 2017
Revised as of May 2, 2020

Carol A. Lombardini
President
Alliance of Motion Picture and Television Producers, Inc.
15301 Ventura Boulevard, Building E
Sherman Oaks, CA 91403

Re: "Bundled" Subscription Consumer Pay Platforms

Dear Carol:

During the negotiations for the 2020 Theatrical and Television Basic Agreement ("MBA), the parties discussed the difficulty of determining the number of domestic subscribers whose subscription includes a video-on-demand platform for which a High Budget SVOD Program is made and other services, such as gaming, music, or free shipping, (*e.g*., Amazon Prime). Ultimately, the parties reached agreement on the number of domestic subscribers that certain of those platforms (*e.g.* Amazon Prime) will be considered to have for the term of the MBA.

Should an issue arise during the term of the MBA as to the number of domestic subscribers to a subscription consumer pay platform in these circumstances, the parties will enter into good faith discussions to reach agreement on the number of domestic subscribers to be attributed to that platform for purposes of applying the provisions of the Sideletter on Literary Material Written for Programs Made for New Media to the 2020 MBA pertaining to High Budget SVOD Programs. In such discussions, the parties shall be guided by their previous agreements.

If the parties cannot reach agreement on the number of domestic subscribers for that platform, the issue will be submitted to a 'best offer' arbitration (that is, each party shall submit to the arbitrator its offer for the number of domestic subscribers and the arbitrator shall choose from the two figures offered). The parties will meet to discuss the list of potential arbitrators to decide this issue within sixty (60) days of the effective date of 2020 MBA. If the parties cannot agree upon the list of potential arbitrators, the arbitrator shall be selected utilizing the procedure in Article 11.C.2. of the MBA and using the Los Angeles list of arbitrators.

Sincerely,

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young
Executive Director, WGAW

ACCEPTED AND AGREED:

The respective signatory companies represented by
the ALLIANCE OF MOTION PICTURE AND
TELEVISION PRODUCERS, INC.

By: /s/ Carol A. Lombardini
Carol A. Lombardini
President

SIDELETTER RE PEACOCK SUBSCRIBER TIER FOR HIGH BUDGET SVOD PROGRAMS

As of May 2, 2020

David J. Young
Executive Director
Writers Guild of America, West, Inc.
7000 West Third Street
Los Angeles, California 90048

Re: Peacock Subscriber Tier

Dear David:

This will memorialize that in the 2020 WGA negotiations, the parties reached agreement on the subscriber tier applicable to Peacock for purposes of applying the provisions of the Sideletter on Literary Material Written for Programs Made for New Media in the 2020 Theatrical and Television Basic Agreement pertaining to High Budget SVOD Programs. For the period from May 2, 2020 through June 30, 2021, Peacock shall be considered to be a service with at least one million (1,000,000) and up to five million (5,000,000) domestic subscribers. During the second and third years of the Agreement, the parties shall determine the subscriber tier effective July 1, 2021 and July 1, 2022, respectively, in accordance with the "'Bundled' Subscription Consumer Pay Platforms" sideletter dated May 2, 2020.

Sincerely,

By: /s/ Carol A. Lombardini
Carol A. Lombardini
President, AMPTP

ACCEPTED AND AGREED:

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young
Executive Director, WGAW

SIDELETTER RE AMAZON PRIME SUBSCRIBER TIER
FOR HIGH BUDGET SVOD PROGRAMS

As of May 2, 2020

David J. Young
Executive Director
Writers Guild of America, West, Inc.
7000 West Third Street
Los Angeles, California 90048

Re: Amazon Prime Subscriber Tier

Dear David:

The parties agree that Amazon Prime shall be considered to be a service with at least twenty million (20,000,000) and up to forty-five million (45,000,000) domestic subscribers during the period from May 2, 2020 through June 30, 2021. During the second and third years of the Agreement, the parties shall determine the subscriber tier effective July 1, 2021 and July 1, 2022, respectively, in accordance with the "'Bundled' Subscription Consumer Pay Platforms" sideletter dated May 2, 2020.

Sincerely,

By: /s/ Carol A. Lombardini
Carol A. Lombardini
President, AMPTP

ACCEPTED AND AGREED:

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young
Executive Director, WGAW

SIDELETTER RE APPLE TV+ SUBSCRIBER TIER FOR HIGH BUDGET SVOD PROGRAMS

As of May 2, 2020

David J. Young
Executive Director
Writers Guild of America, West, Inc.
7000 West Third Street
Los Angeles, California 90048

Re: Apple TV+ Subscriber Tier

Dear David:

This will memorialize that in the 2020 WGA negotiations, the parties reached agreement on the subscriber tier applicable to the Apple TV+ platform for purposes of applying the provisions of the Sideletter on Literary Material Written for Programs Made for New Media in the 2020 Theatrical and Television Basic Agreement pertaining to High Budget SVOD Programs. During the period from May 2, 2020 through June 30, 2021, Apple TV+ shall remain in subscriber Tier 3, which applies to services with more than five million (5,000,000) but fewer than twenty million (20,000,000) domestic subscribers. During the second and third years of the Agreement, the parties shall determine the subscriber tier effective July 1, 2021 and July 1, 2022, respectively, in accordance with the "'Bundled' Subscription Consumer Pay Platforms" sideletter dated May 2, 2020.

Sincerely,

By: /s/ Carol A. Lombardini
Carol A. Lombardini
President, AMPTP

ACCEPTED AND AGREED:

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young
Executive Director, WGAW

SIDELETTER ON EXHIBITION OF MOTION PICTURES TRANSMITTED VIA NEW MEDIA

As of May 2, 2001
Revised as of November 1, 2004
Revised as of February 13, 2008
Revised as of May 2, 2011
Revised as of May 2, 2014
Revised as of May 2, 2017
Revised as of May 2, 2020

Carol A. Lombardini
President
Alliance of Motion Picture and Television Producers, Inc.
15301 Ventura Boulevard, Building E
Sherman Oaks, California 91403

Re: Exhibition of Motion Pictures Transmitted Via New Media

Dear Carol:

This Sideletter confirms the understanding of the Guild and the Companies (collectively "the parties") concerning the application of the MBA to the exhibition on the Internet, mobile devices (such as cell phones or PDAs) and any other new media platform known as of February 13, 2008 (hereinafter collectively referred to as "new media"), but not including methods of distribution addressed in other provisions of the MBA, such as free television, basic cable, pay television, videodisc/videocassette and radio, even if digital, of theatrical and television motion pictures as provided herein.[1]

1. If the Consumer Pays

a. License for Limited Period or Fixed Number of Exhibitions

The following shall apply to theatrical and television motion pictures, the principal photography of which commenced on or after July 1, 1971:

Where the subscriber pays for the program either on a subscription or per-picture basis, and where the payment is in exchange for the right to view the motion picture for a fixed and limited period of time or a fixed number of exhibitions, the Company shall pay to the credited writer(s) an aggregate

[1] The parties reserve their respective legal rights and positions as to the applicability of Article 64 to interactive programs transmitted via new media.

sum equal to one and two-tenths percent (1.2%) of "accountable receipts" as defined in Paragraph 3 below.

b. Paid Permanent Downloads ("Download-to-Own" or "Electronic Sell Through") ("EST")

The following shall apply to motion pictures released after May 2, 2020:

If the consumer pays for an EST copy of a theatrical motion picture, the Company shall pay residuals to the credited writer(s) at the rate of 1.8% of 20% of Company's "accountable receipts," as that term is defined in Paragraph 3 below, for the first 50,000 units and 3.25% thereafter.

If the consumer pays for an EST copy of a television motion picture, the Company shall pay residuals to the credited writer(s)at the rate of 1.8% of 20% of Company's "accountable receipts," as that term is defined in Paragraph 3 below, for the first 100,000 units and 3.5% thereafter.

2. If the Consumer Does Not Pay

If the consumer does not pay for the program, the following shall apply:

a. Theatrical

If the Company should desire to stream a theatrical motion picture, the principal photography of which commenced on or after July 1, 1971, then the Company shall pay residuals at the rate of 1.2% of Company's "accountable receipts," as defined in Paragraph 3 below.

b. Television

(1) Initial Exhibition. With respect to television motion pictures, the literary material for which is written on or after May 2, 2020, the Company shall be entitled to a "streaming window" for a seven (7) consecutive day period, except that:

(a) It shall be a twenty-four (24) consecutive day period for the first seven (7) episodes of a new series and any one-time television motion picture; and

(b) It shall be a seventeen (17) consecutive day period for daytime serials and children's programming.

During the streaming window, the Company may make a television motion picture available for streaming without payment for such use. The streaming window may be divided between the period

immediately prior to and immediately following the initial exhibition of the motion picture on television in any ratio determined by the Company, except that for each episode of a series in its first year, the free streaming window may commence up to thirty (30) days before the initial exhibition of the episode on television.

(2) Broadcast Television Rerun. The free streaming window for any program made for initial exhibition on broadcast television, whether produced under the 2020 MBA or any prior MBA on or after July 1, 1971, as to which free television residuals are still payable, shall be seven (7) consecutive days for each rerun of the program on broadcast television, with the seven (7) consecutive day period measured separately for each city in the United States and Canada. If the program is rerun more than once in any seven (7) consecutive day period, the free streaming window shall be limited to a single seven (7) consecutive day period surrounding one of the runs.

(3) No payment is due if, during the foregoing free streaming windows described in Paragraphs 2.b.(1) and (2), the Company makes available a television motion picture, the literary material for which is written on or after May 2, 2020, for exhibition on a free-to-the-consumer, advertiser-supported service transmitted via the internet or mobile or other device or on the advertiser-supported video-on-demand service ("AVOD") of a multichannel video programming distributor ("MVPD") or any similar service that currently exists or may hereafter be developed.[2]

(4) (A) If the Company makes available the television motion picture, the literary material for which is written on or after May 2, 2020, for streaming outside the applicable streaming window provided above, but within one (1) year of the expiration of the streaming window described in Paragraph 2.b.(1), on a free-to-the-consumer, advertiser-supported service transmitted via the internet or mobile or other device or on the advertiser-supported video-on-demand service ("AVOD") of a multichannel video programming distributor ("MVPD") or any similar service that currently exists or may hereafter be developed, then the Company shall make a residual payment equal to five and one-half percent (5.5%) of the applicable minimum for the television motion picture under Article

[2] For convenience, the parties have agreed to address in this Sideletter the use of television motion pictures, the literary material for which is written on or after May 2, 2020, on an advertiser-supported video-on-demand service of a multichannel video programming distributor (hereinafter referred to as an "MVPD AVOD service"), even though exhibition on an MVPD AVOD service does not fall within the definition of an exhibition on a New Media platform.

13.B.7.a., b., or c. (or under Appendix A, where applicable) for a twenty-six (26) consecutive week period beginning on the first day that the television motion picture is available for streaming following the expiration of the streaming window.

If the Company makes available the television motion picture for streaming for all or any part of the twenty-six (26) consecutive week period immediately following the twenty-six (26) consecutive week period described in the preceding paragraph, but within one (1) year of the expiration of the streaming window described in Paragraph 2.b.(1), and outside the streaming window described in Paragraph 2.b.(2), then the Company shall make a residual payment equal to five and one-half percent (5.5%) of the applicable minimum for the television motion picture under Article 13.B.7.a., b., or c. (or under Appendix A, where applicable) for a twenty-six (26) consecutive week period beginning on the first day that the television motion picture is available for streaming during such twenty-six (26) week period.

(B) None of the aforementioned twenty-six (26) week periods shall cover a period that is more than one year after the expiration of the streaming window described in Paragraph 2.b.(1). In the event that streaming of the television motion picture is commenced on a date that does not allow for the full twenty-six (26) week period of use within one (1) year of the expiration of the streaming window described in Paragraph 2.b.(1), then the payment for that period shall be prorated in weekly units to cover the shorter use period.

For example, suppose that the Company makes available the television motion picture for streaming during the window and then does not make the program available to stream again until thirty-nine (39) weeks after the expiration of the window period. Since only thirteen (13) weeks remain within the one (1) year period, a payment of one-half of the payment that would otherwise be due for the twenty-six (26) week streaming period would be payable for streaming during the thirteen (13) week period.

(5) During the streaming window, or during any of the twenty-six (26) consecutive week periods described in Paragraph 2.b.(4) above, the Company may allow excerpts of those television motion pictures that are being streamed to be used on free-to-the-consumer, advertiser-supported services transmitted via new media or on an

MVPD AVOD service or any similar service that currently exists or may hereafter be developed without any additional payment therefor.

(6) Upon expiration of the one (1) year period following expiration of the streaming window described in Paragraph 2.b.(1) and outside the streaming window described in Paragraph 2.b.(2), if the Company desires to make available the television motion picture, the literary material for which is written on or after May 2, 2020, for streaming on a free-to-the-consumer, advertiser-supported service transmitted via the internet or mobile or other device or on the advertiser-supported video-on-demand service ("AVOD") of a multichannel video programming distributor ("MVPD") or any similar service that currently exists or may hereafter be developed, then it shall pay residuals at the rate of two percent (2%) of Company's "accountable receipts," as defined in Paragraph 3 below. Notwithstanding the foregoing, if the television motion picture has not been streamed during the one (1) year period following initial exhibition on television, or if it has been streamed only during the streaming windows provided above, then the foregoing payment shall apply beginning one (1) year after initial exhibition of the television motion picture on television.

(7) If, upon expiration of the one (1) year period following expiration of the streaming window described in Paragraph 2.b.(1) and outside the streaming window described in Paragraph 2.b.(2), when applicable, the Company should desire to make available any television motion picture covered under a prior MBA, the literary material for which was written prior to May 2, 2020, as to which free television residuals are still payable, for streaming on a free-to-the-consumer, advertiser-supported service transmitted via the internet or mobile or other device, then the Company shall pay residuals at the rate of two percent (2%) of Company's "accountable receipts," as defined in Paragraph 3 below. Notwithstanding the foregoing, if the television motion picture has not been streamed during the one (1) year period following initial exhibition on television, or if it has been streamed only during the streaming windows provided above, then the foregoing payment shall apply beginning one (1) year after initial exhibition of the television motion picture on television.

(8) Revenues derived from foreign streaming shall be included in "Distributor's Foreign Gross," as provided in Article 15.B.2. of the MBA.

(9) Under the 2020 MBA or any prior MBA, each exhibition of a free television, basic cable and/or pay television program on television

includes the right to simultaneously stream or otherwise transmit the program with no additional payment or other obligation for such simultaneous streaming or transmission. The foregoing applies to simultaneous streaming, cellular transmission and any other means of transmission that currently exists or may hereafter be developed.

2.1 Use of Excerpts in New Media

a. In addition to the use of excerpts permitted in Paragraph 2.b.(5) above, Company may use an excerpt or excerpts from a television motion picture (other than a television motion picture ninety (90) minutes or more in length) in new media or on an MVPD AVOD service or any similar service that currently exists or may hereafter be developed for the purpose of promoting the television motion picture, provided that such excerpt(s) does not exceed five (5) minutes in length. Company may use an excerpt or excerpts from a television motion picture ninety (90) minutes or more in length, from a motion picture made for the home video market or from a theatrical motion picture in new media or on an MVPD AVOD service or any similar service that currently exists or may hereafter be developed for the purpose of promoting the picture, provided that such excerpt(s) does not exceed ten (10) minutes in length.

b. The following uses of an excerpt or excerpts in new media or on an MVPD AVOD service or any similar service that currently exists or may hereafter be developed shall be considered "promotional" and shall require no payment, whether or not the Company receives revenue in connection therewith:

(1) For promotion of the exhibition of a theatrical or television motion picture on free television, basic cable or pay television, the use of an excerpt shall not require compensation if the excerpt promotes the exhibition and includes "'tune in' information." "'Tune-in' information" for promotional purposes is sufficient when it informs the consumer where he or she can view the motion picture, program or series from which the excerpt is taken. The tune-in information may appear on-screen or in a "click-through" format – *i.e.,* accessible through links. It is agreed that the network channel or station "bug" alone does not suffice. It is also understood that the Company is not required to provide the same level of "'tune-in' information" as is commonly provided in traditional network television promotional announcements.

(2) For promotion of the traditional home video release or any "special edition" home video release of a theatrical or television motion picture, the use of an excerpt shall not require compensation if the

excerpt promotes the home video release and references the availability of the picture in home video.

(3) For promotion of the theatrical exhibition of a motion picture, the use of an excerpt shall not require compensation if the excerpt promotes the exhibition and includes reference to the theatrical release. Reference to the theatrical release shall be unnecessary if the excerpt(s) is used as part of a "teaser" advertising campaign.

(4) For promotion of a new media exhibition of a theatrical or television motion picture, the use of an excerpt shall not require compensation if the excerpt promotes the new media exhibition and includes instructions for renting, purchasing, or streaming an electronic copy of the motion picture from the website or other new media platform on which the excerpt appears or a direct link to another website or new media platform where an electronic copy of the motion picture can be rented, purchased, or streamed, and occurs in conjunction with the availability of an electronic copy of the motion picture for rental, purchase, or ad-supported streaming via the Internet or other new media platform.

(5) For promotion of the exhibition of a television motion picture on an MVPD AVOD service or any similar service that currently exists or may hereafter be developed, the use of an excerpt shall not require compensation if the excerpt promotes the exhibition on an MVPD AVOD service or any similar service that currently exists or may hereafter be developed and instructions are included for viewing the television motion picture or series on the MVPD AVOD service or any similar service that currently exists or may hereafter be developed.

(6) For "viral" promotion on new media of any use or exhibition of a theatrical or television motion picture, no payment is required if the excerpt is circulated non-commercially to multiple websites or made available for individuals to circulate. The fact that the viral excerpt is exhibited on a revenue-generating site owned by or affiliated with the Company shall not render this exception inapplicable, provided that the excerpt is released without payment to other sites.

c. The use of excerpts shall not be considered "promotional" within the meaning of subparagraph b. above if the excerpts are used on a new media site (whether or not the consumer pays) which archives the contents of several prior seasons of the series and is designed to enable the viewer to search the archives using a sophisticated search engine, as distinguished from a new media site which offers excerpts from several

prior seasons of a series that are intended as a recap of the events that transpired during those prior seasons or that are intended to promote the exhibition or sale of full episodes of the series from which the excerpts are taken.

d. If the use of an excerpt or excerpts in new media or on an MVPD AVOD service or any similar service that currently exists or may hereafter be developed is not within one of the promotional provisions in subparagraph b. above, or if the excerpt(s) used exceeds the length limitations set forth in subparagraph a. above:

(1) If the excerpt is from a television motion picture and is used on a free-to-the-consumer platform or on an MVPD AVOD service or any similar service that currently exists or may hereafter be developed outside the streaming window, but within one (1) year following expiration of the streaming window described in Paragraph 2.b.(1), and the use is not otherwise permitted or paid for under Paragraph 2.b.(4) or (5) above, or if the excerpt is from a theatrical motion picture and is used on a free-to-the-consumer platform, the Company shall pay for such use as follows:

(i) For an excerpt(s) up to two (2) minutes in length, the lesser of $50 or the applicable residual.

(ii) For an excerpt(s) in excess of two (2) minutes in length but not more than four (4) minutes in length, the lesser of $157.50 or the applicable residual.

(iii) For an excerpt in excess of four (4) minutes in length, the applicable residual.

For use of excerpts from a television motion picture on free-to-the-consumer platforms or on an MVPD AVOD service or any similar service that currently exists or may hereafter be developed, the applicable residual is as provided in Paragraph 2.b. of this Sideletter.

For use of excerpts from a theatrical motion picture on free-to-the-consumer platforms, the applicable residual shall be 1.2% of the Company's "accountable receipts" as provided in Paragraph 2.a. of this Sideletter.

(2) For any other use of an excerpt(s) from a television motion picture, the literary material for which was written prior to May 2, 2020, on a free-to-the-consumer platform or any other use of an excerpt(s)

from a television motion picture, the literary material for which was written on or after May 2, 2020, on a free-to-the-consumer platform or an MVPD AVOD service or any similar service that currently exists or may hereafter be developed, the Company shall pay two percent (2%) of Company's "accountable receipts" as defined in Paragraph 3 below for such use. Notwithstanding the foregoing, if the television motion picture has not been streamed during the one (1) year period following initial exhibition on television, or if it has been streamed only during the streaming windows provided above, then the foregoing payment shall apply beginning one (1) year after initial exhibition of the television motion picture on television.

For any other use of an excerpt(s) from a theatrical motion picture on a free-to-the-consumer platform, including the use of excerpts from theatrical motion pictures, the literary material for which was written prior to May 2, 2020, the Company shall pay one and two-tenths (1.2%) of Company's "accountable receipts" as referenced in Paragraph 3 below for such use.

(3) If an excerpt(s) from a theatrical or television motion picture is used on a “consumer pay” platform, and the use is not within one of the promotional provisions in subparagraphs b.(1) through (4) above, Company shall pay 1.2% of Company’s “accountable receipts,” as defined in Paragraph 3 of this Sideletter. This formula shall apply to a “hybrid” use where the consumer pays for the excerpt and advertising revenues are also derived by the Company from such use. Such revenues shall be incorporated in “accountable receipts.”

e. Notwithstanding the foregoing:

(1) If excerpts from the current season of a series and excerpts from past seasons of the series are used together on an ad-supported free to the consumer basis, including on an MVPD AVOD service or any similar service that currently exists or may hereafter be developed, then the percentage of “accountable receipts” payment set forth in Paragraph 2.b.(7) of this Sideletter shall apply to all such excerpts.

(2) No payment shall be required for the free to the consumer “non-commercial” promotional use of excerpts in excess of five (5) minutes if the writer(s) is (are) credited. A “non-commercial” use is a use from which the Company and its related and affiliated entities, including, but not limited to, distributors and exhibitors, receive no revenues, including, but not limited to, advertising revenues.

(3) It is understood that the use of an excerpt from a theatrical motion picture, a television motion picture or a made-for-home video motion picture shall not require any payment hereunder if the use would not require a payment under the theatrical or television excerpt provisions, as applicable, of the MBA.

f. New Media Excerpt Use Committee: Moratorium on Grievances and Arbitration Claims

Given the novelty and complexity of the issues regarding the promotional versus non-promotional and commercial versus non-commercial use of excerpts in new media, the parties agree to establish a Committee to review, discuss, and categorize instances of such use in new media to assist them in refining their mutual understanding of such uses and the WGA agrees not to file any grievances or arbitration claims arising out of or relating to a dispute over the use of excerpts in new media that occurs during the first six months of the 2008 Agreement, provided that all payments as to which there is no *bona fide* dispute are timely made.

3. "Accountable Receipts"

a. Definition

The term "accountable receipts" for purposes of all reuses in new media of theatrical motion pictures and television motion pictures made for traditional media and of Original and Derivative New Media Productions (each hereinafter referred to as "Such Picture") shall be as defined in Article 51.C.1.a. of the MBA.[3, 4, 5] Such term shall also include amounts derived from making available a television motion picture, the literary material for which was written on or after May 2, 2020, on an MVPD AVOD service when the payment of a percentage residual is required hereunder for that use.

[3] For permanent downloads, a.k.a. "electronic sell through" or download to own," residuals will be paid on 20% of "accountable receipts" as defined herein at the agreed upon percentage(s).

[4] For sake of clarity, "accountable receipts" specifically includes advertising revenues when the license, distribution or other agreement provides for sharing in such revenues.

[5] "Accountable receipts" does not include a new media exhibitor's own revenues from the exhibition of a motion picture or television program as such exhibition does not constitute "sub-distribution" for these purposes.

When the "accountable receipts" derived from new media exploitation are received from a related or affiliated entity that acts as the exhibitor/retailer of Such Picture, then the accountable receipts received by the Company from the licensing of such rights shall be measured by the exhibitor/retailer's payments to unrelated and unaffiliated entities in arm's length transactions for comparable pictures or, if none, the amounts received by the Company from unrelated and unaffiliated exhibitors/retailers in arm's length transactions for comparable pictures, or, if none, a comparable exhibitor/retailer's payments to comparable unrelated and unaffiliated entities in arm's length transactions for comparable pictures.

The parties agree that the residuals due to writers under this Sideletter shall be payable in the same manner and to the same extent as applicable to pay television and pay-per-view as provided in the following MBA provisions (subject to conforming changes as necessary):

- Article 51.C.3. (foreign receipts and non-returnable advances);
- Article 51.C.5. (allocation of pro rata shares of residuals among writers);
- Article 51.C.6., last three unnumbered paragraphs (withholding requirements, interest and exclusion from pension and health contributions);
- Article 51.C.7. (gross participations);
- Article 51.C.8. (transfer and assumption);
- Article 51.C.9. (assumption agreement);
- Article 51.C.10. (continuing obligations); and
- Article 65 (financial responsibility).

b. Agreements and Data

On a semi-annual basis, within ten (10) business days after such request, the Company shall provide for inspection by the Guild's designated employee(s) or auditor(s), at Company's premises in the greater Los Angeles area, full access[6] to all unredacted license, distribution and other agreements pertaining to new media exploitation of covered pictures that were entered into during the immediately preceding inspection period. In any subsequent semi-annual inspection, the Guild's designated employee(s) or auditor(s) may re-inspect any agreements previously inspected and inspect any agreements not previously inspected.

[6] Full access includes access to all agreements, notwithstanding any confidentiality clause contained therein, and access to all sideletters, exhibits, addenda and other ancillary documents.

Upon request, in a manner to be mutually agreed upon in good faith, the Company shall expeditiously provide or make available to the Guild data in its possession or control or the possession or control of its related distribution entities regarding the new media exploitation of covered pictures, such as number of downloads or streams by source and ad rates.

This Paragraph 3.b. shall not apply to agreements concerning a multichannel video programming distributor ("MVPD") (or any similar service that currently exists or may hereafter be developed) or any video-on-demand service of an MVPD or any similar service that currently exists or may hereafter be developed.

c. Recordkeeping and Reporting

Payment for exploitation of covered pictures in new media shall be due sixty (60) days after the end of the quarter in which the "accountable receipts" from such exploitation are received. The Company shall accompany such payments with reports regarding the "accountable receipts" derived from such exploitation, which shall be specified by medium and source whenever reasonably possible and will be separated from revenues derived from exploitation of Such Pictures in traditional media. Along with such payments, the Company shall provide the Guild with unredacted copies of all corollary distributor's, subdistributor's and exhibitor's statements relating to the reported "accountable receipts."

Where the Company allocates revenues between new media rights and other rights in any Such Picture, among new media rights in multiple Such Pictures, or otherwise, it shall specify such allocation.

d. Confidentiality

The information provided to the Guild by the Company will be treated as confidential pursuant to Article 53 of this Basic Agreement and appropriate arrangements will be made to safeguard the confidentiality of that information.

e. Reservation of Rights

With respect to theatrical and television motion pictures, the Company has agreed to a separate payment for these uses in new media because new media exhibition is at this time outside the primary market. The Company reserves the right in future negotiations to contend that the pattern of release has changed so that these uses constitute or are a part of the primary market of distribution of theatrical motion pictures or television programs, and that, therefore, no additional payment should be made with

respect to the exhibition of theatrical or television motion pictures (including those covered by this Agreement) in new media. The Guild reserves the right in future negotiations to contend to the contrary, and further to assert that regardless of whether other exhibitions are or have become part of the primary market, residual provisions for theatrical motion pictures or television programs so exhibited should be improved.

f. Other Terms and Conditions

Except as expressly provided herein, all other terms and conditions of the MBA, including but not limited to Articles 10, 11 and 12, shall apply. In the event of a conflict, the terms and conditions of this Sideletter shall control.

Sincerely,

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young
Executive Director

ACCEPTED AND AGREED:

The respective signatory companies represented by the
ALLIANCE OF MOTION PICTURE AND
TELEVISION PRODUCERS, INC.

By: /s/ Carol A. Lombardini
Carol A. Lombardini
President

SIDELETTER REGARDING VIRTUAL MVPD SERVICES

As of May 2, 2017
Revised as of May 2, 2020

David J. Young
Executive Director
Writers Guild of America, West
7000 W. Third Street
Los Angeles, CA 90048

Re: Virtual MVPD Services

Dear David:

During the course of the 2017 negotiations, the parties discussed how the landscape of the free television marketplace has evolved from the past – when the exhibition of a given television program was only available to the viewer in the home on a television set on a linear channel at a specific scheduled time – to the current marketplace, commonly referred to as "TV everywhere" where the viewing public, in addition to viewing a program on a linear channel at a scheduled time, is also provided the time-shifted option to view the same program on a variety of digital devices on a video-on-demand ("VOD") basis. In addition, in the past, the bargaining parties agreed that television exhibitions on a linear channel provided through an MVPD, whether such channel was a free broadcast channel or a basic cable channel, were considered exploitation of free television rights even though the consumer paid a monthly fee to access such programming.

Consistent with the above, the bargaining parties agree that with respect to new internet-delivered "virtual MVPD" services, such as Sling TV and Sony's PlayStation Vue, and other like services, such as CBS All Access, (collectively referred to hereafter as "vMVPD Services"), any VOD rights which are associated with exhibition of the program on a linear channel on the vMVPD Service (commonly referred to as "stacking rights") shall be considered exploitation of free television rights and not a form of pay or subscription television. Such "stacking right" shall be treated the same as if such programs were exhibited on traditional MVPDs.

Under this framework, the parties clarified the treatment of covered television motion pictures[1] on vMVPD Services as described below. It is understood that in order to qualify as a "vMVPD Service" under this Sideletter, such service must include at least one network or basic cable linear channel that is non-exclusive to that service and is generally made available for exhibition on other traditional and/or virtual MVPD services.

[1] It is understood by the parties that the provisions set forth herein apply to television motion pictures, the principal photography of which commenced on or after July 1, 1971, whether produced under the 2020 MBA or any prior MBA, as to which free television residuals are still payable.

1. When the License for Linear Channel Exhibition of the Covered Television Motion Picture or Series on the vMVPD Service Includes On-Demand Availability

   a. When a linear channel on an MVPD is also offered on an vMVPD Service (such as when ABC is offered on Sling TV), no additional payment is required for the linear channel availability on the vMVPD Service.

   b. When a covered television motion picture is available on demand on the vMVPD Service pursuant to a license agreement with a channel or network that includes the right to exhibit the covered television motion picture or other episodes of the same series on a linear channel on the vMVPD Service, the same free streaming windows and residual formulas that apply to the on-demand availability of a covered television motion picture on an MVPD are applicable. (See Paragraph 2.b. of the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media.)

   c. The use of excerpts from a covered television motion picture on the vMVPD Service pursuant to a license agreement with a channel or network that includes the right to exhibit the covered television motion picture or other episodes of the same series on a linear channel on the vMVPD Service shall likewise be governed by the provisions of Paragraphs 2.b.(5) and 2.1 of the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media.

   d. The fixed residual payment applicable under Paragraph 2.b.(4) of the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media covers on demand availability on a free-to-the-consumer, advertiser-supported new media service and on an MVPD (or any similar service that exists or may hereafter be developed) and vMVPD Service.

   e. The on-demand availability provisions under Paragraph 2.b. of the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media apply regardless of whether there are advertisements.

   f. When the Company directly licenses the right to exhibit a covered television motion picture on a linear channel available only on a vMVPD Service(s), the supplemental exhibition on such channel, as well as any associated stacking rights and the use of excerpts, shall be treated in the same manner as a license of a free television motion picture to basic cable. The exhibition rights on the linear channel shall be subject to a residual formula of two percent (2%) of "accountable receipts" (as defined in Article 51.C.1.a. of the MBA), and the stacking rights and use of excerpts shall be subject to the

same free streaming windows and residual formulas that apply to the on-demand availability and use of excerpts of a covered television motion picture pursuant to Paragraphs 2.b.(5) and 2.1 of the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media.

2. When the License Is for On-Demand Availability on the vMVPD Service

By contrast, when the Company licenses the right to exhibit a covered television motion picture, or one or more episodes of a covered television series, on an on-demand basis on the vMVPD Service, and such rights are not associated with the right to exhibit the motion picture or episodes of the series on a linear channel on the vMVPD Service, the parties agree that Paragraph 1.a. of the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media, which governs licenses to consumer pay new media platforms for a limited period or fixed number of exhibitions, shall apply.

In addition, when a program is made exclusively for on-demand availability on an vMVPD Service, it shall be treated as having been made for a subscription consumer pay new media platform subject to the provisions of the Sideletter on Literary Material Written for Programs Made for New Media.

Sincerely,

By: /s/ Carol A. Lombardini
Carol A. Lombardini
President, AMPTP

ACCEPTED AND AGREED:

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By:/s/ David J. Young
David J. Young
Executive Director, WGAW

SIDELETTER RE OVER-THE-TOP SERVICE OF PAY TELEVISION SERVICE

As of May 2, 2017
Revised as of May 2, 2020

David J. Young
Executive Director
Writers Guild of America, West
7000 W. Third Street
Los Angeles, CA 90048

Re: **Over-the-Top ("OTT") Service of Pay Television Service**

Dear David:

The parties confirm that when a pay television service (such as HBO, Showtime or Starz) also provides to subscribers, without an additional subscription fee, over-the-top ("OTT") services (such as HBO Go, Showtime Anytime or Starz Play), the OTT service shall be treated as part of the linear pay television service for all purposes under the MBA. Likewise, when a pay television service only provides OTT services (such as HBO Now and the OTT subscription services of Showtime and Starz), such OTT service, whether or not such service includes a linear channel of the pay television service, shall also be treated as part of the linear pay television service for all purposes under the MBA.

It is understood that foreign sales of traditional pay television will be combined with foreign sales of OTT pay television for purposes of applying the two percent (2%) formula set forth in Section D.3.a.(2) of Appendix B.

To the extent that a pay television program is exhibited on both the linear pay television service and the OTT service, the residual payment set forth in Appendix B shall cover exhibition on both the linear pay television service and the OTT service. To the extent that a pay television program is exhibited on the OTT service, but not the linear pay television service, residuals are due for such exhibition under the existing formulas in Appendix B.

For example, if a one hour dramatic program of a type generally produced for prime time network television is produced for HBO and exhibited during its second exhibition year on both HBO and HBO Now, the aggregate residual payment to the credited writer(s) would be $7,925 effective May 2, 2020. In the event that the program is available on HBO Now and not HBO during the third exhibition year, the aggregate residual payment of $7,925 would still be due to the credited writer(s), even though the exhibition is solely on HBO Now.

Sincerely,

By:/s/ Carol A. Lombardini
Carol A. Lombardini
President, AMPTP

ACCEPTED AND AGREED:

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By:/s/ David J. Young
David J. Young
Executive Director, WGAW

SIDELETTER RE HBO MAX

As of May 2, 2020

David J. Young
Executive Director
Writers Guild of America, West, Inc.
7000 West Third Street
Los Angeles, California 90048

Re: HBO Max

Dear David:

During the 2020 negotiations, the parties discussed a new media over-the-top ("OTT") platform called "HBO Max" ("Max"). The purpose of this Sideletter is to confirm the parties' agreement concerning the application of the Agreement to Max.

Max will offer over-the-top delivery of HBO's pay television service and will carry all of that service's programming (such programming, whether available on all, one, or any combination of the HBO linear service, HBO Go, and HBO Now, will be referred to collectively as the "Pay Television Service"). Max will also offer motion pictures and programs initially exhibited in theatrical and television markets (such motion pictures and programs will be referred to as "Library Content"). Finally, Max will offer original New Media productions made for initial exhibition on Max.

Consumers can access Max by subscribing to Max directly. In addition, some subscribers to the Pay Television Service (such as subscribers to HBO Now and those who subscribe to HBO through DIRECTV, AT&T TV or AT&T U-verse TV, and other third party video distributors) will be given the opportunity to access Max at no additional charge by authenticating their Pay Television Service subscription and then accessing the Max platform via a log-in process. In the future, consumers may also be able to access and subscribe to Max through other means, since Max is actively negotiating with other carriers and services to offer Max through their respective platforms.

Based on the foregoing facts, the parties reached the following understanding:

1. All programs or motion pictures, including Library Content, made available or exhibited on the Pay Television Service and, therefore, made available on Max shall be treated as though exhibited on HBO's over-the-top pay television service pursuant to the Sideletter re: Over-the-Top Service of Pay Television Service.

2. Programs Made for HBO: With respect to programs made for initial exhibition on the Pay Television Service that are subject to Paragraph D. of Appendix B (*i.e.*, dramatic programs of a type generally produced for prime time network television and

comedy-variety programs), the fixed residual payment set forth in Paragraph D.3.(a)(1) shall apply if the program is available on the Pay Television Service and, therefore, on Max during an exhibition year, even if the program is available on only one of those services or platforms during the exhibition year. The 'first exhibition year' shall commence on the earliest date that the program is first exhibited on the Pay Television Service and, therefore, on Max, and the same exhibition year shall apply to all platforms and services.

3. Library Content: Except as provided in Paragraph 1 above, exhibition on Max of Library Content, the principal photography of which commenced on or after July 1, 1971, shall be subject to the percentage residual formula set forth in Paragraph 1.a. ('License for Limited Period or Fixed Number of Exhibitions') of the Sideletter on Exhibition of Motion Pictures Transmitted via New Media.

4. Programs Made for Max: Programs made for initial exhibition on Max shall be considered programs made for a subscription consumer pay new media platform ("SVOD"). The number of subscribers to Max for purposes of the Sideletter on Literary Material Written for Programs Made for New Media shall include those who subscribe to Max directly, as well as those who access Max by authenticating their Pay Television Service and logging in to the Max platform.[1]

Subscribers to the Pay Television Service who are not offered access to Max through their third-party video distributor, and who do not subscribe directly to Max, will not be included as a Max subscriber. Likewise, Pay Television subscribers who are given the opportunity to access Max at no additional charge, but who do not actually authenticate their Pay Television Service subscription or otherwise 'opt in' to access the Max platform, shall not be included as Max subscribers.

The parties agree that HBO Max shall be considered to be a service with over five million (5,000,000) but fewer than twenty million (20,000,000) domestic subscribers during the period from May 2, 2020 to June 30, 2021. During the second and third years of the Agreement, the parties shall determine the subscriber tier effective July 1, 2021 and July 1, 2022, respectively, in accordance with the provisions of this Sideletter.

The parties recognize that Max is a new and emerging platform, and that its business model is subject to change. Therefore, the provisions of this Sideletter shall expire on the termination date of the 2020 MBA and will be of no force and effect thereafter; however, this Sideletter shall continue to apply to programs, the principal photography of which commenced on or before the termination date of this Sideletter, or which were subject to a license agreement entered into on or before the termination date of this Sideletter. No later than sixty (60) days before the termination date of the 2020 MBA, the parties will meet to negotiate any changes to this Sideletter.

[1] Should access to Max be offered at no additional charge with the sale of a product or another subscription or service fee, only those individuals who log in to the Max platform will be counted as a Max subscriber. Further, individuals who access Max on a promotional basis at no additional charge for no more than thirty (30) days will not be counted as Max subscribers.

The parties agree that programs made for HBO Max under a predecessor MBA to the 2020 MBA are programs made for a subscription video on demand service (and not programs made for pay television) and agree to withdraw and waive any current or future claim contending otherwise.

Please indicate your concurrence with the foregoing by signing in the space for your signature set forth below.

Sincerely,

By: /s/ Carol A. Lombardini
Carol A. Lombardini
President, AMPTP

ACCEPTED AND AGREED:

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young
Executive Director, WGAW

ARTICLE 64 SIDELETTER REGARDING CREDITS

As of March 28, 1995

J. Nicholas Counter III
AMPTP
15503 Ventura Blvd.
Encino, CA 91436

Re: Article 64 - Applicable Credits Provisions of the MBA

Dear Mr. Counter:

The following credit requirements shall apply when motion pictures and/or literary material as described in Article 64 are reused in interactive programs:

(1) If the reuse is of the whole or a substantial part of a theatrical or television motion picture which can be viewed in a linear fashion and is governed by Article 64.B.1. or 64.D.1., all writing credits[1] of the motion picture as they appeared on the screen shall appear in the interactive program. If such reuse is of a television motion picture on which a *"Created by"* credit was required pursuant to the terms of this or any prior MBA, then the *"Created by"* credit, as it appeared on the screen, also shall appear in the interactive program. If such reuse is of a television motion picture on which a *"Developed by"* credit was given pursuant to the terms of this or any prior MBA, then the Company shall obligate the licensee (which may include the Company) to accord *"Developed by"* credit, as it appeared on the screen or in the form *"Developed for Television by"* in the interactive program.

(2) If the interactive program includes publication of the script of a theatrical or television motion picture, in whole or in substantial part, or a novelization of any such script, and such reuse is governed by Article 64.C. [literary material], 64.D.1. [combination of motion picture and literary material] or 64.D.2. [combination of excerpts and literary material], all writing credits of such theatrical or television motion picture as they appeared on the screen shall appear in the interactive program. If such publication is of a teleplay on which a *"Created by"* credit was required pursuant to the terms of this or any prior MBA, then the writer entitled to such credit shall be given appropriate source material credit in interactive program publications arising out of the series. With respect to any novelization based on the screenplay or teleplay, the credits shall indicate that such novelization is

[1]The WGA reserves its position that the television credits, *"Created by,"* *"Developed by"* and *"Developed for Television by"* are "writing credits," as that term is used in the MBA. The Companies reserve their position to the contrary.

based on such screenplay or teleplay. Such writing credit shall appear on the "title page," or on the equivalent thereof, in the same size and style of type used for the writer of the novelization. If the name of the writer of the novelization appears on the "cover," or on the equivalent thereof, the *"Screenplay by"* or *"Teleplay by"* or *"Written by"* credit shall also appear on the "cover," or on the equivalent thereof, in the same size and style of type as the writer of the novelization; provided, however, that the writing credit need not so appear if the writer of the screenplay or teleplay is the writer of the novelization. The contract with the publisher shall provide that this provision is for the express benefit of the writer and the Guild, and that the publisher will comply with such requirements. However, the failure of a publisher to comply with any of such requirements shall not constitute a breach by the Company.

No casual or inadvertent breach of any of the foregoing in this paragraph (2) shall be deemed to constitute a default or a breach by the Company of this Basic Agreement.

(3) If the reuse is governed by Article 64.B.2. [excerpts], 64.C. [literary material], 64.D.1. [combination of motion picture and literary material] (and the reuse is not included in paragraphs (1) or (2) above), or 64.D.2. [combination of excerpts and literary material], (and the reuse does not include publication of the script or novelization), then the WGA reserves its position that the credits provisions of the MBA would apply and the AMPTP-represented Companies reserve their position to the contrary.

(4) If the reuse is of the whole or a substantial part of a theatrical or television motion picture which can be viewed in a linear fashion and is governed by Article 64.B.1. or 64.D.1., then the WGA reserves its position that the provisions of the MBA governing credits in advertising and publicity also would apply and the AMPTP-represented Companies reserve their position to the contrary.

(5) With respect to the instances described above in paragraph (3) only, the WGA and the AMPTP-represented Companies agree that the issues of whether or not writing credits provisions of the MBA should apply and, if so, in what form and manner the writing credits should be accorded, shall be referred to the Interactive Media Committee. Disputes as to whether credits are required to be accorded in the instances described in paragraph (4) above shall be subject to the Hot Line procedure under Article 48.E., except that if they are not resolved within the time specified, they shall be referred to the Interactive Media Committee, rather than to grievance/arbitration, for resolution. Only disputes under paragraphs (1) and (2) above shall be subject to grievance and/or arbitration under Articles 10, 11 and 12.

(6) **Favored nations.** If one or more of the AMPTP-represented Companies reaches an agreement with any guild, craft, union or labor organization which includes mandatory credit(s) to be accorded on interactive programs, the AMPTP will notify the WGA of such agreement(s) within five (5) business days and afford the WGA an opportunity to accept the same provision(s) applicable to writer's credits for the reuse of motion pictures and/or literary material governed by Article 64.

Sincerely,

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate

WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ Brian Walton
Brian Walton, Executive Director, WGAw

ACCEPTED AND AGREED:

By: /s/ J. Nicholas Counter III
J. Nicholas Counter III, President, AMPTP
On behalf of the Companies represented by the AMPTP
in the negotiations of the 1995 WGA - AMPTP MBA

SIDELETTER REGARDING INTEREST ON DELINQUENT RESIDUALS PAYMENTS

As of May 2, 2001

J. Nicholas Counter III
President
Alliance of Motion Picture & Television Producers, Inc.
15503 Ventura Boulevard
Encino, California 91436

Dear Nick:

The Guild and the Companies agree that the residuals provisions of this Basic Agreement shall be modified as expressly set forth herein only with respect to the Companies which satisfy the requirements for "Qualified Distributor/Buyer status" or "Qualified Residual Payor status" under this Basic Agreement. If any such Company shall fail to make any residuals payment due under the terms of this Basic Agreement 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 commencing to accrue from the date of delinquency.

Very truly yours,

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ John McLean
John McLean
Executive Director, WGAw

ACCEPTED AND AGREED:

The respective signatory companies represented by the
ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS, INC.

By: /s/ J. Nicholas Counter III
J. Nicholas Counter III
President

QUALIFIED DISTRIBUTOR/BUYER LETTER OF AGREEMENT (THEATRICAL)

As of May 2, 2020

Dear _____:

Reference is made to the provisions of Article 65.A. of the 2020 Writers Guild of America Theatrical and Television Basic Agreement ("the 2020 MBA" or “the Basic Agreement”).

The Writers Guild of America, West, Inc., on behalf of itself and its affiliate, Writers Guild of America, East, Inc. ("WGA") hereby agrees that the undersigned Company satisfies the requirements for Qualified Distributor/Buyer status, subject to the following conditions:

1. With respect to each theatrical motion picture produced by the Company, the principal photography of which commences on or after May 2, 2020, which is based on literary material covered under the 2020 MBA (“WGA Picture”) for which the undersigned Company, or any of the additional companies identified below, has distribution rights, the undersigned Company agrees to be bound by, perform, or guarantee the performance of, all the obligations to be performed by a Distributor/Buyer pursuant to the Distributor's or Buyer's Assumption Agreement, copies of which are attached hereto, and shall adhere or guarantee adherence to all other provisions in Article 65.A. of the Basic Agreement including, without limitation, the arbitration provisions.

2. The undersigned Company shall, promptly after acquisition, notify the Guild in writing of the territories, media and term of distribution rights in any WGA Picture which the undersigned Company, or any of the companies identified below, hereafter acquires.

3. As to each WGA Picture, the undersigned Company shall be afforded all of the rights, and assume all of the obligations, of a Qualified Distributor/Buyer under the Basic Agreement.

4. With respect to any WGA Picture for which the undersigned Company is acting as a guarantor, it agrees to execute and deliver, in a form acceptable to the Guild (which shall include the Standard Letter of Guaranty), an unconditional guarantee of payment of all Residuals and any obligations related to the reporting or payment of Residuals under the Basic Agreement.

5. With respect to any WGA Picture for which the undersigned Company has agreed to guarantee the payment of Residuals and performance of all other obligations of a Qualified Distributor/Buyer, the undersigned Company also agrees that the Guild may arbitrate against it disputes under this Letter of Agreement or under the Basic Agreement which relate to the performance of the obligations guaranteed pursuant to this Letter of Agreement to the same extent as it would be able to arbitrate such disputes against the Distributor/Buyer of a WGA Picture. The Guild may initiate an arbitration against the undersigned Company in the event of a default by the signatory Company or other obligor without being required to arbitrate against Company or other obligor. Any arbitration shall be pursuant to the arbitration provisions of the Basic Agreement. Nothing herein shall be deemed to waive any rights and remedies that the Guild may have against the Company when the undersigned Company is acting as guarantor. Notwithstanding the above, the Guild agrees not to initiate any claim or demand for arbitration against the Qualified Distributor/Buyer as guarantor unless and until it has first made a written demand on the Company and such demand remains unsatisfied for a period of not less than thirty (30) days.

6. THIS QUALIFIED DISTRIBUTOR'S/BUYER'S LETTER OF AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA AND THE UNITED STATES, AS THE SAME WOULD BE APPLIED BY A FEDERAL COURT IN CALIFORNIA WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW. The Guild and the Company agree that any arbitration or legal action or proceeding brought to interpret or enforce the provisions of this Letter of Agreement shall be held or brought in Los Angeles County, California, and Company irrevocably submits to the jurisdiction of the federal and state courts therein. Notwithstanding the foregoing, the Guild, at its option, may bring a legal action or proceeding outside California under the following circumstances: (a) if the Company has no principal place of business in California; or (b) whether or not the Company has a principal place of business in California, to enforce or execute upon an arbitration award or court order or judgment, in any jurisdiction in which the Company's assets are located (and the Company irrevocably submits to the jurisdiction of the courts of such places for purposes of such execution or enforcement). The Company consents to service of process by personal delivery or by certified or registered mail, return receipt requested, to the Company's general counsel or the Company's representative identified below or by first class mail to the Company when the Company has not designated a representative or a general counsel, or by any other method permitted by law.

7. The undersigned Company acknowledges and agrees that the Guild may revoke its Qualified Distributor/Buyer status pursuant to the provisions of the Basic Agreement. Likewise, the Guild agrees that the undersigned Company may, after an initial term of not less than two (2) years, rescind its Qualified Distributor/Buyer status upon ninety (90) days notice to the Guild. Any WGA Picture for which the Qualified Distributor/Buyer holds distribution rights which has commenced

principal photography prior to the expiration of such ninety (90) day notice period shall be subject to the provisions of this Letter of Agreement.

8. In the event of revocation by either the Guild or the Qualified Distributor/Buyer, the undersigned Company agrees that it shall continue to be bound to the obligations of this Letter of Agreement with respect to all WGA Pictures distributed or guaranteed by the Qualified Distributor/Buyer prior to revocation.

9. This Letter of Agreement may not be modified or amended, nor may any rights hereunder be waived, except in a writing signed by the party against whom enforcement of the modifications, amendment or waiver is sought.

10. This Letter of Agreement does not create, and shall not be construed as creating, any rights enforceable by the signatory Company for any WGA Picture or by any other person not a party to this Agreement.

11. If any provision of this Letter of Agreement is held by a court of competent jurisdiction to be invalid, illegal or unenforceable, the remaining provisions of this Letter of Agreement shall nevertheless remain in full force and effect.

12. This Letter of Agreement may be executed in multiple counterparts, copies of which shall be deemed an original and all of which taken together shall constitute one and the same instrument.

13. The additional company(ies) referred to in Paragraph 1 of this Letter of Agreement is (are): _____

By: _____
(COMPANY)

_____
REPRESENTATIVE OR GENERAL COUNSEL

ACCEPTED AND AGREED:

By: _____
WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

STANDARD LETTER OF GUARANTY (THEATRICAL)

Date:

Re: (Identify Picture and Company)

Dear _____:

1. This is to confirm that _____ ("Guarantor"), a Qualified Distributor/Buyer which is a signatory to the Qualified Distributor/Buyer Letter of Agreement with the Writers Guild of America, West, Inc., and its affiliate, Writers Guild of America, East, Inc., ("WGA"), hereby unconditionally guarantees the performance of all of the Company's obligations to pay additional compensation ("Residuals") as required under the 2020 Writers Guild of America Theatrical and Television Basic Agreement ("Basic Agreement") and the Qualified Distributor/Buyer Letter of Agreement (incorporated herein by this reference) which become payable under WGA's jurisdiction with respect to the motion picture entitled "_____" ("Such Picture"), as a result of the distribution, exhibition or exploitation of Such Picture in _____ [describe media, territories and term].

2. The undersigned further agrees to comply with all record-keeping and reporting obligations under the Basic Agreement with respect to the exhibition, distribution or exploitation of Such Picture, and the Guild shall have the right at reasonable times and upon reasonable notice to examine the books and records of Guarantor pertaining to such exhibition, distribution or exploitation as they relate to the payment of Residuals hereunder.

3. By executing this Guaranty, Guarantor acknowledges and agrees that it is guaranteeing the performance of all of the obligations required of a distributor by the Distributor's Assumption Agreement in the Basic Agreement with respect to the distribution, exhibition or exploitation of Such Picture in the media, territories and for the term referred to in Paragraph 1. above.

4. It is expressly understood that the right of Guarantor or Company to distribute, exhibit or exploit Such Picture in the media, territories and for the term described in Paragraph 1. above shall be subject to and conditioned upon the prompt payment of Residuals due therefor, in accordance with the Basic Agreement. Guarantor further agrees that the Guild shall be entitled to injunctive relief against Guarantor and/or Company in the event that such payments are not made.

5. Nothing herein is intended, nor shall it be construed, to impose any greater obligations on the Guarantor than would apply to a Qualified Distributor/Buyer under the Qualified Distributor/Buyer Letter of Agreement. By the same token, Guarantor shall be entitled to all of the rights and benefits accorded to a Qualified Distributor/Buyer.

6. This Guaranty is a continuing guaranty binding upon the Guarantor and its successors and assigns, and inuring to the benefit of, and enforceable by, the Guild and its successors and assigns. The obligations of Guarantor hereunder shall not be discharged, affected, impaired or released by any insolvency, bankruptcy, reorganization, merger, affiliation, liquidation, dissolution or similar proceeding.

7. Any demands against Guarantor for a default by the Company shall be governed by Paragraphs 5. and 6. of the Qualified Distributor/Buyer Letter of Agreement. Any written notices concerning the non-payment or other non-satisfaction of any obligation in connection with payment of Residuals under the Basic Agreement or Distributor's Assumption Agreement sent by the Guild to Company with respect to Such Picture shall also be delivered to Guarantor in the manner set forth in Paragraph 8. below.

8. All notices, requests, demands or other communications required or permitted pursuant to this Guaranty shall be in writing and must be (a) given by personal delivery, or (b) sent by registered mail, postage prepaid, return receipt requested, or (c) sent by telecopy with a copy by mail, addressed to the party to receive the Notice at the following address or to such other address as a party hereto may hereafter specify pursuant to this paragraph. Notice will be deemed to have been duly given or made (a) immediately upon personal delivery, or (b) five (5) days from the date of mailing if mailed within the United States of America or seven (7) days from the date of mailing if mailed across national borders.

   Notice shall be sent as follows:

To Guarantor: _____
Address: _____
_____
Attention: _____
Fax: _____
With courtesy copy to: _____
Address _____
Attention: _____
Fax: _____

To WGA: 7000 West 3rd Street
Los Angeles, CA 90048-4329
Attention: DT Matias, or current Signatories Administrator
Fax: (323) 782-4807

By: _____
Authorized Officer

_____
(Please type in name)

QUALIFIED RESIDUAL PAYOR LETTER OF AGREEMENT (TELEVISION)

As of May 2, 2020

Dear _____:

Reference is made to the provisions of Article 65.B. of the 2020 Writers Guild of America Theatrical and Television Basic Agreement ("Basic Agreement").

The Writers Guild of America ("the WGA" or "the Guild") hereby agrees that the undersigned Company satisfies the requirements for Qualified Residual Payor status with respect to each television motion picture based upon literary material covered by the Basic Agreement and for which the undersigned Company, or any of the additional companies identified below, has distribution rights and has agreed to be bound by, perform, or guarantee the performance of, all the obligations to be performed by a Distributor/Buyer pursuant to the Distributor's or Buyer's Assumption Agreement, copies of which are attached hereto, and to adhere or guarantee adherence to all other provisions in Article 65.B. of the Basic Agreement including, without limitation, the arbitration provisions ("Such Picture"), subject to the following conditions:

1. The undersigned Company shall, promptly after acquisition, notify the Guild in writing of the territories, media and term of distribution rights in Such Picture which the undersigned Company, or any of the companies identified below, hereafter acquires.

2. As to Such Picture, the undersigned Company shall be afforded all of the rights, and assume all of the obligations, of a Qualified Residual Payor under the Basic Agreement.

3. With respect to any Such Picture for which the undersigned Company is acting as a guarantor, it agrees to execute and deliver, in a form acceptable to the Guild (which may include the Standard Letter of Guaranty), an unconditional guarantee of payment of all Residuals and any obligations related to the reporting or payment of Residuals under the Basic Agreement.

4. With respect to any Such Picture for which the undersigned Company has agreed to guarantee the payment of Residuals and performance of all other obligations of a Qualified Residual Payor, the undersigned Company also agrees that the Guild may arbitrate against it disputes under this Letter of Agreement or under the Basic Agreement which relate to the performance of the obligations guaranteed pursuant to this Letter of Agreement to the same extent as it would be able to arbitrate such disputes against the Distributor/Buyer of Such Picture. The Guild may initiate an arbitration against the undersigned Company in the event of a

default by the signatory Company or other obligor without being required to arbitrate against Company or other obligor. Any arbitration shall be pursuant to the arbitration provisions of the Basic Agreement. Nothing herein shall be deemed to waive any rights and remedies that the Guild may have against the Company when the undersigned Company is acting as guarantor. Notwithstanding the above, the Guild agrees not to initiate any claim or demand for arbitration against the Qualified Residual Payor as guarantor unless and until it has first made a written demand on the Company and such demand remains unsatisfied for a period of not less than thirty (30) days.

5. THIS QUALIFIED RESIDUAL PAYOR'S LETTER OF AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA AND THE UNITED STATES, AS THE SAME WOULD BE APPLIED BY A FEDERAL COURT IN CALIFORNIA WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW. The Guild and the Company agree that any arbitration or legal action or proceeding brought to interpret or enforce the provisions of this Letter of Agreement shall be held or brought in Los Angeles County, California, and Company irrevocably submits to the jurisdiction of the federal and state courts therein. Notwithstanding the foregoing, the Guild, at its option, may bring a legal action or proceeding outside California under the following circumstances: (a) if the Company has no principal place of business in California; or (b) whether or not the Company has a principal place of business in California, to enforce or execute upon an arbitration award or court order or judgment, in any jurisdiction in which the Company's assets are located (and the Company irrevocably submits to the jurisdiction of the courts of such places for purposes of such execution or enforcement). The Company consents to service of process by personal delivery or by certified or registered mail, return receipt requested, to the Company's general counsel or the Company's representative identified below or by first class mail to the Company when the Company has not designated a representative or a general counsel, or by any other method permitted by law.

6. The undersigned Company acknowledges and agrees that the Guild may revoke its Qualified Residual Payor status pursuant to the provisions of the Basic Agreement. Likewise, the Guild agrees that the undersigned Company may, after an initial term of not less than two (2) years, rescind its Qualified Residual Payor status upon ninety (90) days notice to the Guild. Any Such Picture for which the Qualified Residual Payor holds distribution rights which has commenced principal photography prior to the expiration of such ninety (90) day notice period shall be subject to the provisions of this Letter of Agreement.

7. In the event of revocation by either the Guild or the Qualified Residual Payor, the undersigned Company agrees that it shall continue to be bound to the obligations of this Letter of Agreement with respect to all Such Pictures distributed by the Qualified Residual Payor prior to revocation.

8. This Letter of Agreement may not be modified or amended, nor may any rights hereunder be waived, except in a writing signed by the party against whom enforcement of the modifications, amendment or waiver is sought.

9. This Letter of Agreement does not create, and shall not be construed as creating, any rights enforceable by the signatory Company for any Such Picture or by any other person not a party to this Agreement.

10. If any provision of this Letter of Agreement is held by a court of competent jurisdiction to be invalid, illegal or unenforceable, the remaining provisions of this Letter of Agreement shall nevertheless remain in full force and effect.

11. This Letter of Agreement may be executed in multiple counterparts, copies of which shall be deemed an original and all of which taken together shall constitute one and the same instrument.

12. The additional company(ies) referred to in the introductory paragraph of this Letter of Agreement is (are):

_____

_____

By: _____
(COMPANY)

_____
REPRESENTATIVE OR GENERAL COUNSEL

ACCEPTED AND AGREED:

By: _____
WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

STANDARD LETTER OF GUARANTY (TELEVISION)

Date:

Re: (Identify Picture and Company)

Dear_____:

1. This is to confirm that _____ ("Guarantor"), a Qualified Residual Payor which is a signatory to the Qualified Residual Payor Letter of Agreement with the Writers Guild of America, West, Inc., and its affiliate, Writers Guild of America, East, Inc., ("WGA"), hereby unconditionally guarantees the performance of all of the Company's obligations to pay additional compensation ("Residuals") as required under the 2020 Writers Guild of America Theatrical and Television Basic Agreement ("Basic Agreement") and the Qualified Residual Payor Letter of Agreement (incorporated herein by this reference) which becomes payable under WGA's jurisdiction with respect to the motion picture entitled "_____" ("Such Picture"), as a result of the distribution, exhibition or exploitation of Such Picture in _____[describe media, territories and term].

2. The undersigned further agrees to comply with all record-keeping and reporting obligations under the Basic Agreement with respect to the exhibition, distribution or exploitation of Such Picture, and the Guild shall have the right at reasonable times and upon reasonable notice to examine the books and records of Guarantor pertaining to such exhibition, distribution or exploitation as they relate to the payment of Residuals hereunder.

3. By executing this Guaranty, Guarantor acknowledges and agrees that it is guaranteeing the performance of all of the obligations required of a distributor by the Distributor's Assumption Agreement in the Basic Agreement with respect to the distribution, exhibition or exploitation of Such Picture in the media, territories and for the term referred to in Paragraph 1. above.

4. It is expressly understood that the right of Guarantor or Company to distribute, exhibit or exploit Such Picture in the media, territories and for the term described in Paragraph 1. above shall be subject to and conditioned upon the prompt payment of Residuals due therefor, in accordance with the Basic Agreement. Guarantor further agrees that the Guild shall be entitled to injunctive relief against Guarantor and/or Company in the event that such payments are not made.

5. Nothing herein is intended, nor shall it be construed, to impose any greater obligations on the Guarantor than would apply to a Qualified Residual Payor under the Qualified Residual Payor Letter of Agreement. By the same token,

Guarantor shall be entitled to all of the rights and benefits accorded to a Qualified Residual Payor.

6. This Guaranty is a continuing guaranty binding upon the Guarantor and its successors and assigns, and inuring to the benefit of, and enforceable by, the Guild and its successors and assigns. The obligations of Guarantor hereunder shall not be discharged, affected, impaired or released by any insolvency, bankruptcy, reorganization, merger, affiliation, liquidation, dissolution or similar proceeding.

7. Any demands against Guarantor for a default by the Company shall be governed by Paragraphs 4. and 5. of the Qualified Residual Payor Letter of Agreement. Any written notices concerning the non-payment or other non-satisfaction of any obligation in connection with payment of Residuals under the Basic Agreement or Distributor's Assumption Agreement sent by the Guild to Company with respect to the Picture shall also be delivered to Guarantor in the manner set forth in Paragraph 8. below.

8. All notices, requests, demands or other communications required or permitted pursuant to this Guaranty shall be in writing and must be (a) given by personal delivery, or (b) sent by registered mail, postage prepaid, return receipt requested, or (c) sent by telecopy with a copy by mail, addressed to the party to receive the Notice at the following address or to such other address as a party hereto may hereafter specify pursuant to this paragraph. Notice will be deemed to have been duly given or made (a) immediately upon personal delivery, or (b) five (5) days from the date of mailing if mailed within the United States of America or seven (7) days from the date of mailing if mailed across national borders. Notice shall be sent as follows:

To Guarantor: _____
Address: _____
_____
Attention: _____
Fax: _____
With courtesy copy to: _____
Address _____
Attention: _____
Fax: _____

To WGA: 7000 West 3rd Street
Los Angeles, CA 90048-4329
Attention: DT Matias, or current Signatories Administrator
Fax: (323) 782-4807
By: _____
Authorized Officer

_____
(Please type in name)

SIDELETTER ON NEW TECHNOLOGIES COOPERATIVE EDUCATION PROGRAM

As of March 28, 1995

AMPTP
15503 Ventura Boulevard
Encino, California 91436

Re: New Technologies Cooperative Education Program

Ladies and Gentlemen:

This will affirm the following agreement reached between the Guild and the Companies in the negotiation of the 1995 WGA - AMPTP MBA:

1. The Guild and the Companies will establish, pursuant to Section 6(b) of the Labor Management Cooperation Act, 29 U.S.C. 175a, a labor-management cooperation committee known as the "New Technologies Cooperative Education Program" (the "Program") to support the education of writers in the creation of specialized material for the new media technologies. The purpose of the Program is to increase employment opportunities for writers in the new media technologies, and as a result, to improve their job security and enhance economic development in this growing field. Program activities will focus on both the technical and creative demands of various interactive multimedia platforms.

2. Through the auspices of the AMPTP, the Companies shall contribute an aggregate sum of fifty thousand dollars ($50,000.00) to a Guild-administered fund ("the Fund"), which shall make expenditures for the purposes of the Program. The Companies' contribution shall be paid into the Fund by June 1, 1995.

3. The Fund shall be used to reimburse fees and expenses only upon receipt of proper documentation showing that the fees or expenses have been incurred by the Program for the purposes described in this Sideletter.

4. The parties have agreed that the Program shall be structured so as not to be subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). It is understood that the statement of purpose and content of the Program shall be modified as necessary to accomplish that result.

Very truly yours,

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ Brian Walton
Brian Walton, Exec. Director, WGAw

ACCEPTED AND AGREED:

/s/ J. Nicholas Counter III
J. Nicholas Counter III, President, AMPTP
On behalf of the Companies represented by the AMPTP
in the negotiation of the 1995 WGA - AMPTP MBA

SIDELETTER ON INFORMATIONAL PROGRAMS

As of August 8, 1988
Revised as of May 2, 1992
Revised as of May 2, 1995
Revised as of May 2, 1998
Revised as of May 2, 2001
Revised as of November 1, 2004
Revised as of February 13, 2008
Revised as of May 2, 2011
Revised as of May 2, 2014
Revised as of May 2, 2017
Revised as of May 2, 2020

Alliance of Motion Picture and Television Producers, Inc.
15301 Ventura Boulevard, Building E
Sherman Oaks, California 91403

Re: Informational Programs

Ladies and Gentlemen:

As a result of the 1988 negotiations between the Writers Guild of America and the Companies represented by the AMPTP, it was agreed that this sideletter would be added to the MBA, to serve as a letter of adherence for Companies in the business of producing and selling informational programs. For purposes of this sideletter, informational programs include, but are not limited to, training, industrial, motivational, public relations, educational and instructional programs, but exclude educational and instructional programs covered by Appendix B of the MBA and promotional programs and sales presentations.

Any Company may elect to execute this letter of adherence to cover the making of any individual informational program. The terms of this letter shall be binding upon the Company for that project only and shall require the Company to make contributions on behalf of writers employed on such informational program to the Pension Plan and the Health Fund at the rates set forth in Article 17 of the 2020 WGA Basic Agreement. No other terms of the 2020 WGA-AMPTP Basic Agreement shall apply to the employment of such writer.

Very truly yours,

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young
Executive Director, WGAW

ACCEPTED AND AGREED:

The respective signatory companies represented by the
ALLIANCE OF MOTION PICTURE AND
TELEVISION PRODUCERS, INC.

By: /s/ Carol A. Lombardini
Carol A. Lombardini, President
Alliance of Motion Picture and Television Producers, Inc.

SIDELETTER RE METHODS OF ENCOURAGING ORIGINAL WRITER'S CONTINUED PERFORMANCE OF WRITING SERVICES - TELEVISION

As of March 28, 1995

Brian Walton
Executive Director
Writers Guild of America, west, Inc.
7000 West Third Street
Los Angeles, California 90048

Re: Methods of Encouraging Original Writer's Continued Performance of Writing Services - Television

Dear Brian:

During the negotiations leading to the 1995 WGA-AMPTP MBA, the Guild sought a provision which would contractually obligate a Company which contemplates replacing the writer of an original teleplay ninety (90) minutes or longer, so that a creative executive or producer who has read the material and who has decision-making authority on behalf of the Company shall discuss the Company's view and give the writer a reasonable opportunity to discuss continuing to perform services on the project.

It is agreed that the Committee on the Professional Status of Writers will seek mutually acceptable provisions in this area.

Sincerely,

/s/ J. Nicholas Counter III
J. Nicholas Counter III, President, AMPTP
On behalf of the Companies represented by the AMPTP in the negotiation of the 1995 WGA-AMPTP MBA

ACCEPTED AND AGREED:

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate
WRITERS GUILD OF AMERICA, EAST, INC.

/s/ Brian Walton
Brian Walton, Executive Director

As of March 28, 1995

AMENDMENT AGREEMENT REGARDING RELEASE OF ROYALTY PLAN PROGRAMS TO BASIC CABLE

This Amendment Agreement is entered into by and between the Writers Guild of America, west, Inc., on behalf of itself and Writers Guild of America, East, Inc. ("the WGA"), on the one hand, and the Alliance of Motion Picture & Television Producers ("the AMPTP"), on behalf of the Companies it represented in the negotiation of the Writers Guild of America Theatrical and Television Basic Agreement of 1985 ("the 1985 MBA"), the Writers Guild of America Theatrical and Television Agreement of 1988 ("the 1988 MBA"), the 1992 WGA Extension Agreement ("the 1992 Extension Agreement") and those it represents in the negotiation of the Writers Guild of America Theatrical and Television Basic Agreement of 1995 ("the 1995 WGA-AMPTP MBA") (collectively referred to as "the MBAs"), on the other hand.

This Amendment Agreement shall be effective on the date of ratification by the WGA membership of the 1995 WGA-AMPTP MBA and shall be incorporated in such Agreement.

This Amendment Agreement relates to the release of television programs made under the WGA Royalty Plan, which appeared as Exhibit A-1 to the 1960 Writers Guild of America Television Film Basic Agreement.

This Agreement amends the WGA Royalty Plan and the MBAs to provide that residual payments for the release of Royalty Plan programs to basic cable, which are due on or after October 1, 1994, shall be made to the credited writers thereof in accordance with the provisions of Article 58 of the applicable MBA. It is agreed that the MBA in effect at the time of the first release of a Royalty Plan program to basic cable after March 1, 1985 shall be the "applicable MBA" for purposes of such payments.

The parties further agree that when Royalty Plan programs are released to either domestic or foreign basic cable, the Company's accountable receipts therefrom are fully reportable and residuals are payable in perpetuity at the rate set forth in Article 58 of the applicable MBA.

ACCEPTED AND AGREED:

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ Brian Walton
Brian Walton, Executive Director, WGA, west

ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS, INC.

By: /s/ J. Nicholas Counter III

J. Nicholas Counter III, on behalf of the Companies represented by the AMPTP in negotiations for the 1985 MBA, 1988 MBA, 1992 Extension Agreement and 1995 WGA-AMPTP MBA

SIDELETTER ON RESIDUALS FOR MADE-FOR-TELEVISION MOTION PICTURES OR SVOD PROGRAMS WHEN INITIAL EXHIBITION IS ON A DIFFERENT TELEVISION PLATFORM OR IN NEW MEDIA

As of May 2, 2020

David J. Young
Executive Director
Writers Guild of America, West, Inc.
7000 West Third Street
Los Angeles, California 90048

Re: Sideletter on Residuals for Made-for-Television Motion Pictures or SVOD Programs When Initial Exhibition is on a Different Television Platform or in New Media

Dear David:

During the 2020 negotiations, the parties discussed the residual formula that should apply in certain situations when a program or episode made for television (*e.g.,* free television, basic cable or pay television) or made for a subscription consumer pay new media ("SVOD") platform is, instead, initially exhibited in a different primary market.

To resolve the complexity and uncertainty that arises in these circumstances, the parties agree that, in the event that a program made for television or an SVOD platform is exhibited on a different television or new media platform, the television or SVOD program is treated for residuals purposes as if it were made for the platform on which it is initially exhibited.[1] If the platform on which the program is initially exhibited is subject to higher minimum initial compensation rates, the Company shall pay any additional initial compensation necessary to met the minimums applicable to the platform of initial exhibition within thirty (30) days of initial exhibition.

For example, a broadcast network orders a pilot and then orders seven episodes of the series that are intended for exhibition in network prime time. Before any episodes are broadcast on the network, the network decides that it does not want the series that has already been produced. Company then sells the series to an SVOD platform where the episodes (including the pilot) are initially exhibited. In that situation, the residuals are determined as if the episodes were made for the SVOD platform. (No adjustment of initial compensation is required in this situation since the minimum rates would have been no less than those of the SVOD platform.)

[1] Neither a limited theatrical exhibition under Paragraph (2) of Sideletter to Article 15.B.13., Appendices A, B and C and the Sideletter on Literary Material Written for Programs Made for New Media or a limited AVOD release under Paragraph 4.e.(6) of the Sideletter on Literary Material Written for Programs Made for New Media is intended as an exhibition in the primary market as provided in this Sideletter.

It is understood that the foregoing applies to television motion pictures and SVOD programs produced under this and any prior MBA that have not had an initial release.

The provisions of this Sideletter are experimental and shall expire on the termination date of the 2020 MBA.

Sincerely,

/s/ Carol A. Lombardini
Carol A. Lombardini
President, AMPTP

ACCEPTED AND AGREED:

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young
Executive Director

SIDELETTER RE: NEW ARTICLE 67 ON OPTIONS AND EXCLUSIVITY (TELEVISION)

As of May 2, 2014

David J. Young
Executive Director
Writers Guild of America, West, Inc.
7000 West Third Street
Los Angeles, California 90048

Re: New Article 67 on "Options and Exclusivity (Television)" in MBA

Dear David:

During the 2014 negotiations, the parties negotiated terms applicable to options and exclusivity for certain writers employed under Article 13.B.7.s. or Article 14 on an episodic series or serial, as memorialized in the new Article entitled "Options and Exclusivity (Television)."

This Sideletter confirms that the provisions of this new Article 67 do not prohibit the Company from negotiating a "first look," as that term is commonly understood in the industry, at any literary material developed by a writer as a pilot on "spec" during an option period.

Sincerely,

/s/ Carol A. Lombardini
Carol A. Lombardini
President, AMPTP

ACCEPTED AND AGREED:

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young
Executive Director

SIDELETTER RE DIRECT DEPOSIT OF RESIDUALS

As of May 2, 2020

David J. Young
Executive Director
Writers Guild of America, West, Inc.
7000 West Third Street
Los Angeles, California 90048

Re: Direct Deposit of Residuals

Dear David:

Reference is made to Articles 15.A.3.f., 15.B.4., 15.B.13.e., 51.C.6. and 64.E.1. of the MBA, as well as Article 13.B.5.a.(11) of Appendix A to the MBA and Paragraph 2.b.(3) of Appendix C to the MBA, all of which refer to payment of residuals to writers by check.

The parties agree that, as an alternative to making such residual payments by check, a Company may enter into an agreement with the Guild to allow for direct deposit of residual payments to writers, with the mechanics to be discussed by the individual Company and the Guild.

Sincerely,

/s/ Carol A. Lombardini
Carol A. Lombardini
President, AMPTP

ACCEPTED AND AGREED:

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young
Executive Director

SIDELETTER RE COVID-19 RELATED COSTS

As of June 30, 2020

David J. Young
Executive Director
Writers Guild of America West, Inc.
7000 W. Third Street
Los Angeles, California 90048

Re: COVID-19 Costs

Dear David:

During the 2020 negotiations, the parties discussed the increased costs that theatrical, television and new media productions will incur to implement various protocols related to the COVID-19 pandemic. Because these unprecedented costs are additive to the standard production costs on which the parties negotiated the budget tiers in the MBA, the parties agree that these costs may be excluded from consideration of whether a theatrical or television motion picture or new media program falls within a given budget tier in the Basic Agreement (including in Articles 13.A., 13.B.2. and 3, Appendix C, subparagraph 2.b., and Paragraph 4.b. of the Sideletter on Literary Material Written for Programs Made for New Media).

Such excluded costs shall be limited to expenditures directly related to prevention and monitoring of COVID-19, including the following: health screening (including testing, health assessment surveys and temperature checks), personal protective equipment, salaries of COVID-19 compliance monitor(s) performing only COVID-19-related duties, COVID-19-related cleaning costs in excess of ordinary or usual cleaning costs, portable hand washing stations (unless they would have been necessary in the absence of COVID-19), additional bathroom units and costs of lodging and per diem for employees who are required to isolate or self-quarantine and payments made to employees during any self-isolation or quarantine (other than those due to an "Eligible COVID-19 Event," under Item 7.c. of the Return to Work Agreement negotiated by the AMPTP with the Directors Guild of America, Inc. (“DGA”) and the Screen Actors Guild–American Federation of Television and Radio Artists ("SAG-AFTRA"), among other Unions). Costs not directly related to prevention and monitoring, such as compensation for writers, directors or actors replacing others on sick leave, shall not be considered excluded costs for the purposes of this Sideletter.

Within a reasonable time after the expiration of each calendar or fiscal quarter, but not exceeding sixty (60) days, the Company will furnish or caused to be furnished to the Guild a written, unredacted report itemizing the costs excluded under this Sideletter for all programs that would have been put into a higher budget tier but for this exclusion.

In the event that the AMPTP enters into a different agreement regarding the subject of this Sideletter (*i.e.*, the scope of COVID-related costs to be excluded from determining

the budget tiers), with the DGA for its DGA Basic Agreement of 2020 and the DGA Freelance Live and Tape Television Agreement of 2020 and/or with SAG-AFTRA for its SAG-AFTRA Codified Basic Agreement of 2020 and the 2020 SAG-AFTRA Television Agreement, the parties agree to apply that agreement to determine the budget tiers for productions under the MBA on a consistent basis with the other agreements referenced in this paragraph.

Sincerely,

By:/s/ Carol A. Lombardini
Carol A. Lombardini
President, AMPTP

ACCEPTED AND AGREED:

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By:/s/ David J. Young
David J. Young
Executive Director, WGAW