

May 22, 2024

**MEMORANDUM OF AGREEMENT BETWEEN
THE SCREEN ACTORS GUILD-AMERICAN FEDERATION
OF TELEVISION AND RADIO ARTISTS AND
THE ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS
FOR THE 2023 PRODUCER-SAG-AFTRA TELEVISION ANIMATION AGREEMENT**

This Memorandum of Agreement is entered into between the Screen Actors Guild-American Federation of Television and Radio Artists, Inc. (hereinafter referred to as “SAG-AFTRA” or “the Union”), on the one hand, and the Alliance of Motion Picture and Television Producers (hereinafter referred to as the “Alliance” or the “AMPTP”), on behalf of the Producers listed on Exhibit “B” attached hereto (each hereinafter respectively referred to as “the Producer” and collectively referred to as “the Producers”), on the other hand.

This Memorandum of Agreement reflects the complete understanding reached between the parties. The language in this Memorandum of Agreement is not contract language, except where the context clearly indicates otherwise. As soon as practicable, this Memorandum of Agreement will be reduced to formal contract language.

The provisions of this Memorandum of Agreement represent modifications to the 2014 Producer-SAG-AFTRA Television Animation Agreement (the “2014 Agreement”), as amended by the 2018 and 2020 negotiations for successor agreements to the 2014 Agreement (the “2020 Successor Agreement”). Except as modified herein, the terms of the 2020 Successor Agreement shall remain the same, subject to conforming changes.

This Memorandum of Agreement is contingent on the recommendation of this Memorandum of Agreement by the SAG-AFTRA Bargaining Committee and SAG-AFTRA National Board to the membership for ratification and no work stoppage or job action by the members of SAG-AFTRA between the date of this Memorandum of Agreement and the date of ratification.

The following shall be effective as of March 24, 2024 (*i.e.*, the first Sunday following the business day on which the AMPTP received notice of ratification), unless a contrary date is specified, in which case such provision shall be effective as of the date so specified.

1. Term

The term of the 2023 SAG-AFTRA Television Animation Agreement shall commence on July 1, 2023 and shall terminate on June 30, 2026.

2. **Minimum Wage Rates**

Increase the minimum salary rates listed in subparagraphs a. and b. below by seven percent (7%) effective July 1, 2023; by an additional four percent (4%) effective July 1, 2024 and by an additional three and one-half percent (3.5%) effective July 1, 2025. These increases shall be compounded.

a. SAG-AFTRA Television Animation Series:

- i. Article I.A.1. Minimum compensation per film or segment of film more than 10 minutes in length
- ii. Article I.B.1. Minimum compensation per film or segment of film 10 minutes or less in length
- iii. Article II.A.1. For each voice after the third for performers employed on films or segments of films 10 minutes or less in length
- iv. Article VII.B. Fourth audition for the same role (first two hours)
- v. Article VII.B. Time spent in fourth audition for the same role in excess of two hours in (one-half hour units)

b. Legacy AFTRA Television Animation Series:

- i. Article I.A.2. Minimum compensation per film or segment of film more than 10 minutes in length
- ii. Article I.B.2. Minimum compensation per film or segment of film 10 minutes or less in length
- iii. Article II.A.2. For each voice after the third for performers employed on films or segments of films 10 minutes or less in length
- iv. Article VII.B. Fourth audition for the same role (first two hours)
- v. Article VII.B. Time spent in fourth audition for the same role in excess of two hours in (one-half hour units)

c. Retroactive payments shall be made as soon as practicable.

3. **Applicability of the Television Agreement (U-1)**

Modify Article XIV of the Television Animation Agreement as follows:

“XIV. Applicability of Television Agreement

“Except as herein otherwise expressly provided, all of the provisions of the ~~2023~~ ~~2020~~ SAG-AFTRA TELEVISION AGREEMENT shall be applicable, and said Agreement is incorporated herein by this reference and made a part hereof, except that provisions new to the 2023 SAG-AFTRA TELEVISION AGREEMENT, and which are effective prior to [insert date that is the first Sunday following the business day on which the AMPTP receives notice of ratification] (or which are effective for principal photography commencing prior to such date or to contracts entered into prior to such date, as applicable), shall instead be effective on [insert date that is the first Sunday following the business day on which the AMPTP receives notice of ratification] (or for principal recording commencing on or after such date or to contracts entered into on or after such date, as applicable).

“The parties recognize, however, that it may not be practical to apply certain provisions of said Agreement to animated television films and, accordingly, the parties agree to continue negotiations to endeavor to reach an agreement with respect to any clarifications, changes or modifications which may be required in applying the ~~2023~~ ~~2020~~ SAG-AFTRA TELEVISION AGREEMENT to animated television films. However, it is expressly understood and agreed that this Agreement is final and complete unless and until modified by such mutual agreement of the parties.

“The rateable distribution provisions, as set forth in Section 18.2 of the ~~2023~~ ~~2020~~ SAG-AFTRA TELEVISION AGREEMENT, shall not be applicable to animated television motion pictures. The rateable distribution provisions set forth in Section 5.2 B. of the Producer – SAG-AFTRA Codified Basic Agreement of ~~2023~~ ~~2020~~ shall apply to animated television motion pictures.

~~“In addition, the provisions of Sections 3(h), 18(d)(3), 19(d)(2), 24(a), 24(b)(1), 24(b)(3), 24(e) and 25(b)(1) of the 2020 SAG-AFTRA TELEVISION AGREEMENT shall apply to contracts entered into on or after September 4, 2020 under this Agreement. Sections 35.D. and 47.B. of the General Provisions of the PRODUCER – SAG-AFTRA CODIFIED BASIC AGREEMENT OF 2020 shall apply effective September 4, 2020. Those provisions of Schedules B and C of the PRODUCER – SAG-AFTRA CODIFIED BASIC AGREEMENT OF 2020 that are in effect for contracts entered into on or after July 1, 2018 and those provisions of Schedules D, E, G-II, H-II and H-III of the PRODUCER – SAG-AFTRA CODIFIED BASIC AGREEMENT OF 2020 that are in effect for contracts entered into on or after July 1, 2020 shall apply to contracts entered into under this Agreement on or after September 4, 2020.~~

“Sideletter W re: Programs Made for Television or SVOD Which Are Initially Exhibited in a Different Primary Market of the ~~2020~~2023 SAG-AFTRA TELEVISION AGREEMENT shall apply, except that Example 1 shall not apply and footnote 1 shall, instead, provide: “Neither a limited theatrical exhibition under Article XVII of the ~~2020~~2023 Television Animation Agreement nor a limited AVOD release under Paragraph E.5.(d) of the Sideletter re: Programs Made for New Media to the ~~2020~~2023 Television Animation Agreement shall be considered as an exhibition in the primary market as provided in this Sideletter.”

4. **High Budget SVOD Residuals (U-1)**

- a. Eliminate “grandfathering” as provided in Paragraph E.1.(a) (for programs that were “grandfathered” and subject to the terms of the 2011 Television Animation Agreement), Paragraph E.1.(b) (for programs that were “grandfathered” and subject to the terms of the 2014 Television Animation Agreement) and Paragraph E.2. (for programs or series budgeted at less than \$550,000 for a 20-35 minute program or less than \$2,500,000 for a 36-65 minute program and subject to the terms of the 2018 Television Animation Agreement) of the Sideletter re: Programs Made for New Media to the Television Animation Agreement for any new season for which principal recording of the first episode of the season commences on or after the first Sunday following the business day on which the AMPTP receives notice of ratification.

- b. **Residual for Use on the Domestic SVOD Platform on Which the Animated High Budget SVOD Program Was Initially Exhibited**

Modify the residual formula for use of an Animated High Budget SVOD Program on the domestic SVOD platform on which the Animated High Budget SVOD Program was initially exhibited as follows:

- i. Collapse Subscriber Tiers 1 and 2 into Subscriber Tier 3, so that the lowest Subscriber Tier consists of fewer than 20 million domestic subscribers. (Applies only to Animated High Budget SVOD Programs that commence principal recording on or after July 1, 2024.)
- ii. Increase the percentages for Exhibition Years 8 and 9 to 10%, and the percentages for Exhibition Years 10, 11 and 12 to 5%. (Applies only to Animated High Budget SVOD Programs that commence principal recording on or after the first Sunday following the business day on which the AMPTP receives notice of ratification.)

- c. **Applicable Ceiling for Animated High Budget SVOD Programs**

Increase the applicable ceilings in Paragraph E.5.(a)(ii) of the Sideletter re: Programs Made for New Media to the Television Animation Agreement by two and one-half percent (2.5%) effective on all Animated High Budget SVOD

Programs that commence principal recording on or after the first Sunday following the business day on which the AMPTP receives notice of ratification.

d. Fixed Residual for Use of Animated HB SVOD Program on Foreign SVOD Platform

i. Application

A. Modifications are limited to Animated High Budget SVOD Programs that commence principal recording on or after the first Sunday following the business day on which the AMPTP receives notice of ratification (other than a season of an Animated High Budget SVOD series that was “grandfathered” and continues to be subject to the terms of the 2018, 2014 or 2011 Television Animation Agreement, as described in Item 1.b.i. above).

B. Modifications apply only to situations in which a fixed residual applies under the 2020 Television Animation Agreement for use of an Animated High Budget SVOD Program on a foreign SVOD platform related to/affiliated with the domestic SVOD platform on which the Animated High Budget SVOD Program was initially exhibited (which also covers use on unrelated/unaffiliated foreign SVOD platforms), *i.e.*:

- (1) The domestic SVOD platform has over 45 million subscribers in the U.S. and Canada and the license is for more than 15% of the value of all foreign markets; or
- (2) The domestic SVOD platform has 45 million or fewer subscribers in the U.S. and Canada and the license is for “worldwide” rights.

ii. Modify the residual formula in Paragraph E.5.(a)(iii)(A)1) of the Sideletter re: Programs Made for New Media to the Television Animation Agreement (the “foreign fixed High Budget SVOD residual”) so that the residual is calculated as follows:

$$\begin{array}{c} \text{Total Actual Compensation Up to the Applicable Ceiling as per Paragraph} \\ \text{E.5.(a)(ii)} \\ \times \\ \text{Exhibition Year Percentage as per Paragraph E.5.(a)(ii)(A)} \\ \times \\ \text{Foreign Subscriber Factor (NEW – see chart below)} \end{array}$$

For Animated High Budget SVOD Programs that commence principal recording on or after the first Sunday following the business day on which

the AMPTP receives notice of ratification (other than a season of an Animated High Budget SVOD series that was “grandfathered” and continues to be subject to the terms of the 2018, 2014 or 2011 Television Animation Agreement, as described in Item 1.b.i. above):

Subscriber Tier	Foreign Subscribers	Subscriber Factor
1	Fewer than 20 million	20%
2	20 million to 45 million	26%
3	More than 45 million but fewer than 75 million	32%
4	75 million or more	39%

- iii. Payment of the foreign fixed Animated High Budget SVOD residual continues to cover worldwide use of the Animated High Budget SVOD Program on all foreign subscription consumer pay platforms for the applicable exhibition year.
- iv. Determination of Domestic and/or Foreign Subscriber Tier
 - A. Revise Paragraph E.7.(b) of the Sideletter re: Programs Made for New Media to the Television Animation Agreement and the unpublished Sideletter re: “Bundled” Subscription Consumer Pay Platforms to clarify that as to “bundled” subscription consumer pay platforms, these provisions apply to the determination of the applicable subscriber tier under the Television Animation Agreement, rather than the number of subscribers.
 - B. Conform Paragraph E.7.(b) of the Sideletter re: Programs Made for New Media to the Television Animation Agreement and the unpublished Sideletter re: “Bundled” Subscription Consumer Pay Platforms so that the applicable foreign subscriber tier for “bundled” subscription consumer pay platforms shall be determined in the same manner as the domestic subscriber tier. Conform the remainder of Paragraph E.7. of the Sideletter re: Programs Made for New Media to the Television Animation Agreement so that the foreign subscriber tier to a non-“bundled” subscription consumer pay platform is determined in the same manner as the domestic subscriber tier.
- e. Modify Paragraph E.4.(d)(i) of the Sideletter re: Programs Made for New Media to the Television Animation Agreement to eliminate the Producers’ ability to credit amounts in excess of 65% of minimum against any other compensation due to a series or term contract performer for contracts entered into on or after the first

Sunday following the business day on which the AMPTP receives notice of ratification.

- f. Add a new subparagraph 5.1 to Paragraph E of the Sideletter re: Programs Made for New Media to the Television Animation Agreement to provide that subparagraph 5.1 to Paragraph E of Sideletter H to the Television Agreement shall apply, except that references to “High Budget SVOD Programs” shall be replaced with references to “Animated High Budget SVOD Programs,” and the subparagraph shall be effective for new seasons of Animated High Budget SVOD series, Animated High Budget SVOD multi-part closed-end picture or one-time Animated High Budget SVOD Programs initially exhibited on an SVOD service on or after January 1, 2024.

(See contract language attached as Exhibit A, including housekeeping clarification that residuals under Section 18(b)(2)g) concerning broadcast syndication sales of an Animated High Budget SVOD Program under a license agreement entered into on or after July 1, 2020 are not subject to advance payment for a voice actor whose contract is entered into on or after July 1, 2020.)

Make conforming changes as necessary.

5. **Data Transparency (U-1)**

The Union and the undersigned Producers agree to enter into the following letter agreement:

“Re: **Data Transparency**

“Dear Duncan:

“During the 2023 negotiations, the undersigned Producers (hereinafter collectively ‘Producers’) agreed that their related or affiliated SVOD services (*viz.*, Amazon Prime Video, Apple TV+, Disney+, Hulu, Max, Netflix, Paramount+ and Peacock) (each hereinafter referred to as a ‘related/affiliated SVOD service’) will provide the following viewership information to the Union:

“Commencing [*the date that is the start of the first calendar quarter following the business day on which the AMPTP receives notice of ratification of the 2023 Television Animation Agreement and Basic Cable Animation Agreement (“2023 Agreements”)*], and subject to a confidentiality agreement satisfactory to the related/affiliated SVOD service, the related/affiliated SVOD service shall, within ninety (90) days of the expiration of each calendar quarter, provide the following information for each Animated High Budget SVOD Program covered under the 2023 Agreements or any prior agreement that was made for that related/affiliated SVOD service:

“the total number of hours streamed on the related/affiliated SVOD service in the United States and Canada during the preceding calendar quarter;

“the total number of hours streamed outside the United States and Canada during the preceding calendar quarter when any Animated High Budget SVOD Program containing covered performance(s) is exhibited during that quarter, to the extent such information is available to the related/affiliated SVOD service; and

“the running time of the Animated High Budget SVOD Program

“(collectively referred to hereinafter as ‘Confidential Viewership Information’).

“Confidential Viewership Information shall be provided to the Union pursuant to the following procedure:

“The Union shall designate its employees, officers, directors or agents (hereinafter ‘designated representatives’) who will have access to this Confidential Viewership Information, provided that each designated representative executes and returns the mutually agreed-upon confidentiality agreement to the related/affiliated SVOD service in advance of disclosure to any of them.

“In no event shall the confidentiality agreement prohibit the Union from communicating internally or with its members with regard to the Confidential Viewership Information, provided that, in the course of doing so, the Union shall limit such disclosure to presenting information in a summary form which aggregates the Confidential Viewership Information on an overall industry level, makes no reference to any Confidential Viewership Information on which it is based, makes no reference to any Confidential Viewership Information with regard to an individual program, series, serial, multi-part, closed-end picture, producer, distributor, streaming service, network, retailer or exhibitor company (or a related or affiliated entity thereof) or any transaction involving same and contains no information from which the identity of any individual program, series, serial, multi-part, closed-end picture, writer, producer, distributor, streaming service or exhibitor company (or a related or affiliated entity thereof) or any transaction involving the same could reasonably be ascertained.

“Because of the particularly sensitive nature of the Confidential Viewership Information, the Union agrees to grant access to the Confidential Viewership Information only to a limited number of individuals whose access to the Confidential Viewership Information is essential for the Union’s use of this information, but not to exceed six (6) in number.

“The Confidential Viewership Information shall be provided in an electronic format, such as an Excel spreadsheet, to the Union’s chief economist (presently, David Viviano) through secure, password-protected means. The Union’s designated representatives agree to maintain the Confidential Viewership Information in a secure manner, protected by password and inaccessible to anyone other than its designated representatives.

“The Union may request that an audit (or other agreed-upon procedure) (hereafter ‘audit’) of the Confidential Viewership Information be conducted by a third party jointly chosen by the related/affiliated SVOD service and the Union solely for the purpose of verifying the accuracy of the information provided by the related/affiliated SVOD Service. The third party must execute a confidentiality agreement approved by the related/affiliated SVOD Service. The Union shall be responsible for bearing all costs and fees associated with any such audit.

“This agreement shall expire at the end of the term of the 2023 Agreements.”

[SIGNATURE BLOCKS OF UNION AND PRODUCERS OMITTED]

6. **Application of Scale to Certain Animated AVOD Programs (U-1)**

Modify the Sideletter re Programs Made for New Media to provide that a voice actor employed on a dramatic original or derivative animated new media program, the principal recording of which commences on or after *[insert date that is the first Sunday after ninety (90) days following the business day on which the AMPTP receives notice of ratification]*, that is made for a free-to-the-consumer, advertiser-supported new media platform (“AVOD”), is at least eleven (11) minutes in length and is budgeted at \$25,000 per minute or more shall be paid in accordance with Articles I and II of the 2023 SAG-AFTRA Television Animation Agreement. (See Exhibit A for contract language.)

7. **Holidays (U-1)**

Martin Luther King, Jr.’s Birthday and Juneteenth shall be considered contractual holidays, effective January 1, 2024. Retroactive payments shall be made as soon as practicable.

8. **Artificial Intelligence (U-2)**

a. **Digital Replication and Alteration of Voice Actors**

Add a new Article [XX] to the Television and Basic Cable Animation Agreements as follows:

“[XX]. DIGITAL REPLICATION AND ALTERATION

“This Article [XX] applies prospectively based on the effective dates set forth in subparagraphs A.(2), A.(3) and B. below.

“To the extent practicable, Producers shall endeavor to comply with the provisions of this Article [XX] on or after the first day of the term of this Agreement but prior to the effective dates set forth in subparagraphs A.(2), A.(3) and B. below.

“The parties acknowledge that the term ‘voice actor’ under this Agreement includes only humans.

“The parties further acknowledge that the Producers have historically used digital technologies to replicate or alter a voice actor’s voice (e.g., audio effects) during all stages of motion picture production (e.g., pre-visualization, pre-production, production, post-production, distribution, marketing) and may continue to do so, consistent with their historical practices.

“A. Digital Replicas

“(1) Definitions

“(a) An ‘Employment-Based Digital Replica’ is a replica of the voice of a specific individual voice actor that: (i) is created in connection with employment on a motion picture under this Agreement; (ii) is created using digital technology; (iii) is created exclusively from the voice of that voice actor (iv) is created with that voice actor’s physical participation; (v) is readily identifiable and attributable to that specific individual voice actor through contracts or other regular business records; and (vi) is for the purpose of utilizing the voice of that voice actor to voice a role in sound track for the motion picture which the voice actor did not actually perform and in lieu of that voice actor.

“(b) An ‘Independently Created Digital Replica’ is a replica of the voice of a specific individual voice actor in the role of a character (and not as the individual voice actor himself/herself) that is: (i) created using digital technology; (ii) created exclusively from the voice of that individual voice actor performing in that role; (iii) readily identifiable and attributable to that role; (iv) used to perform that role; and (v) no employment arrangement for the motion picture in which the Independently Created Digital Replica will be used exists with that individual voice actor in that role.

“Employment-Based Digital Replica(s) and Independently Created Digital Replica(s) may be referred to collectively herein as Digital Replica(s).

“(2) Employment-Based Digital Replica

“This Article [XX].A.(2) applies when a voice actor is employed by the Producer under this Agreement under a contract entered into on or after [*the first Sunday that is 90 days after the business day on which the AMPTP receives notice of ratification*] to render services as a voice actor in a motion picture and, in connection with that employment, the Producer (directly or through a third party) requires the voice actor to provide services for purposes of

creating an Employment-Based Digital Replica or uses an Employment-Based Digital Replica as provided herein.

“(a) Services for Creation of Employment-Based Digital Replicas

“(i) A Producer must notify a voice actor no less than forty-eight (48) hours in advance of the time the voice actor’s services are required to create an Employment-Based Digital Replica, or at the time of engagement if the voice actor is engaged less than forty-eight (48) hours in advance of the time the voice actor’s services are required to create an Employment-Based Digital Replica. The Producer must obtain the voice actor’s consent to provide services for purposes of creating an Employment-Based Digital Replica of the voice actor for use in connection with a motion picture. The consent must be clear and conspicuous and may be obtained through an endorsement or statement in the voice actor’s employment contract that is separately signed or initialed by the voice actor or in a separate writing that is signed by the voice actor.

“(ii) When a voice actor provides services for purposes of creating an Employment-Based Digital Replica on the same day the voice actor performs other work for the Producer under this Agreement, any time spent by the voice actor in connection with creating the Employment-Based Digital Replica shall be treated as work time.

“In the event a voice actor is required to provide services for purposes of creating an Employment-Based Digital Replica on a day when the voice actor does not perform other work for the Producer under this Agreement, the voice actor shall be paid one (1) session fee at the voice actor’s negotiated rate, but not less than the minimum session fee per film or segment thereof applicable under Article I to the motion picture in connection with which the Employment-Based Digital Replica is created (the “applicable minimum session fee”).

“Notwithstanding the foregoing, no additional payment is due to a voice actor for providing services for purposes of creating an Employment-Based Digital Replica:

“if the voice actor meets the applicable Schedule F minimum for the motion picture; or

“during a period covered by the voice actor’s guarantee.

“(b) Use of an Employment-Based Digital Replica

“(i) Use in the Motion Picture for Which the Voice Actor Was Employed¹”

“a) A Producer may use a voice actor’s Employment-Based Digital Replica in connection with a motion picture for which the voice actor was employed, upon obtaining consent to the extent required herein. The Producer must obtain the voice actor’s consent to use the Employment-Based Digital Replica in new sound track not previously recorded by the voice actor; provided, however, that no consent is required when the sound track remains substantially as scripted, performed and/or recorded.

“Any consent required must include a reasonably specific description of the intended use of the Employment-Based Digital Replica in that motion picture. Consent must be clear and conspicuous and may be obtained through an endorsement or statement in the voice actor’s employment contract that is separately signed or initialed by the voice actor or in a separate writing that is signed by the voice actor.

“Any consent that the voice actor granted during the voice actor’s lifetime shall continue to be valid after the voice actor’s death unless explicitly limited otherwise. In the event the voice actor is deceased at the time the Producer seeks any required consent (and the Producer has not already obtained consent during the voice actor’s lifetime or the voice actor’s consent is no longer valid after death), the Producer shall obtain the consent of the authorized representative (or the Union, if the deceased voice actor’s authorized representative cannot be identified or located) who represents the deceased voice actor’s exclusive rights as determined by applicable law.

“b) If the Producer uses a voice actor’s Employment-Based Digital Replica in scene(s) that the voice actor would otherwise have recorded in person (e.g., using the Digital Replica of a voice actor hired for one session for a role that historically would have been recorded over five (5) sessions), the voice actor shall be paid the voice actor’s *pro rata* daily rate or the applicable minimum session fee, whichever is higher, for the number of sessions that the Producer determines the voice actor would have been required to work had the voice actor instead recorded those scene(s) in person. The Producer will make a good faith effort to estimate the number of sessions utilizing objective criteria. Such compensation shall be treated as wages for all purposes.

“No compensation shall be required pursuant to the preceding paragraph when:

¹ See Paragraph B. below for provisions regarding use of an Employment-Based Digital Replica to digitally alter a voice actor’s performance in sound track previously recorded by the voice actor.

“the voice actor’s Employment-Based Digital Replica is used in a scene that the voice actor recorded in person; or

“the voice actor meets the applicable Schedule F minimum for the motion picture.

“c) In the event the performance of a voice actor’s Employment-Based Digital Replica remains in the motion picture in a manner that would have entitled the voice actor to residuals had the voice actor recorded the sound track for these scenes, the voice actor shall be entitled to residuals when the motion picture is exhibited in a market for which residuals are due.

“Residuals calculated under the time-and-salary units, ‘total applicable minimum’ or ‘total actual compensation’ distribution formula shall be based on the total time worked and/or salary paid, up to any applicable compensation caps, for both the voice actor’s recording services and the use of the voice actor’s Employment-Based Digital Replica. Residuals calculated under the rateable distribution formula shall be calculated based on the voice actor’s form of engagement, unless the only performance used in the episode is that of the voice actor’s Employment-Based Digital Replica and not the voice actor’s recording, in which case the voice actor shall be assigned two-tenths (0.2) time units plus the appropriate number of salary units based on their negotiated salary.

“(ii) Use Other Than in the Motion Picture for Which the Voice Actor Was Employed

“A Producer may not use a voice actor’s Employment-Based Digital Replica in connection with a motion picture other than one for which the voice actor was employed or in any other field or medium without obtaining the voice actor’s consent and bargaining separately for the use.

“Consent must be clear and conspicuous and include a reasonably specific description of the intended use. Consent must be obtained prior to use in a writing signed by the voice actor, but not at the time of employment, except as provided in the next sentence. When a voice actor is employed on a project specifically identified to be part of a multi-project use (such as a trilogy of motion pictures), consent to use the voice actor’s Employment-Based Digital Replica in another of the identified projects may be obtained at the time the voice actor is first employed, provided that a reasonably specific description of the intended use is provided for each identified project. Consent for use in other identified project(s) is valid only if the voice actor is also employed in the other identified project(s) or is deceased at the time the other identified project(s) commences production.

“Any consent that the voice actor granted during the voice actor’s lifetime shall continue to be valid after the voice actor’s death unless explicitly limited otherwise. In the event the voice actor is deceased at the time the Producer seeks consent (and the Producer has not already obtained consent during the voice actor’s lifetime or the voice actor’s consent is no longer valid after death), the Producer shall obtain the consent of the authorized representative (or the Union, if the deceased voice actor’s authorized representative cannot be identified or located) who represents the deceased voice actor’s exclusive rights as determined by applicable law.

“The applicable minimum session fee (including additional compensation for residuals as applicable) shall be the minimum for purposes of the bargaining referred to above with respect to use of a voice actor’s Employment-Based Digital Replica in connection with a motion picture other than one for which the voice actor was employed or in any other field or medium, except that use of the voice actor’s Employment-Based Digital Replica in a field or medium covered by a SAG-AFTRA collective bargaining agreement shall be subject to bargaining at no less than the minimum wages and residuals, if any, provided for in that collective bargaining agreement. No additional compensation shall be required for use of an Employment-Based Digital Replica that was created in connection with employment of a voice actor who meets the applicable Schedule F minimum for the motion picture.

“(3) Independently Created Digital Replica

“The following applies to use of an ‘Independently Created Digital Replica’ in connection with a motion picture that commences principal recording on or after *[insert date that is the first Sunday that is 90 days after the business day on which the AMPTP receives notice of ratification]*.

“A Producer may use an Independently Created Digital Replica in connection with a motion picture for which the individual voice actor was not employed upon obtaining consent as required herein and bargaining for that use. Consent must be clear and conspicuous and obtained prior to exploitation in a writing signed by the individual voice actor that includes a reasonably specific description of the intended use.

“Any consent that the voice actor granted during the voice actor’s lifetime shall continue to be valid after the voice actor’s death unless explicitly limited otherwise. In the event the individual voice actor is deceased at the time the Producer seeks consent (and the Producer has not already obtained consent during the individual voice actor’s lifetime or the individual voice actor’s consent is no longer valid after death), the Producer shall obtain the consent of the authorized representative (or the Union, if the deceased individual voice actor’s authorized representative cannot be identified or located) who represents the

deceased individual voice actor's exclusive rights as determined by applicable law.

"Any compensation paid to the voice actor for use of the Independently Created Digital Replica shall be subject to pension or retirement and health contributions pursuant to Article XVIII of this Agreement.

"No consent is required when the use is of the type protected by the First Amendment to the United States Constitution, including but not limited to instances when the First Amendment would protect a use for purposes of comment, criticism, scholarship, satire or parody, or would protect a use in a docudrama, or historical or biographical work.

"For clarity, this subparagraph [XX].A.(3) does not apply to use of an Employment-Based Digital Replica created pursuant to subparagraph [XX]A.(2) above in connection with a motion picture other than the one for which the voice actor was employed; the provisions of subparagraph [XX]A.(2)(b)(ii) apply instead.

"B. Digital Alteration

"This Article [XX].B. applies when a voice actor is employed by the Producer under this Agreement under a contract entered into on or after *[the first Sunday that is 90 days after the business day on which the AMPTP receives notice of ratification]* to render services as a voice actor in a motion picture and the Producer (directly or through a third party) digitally alters the voice actor's voice in that motion picture.

"The Producer must obtain the consent of the voice actor to digitally alter the voice actor's performance in sound track previously recorded by the voice actor; provided, however, that no consent is required when the sound track of the voice actor remains substantially as scripted, performed and/or recorded. Any consent required must be clear and conspicuous and include a reasonably specific description of the intended alteration(s). Consent may be obtained through an endorsement or statement in the voice actor's employment contract that is separately signed or initialed by the voice actor or in a separate writing that is signed by the voice actor.

"Any consent that the voice actor granted during the voice actor's lifetime shall continue to be valid after the voice actor's death unless explicitly limited otherwise. In the event the voice actor is deceased at the time the Producer seeks consent (and the Producer has not already obtained any required consent during the voice actor's lifetime or the voice actor's consent is no longer valid after death), the Producer shall obtain the consent of the authorized representative (or the Union, if the deceased voice actor's authorized

representative cannot be identified or located) who represents the deceased voice actor's exclusive rights as determined by applicable law.

“C. For clarity, the Producer need not obtain the consent of the voice actor under Paragraphs A.(2) or B. above to perform post-production alterations, editing, arranging, rearranging, revising or manipulating of sound track for purposes of noise reduction, timing or speed, continuity, pitch or tone, clarity, addition of sound effects or filters, standards and practices,² ratings,³ an adjustment in dialogue or narration or other similar purposes, or under any circumstance when dubbing is permitted under this Agreement. Without limiting the foregoing, no consent is required under Paragraphs A.(2) or B. above for purposes of adjusting the voice of the voice actor to a foreign language, or for purposes of changes to dialogue necessary for license or sale to a particular market (e.g., substitution of dialogue about an airplane crash for in-flight sales or altering dialogue to adhere to cultural norms for sale to a particular country).

“D. Claims for violation of this Article [XX] are arbitrable and must be brought under this Agreement. Remedies shall be limited to monetary damages.

“E. Except as explicitly set forth herein, it is understood that this Article [XX] does not expand or contract any existing rights and obligations under this Agreement. Nothing herein alters the scope of coverage under the Agreement.”

b. Generative Artificial Intelligence

Add a new Article [XX.1] to the Television and Basic Cable Animation Agreements as follows:

“[XX.1] GENERATIVE ARTIFICIAL INTELLIGENCE

“The parties acknowledge that definitions of Generative Artificial Intelligence (‘GAI’) vary, but agree that the term generally refers to a subset of artificial intelligence that learns patterns from data and produces content based on those patterns (e.g., OpenAI, ElevenLabs, Murf.AI, Respeecher and Speechify). It does not include ‘traditional AI’ technologies programmed to perform specific functions (e.g., sound effects), such as those already used during all stages of motion picture production (e.g., pre-visualization, pre-production, production, post-production, distribution, marketing). The term GAI is used for convenience and this Article [XX.1] shall also apply to any technology that is consistent with the foregoing definition, regardless of its name.

² The parties agree that adjustments for standards and practices means adjustments to adhere to stricter standards.

³ The parties agree that adjustments for ratings means adjustments to obtain a rating for a wider audience.

“A. Use of Synthetic Voices Created Through Generative Artificial Intelligence

“The following applies to use of Synthetic Voices in a motion picture that commences principal recording on or after [*insert date that is the first Sunday that is 90 days after the business day on which the AMPTP receives notice of ratification*]. A ‘Synthetic Voice’ is a digitally-created asset that: (1) is intended to create, and does create, the clear impression that the asset is an individual voice actor who is not recognizable as any identifiable individual voice actor; (2) is not the voice of an individual person; (3) is not a Digital Replica (as defined in Article [XX] above); and (4) no employment arrangement for the motion picture exists with an individual voice actor in the role being portrayed by the asset.

“The parties acknowledge the importance of human performance, including voice acting, in motion pictures and the potential impact on employment under this Agreement when a Synthetic Voice created through a GAI system is used in a role that would otherwise be performed by a voice actor under the Agreement. For those reasons, the Producer agrees to give the Union notice and an opportunity to bargain in good faith over appropriate consideration, if any, if a Synthetic Voice is used in place of a voice actor who would have been engaged under this Agreement in the role.

“If a Producer intends to create, and does create, a Synthetic Voice through the use of an identified individual voice actor’s name in the prompt to a GAI system, the Producer shall obtain such identified individual voice actor’s consent and bargain with such individual voice actor for the use of the Synthetic Voice in connection with a motion picture and no additional discussion with the Union, consideration or remuneration, is required under this Article [XX.1]. For clarity, the foregoing provision shall apply to each such identified individual voice actor if more than one specific individual voice actor’s name is used in the described manner. No consent is required when the use is of the type protected by the First Amendment to the United States Constitution, including but not limited to instances when the First Amendment would protect a use for purposes of comment, criticism, scholarship, satire or parody, or would protect a use in a docudrama, or historical or biographical work.

“Nothing herein applies to sounds, including sound effects, not exclusively covered under this Agreement.

“Claims for violation of this Article [XX.1.] are arbitrable and must be brought under this Agreement. Remedies shall be limited to monetary damages.

“B. The Producers agree to meet regularly with the Union during the term of this Agreement to discuss appropriate remuneration, if any, with respect to sound track recorded under these Agreements or any predecessor Agreement that is used to train a GAI system for the purpose of creating Synthetic Voices for use in new motion picture content.

“C. Each Producer agrees to meet with the Union during the term of this Agreement at least semi-annually at the request of the Union and subject to appropriate confidentiality agreements to discuss and review information related to the Producer’s use and intended use of GAI in motion picture development and production, which may include discussion of (1) efforts to ensure that use(s) of GAI mitigate against biases and (2) any systems for tracking the use of Digital Replicas.

“D. The parties agree to meet six (6) months in advance of the expiration date of this Agreement to begin negotiations regarding this Article [XX.1].”

9. **Derivative New Media** (U-4)

Modify the definition of an “Animated Derivative New Media Production” in the Sideletter re: Programs Made for New Media to include a cross-reference to the Basic Cable Animation Agreement for provisions related to programs based on existing animated television motion pictures that were produced for basic cable. (See Exhibit A for contract language.)

10. **Late Payment Charges** (U-5)

On a company-by-company basis, representatives of each Producer and the AMPTP shall meet with the Union to discuss any concerns the Union may have regarding timely payment to voice actors, with the objective of finding ways to ensure that voice actors are paid on a timely basis in accordance with the requirements of the Animation Agreements. Such meetings shall occur upon request but no more frequently than semi-annually. Producers shall endeavor to resolve any concerns raised by the Union regarding timely payment to voice actors on a timely basis. It is understood that the AMPTP’s participation is only with respect to meetings with its member companies.

11. **ADR** (U-6)

Producer shall pay the applicable minimum session fee set forth in Article I of the SAG-AFTRA Television Animation Agreement to any voice actor employed under this Agreement to speak improvised lines in the nature of “omnies” during ADR. The foregoing applies to a motion picture which commences principal photography on or after *[the first Sunday following the business day on which the AMPTP receives notice of ratification]*, except that in the case of a series or multi-part closed-end picture, the

foregoing applies to a series or multi-part closed-end picture, the first episode or part of which commences principal recording on or after such date. Nothing herein shall otherwise change the scope of Section 37.E.(2) of Schedule A of the SAG-AFTRA Codified Basic Agreement and the Agreed Interpretation dated September 9, 1969 addressing groups of performers working as background actors required to speak dialogue in unison.

12. **Recoupment of Overpaid Residuals (U-7)**

Each Producer agrees to provide the Union with the name and contact number of an individual or department designated to provide explanations to the Union as to the reason(s) for any recoupment of overpayment of residuals.

13. **Reporting (U-8)**

The AMPTP will issue a bulletin as follows:

“NOTICE TO PRODUCERS RE: PROVIDING INFORMATION RE TYPE OF PROJECT

“During the negotiations for the 2023 Screen Actors Guild-American Federation of Television and Radio Artists Television Animation Agreement (“TV Animation Agreement”) and 2023 Screen Actors Guild-American Federation of Television and Radio Artists Basic Cable Agreement for Animated Motion Pictures (“Basic Cable Animation Agreement”), the parties discussed that voice actors and/or their representatives wish to know the type of project for which they have been offered employment.

“As a result of these negotiations, the parties agreed that Producers, or their representatives, upon request from the voice actor or the voice actor’s representative, shall notify the voice actor or the voice actor’s representative, if known, at the time an offer is made whether an animated program made for a streaming platform qualifies as an “Animated High Budget SVOD Program” or dramatic animated program made for new media that is at least eleven (11) minutes in length, and budgeted at \$25,000 per minute or more.”

14. **Voice Actor Contract (U-9)**

The Producers agree that voice actors should be provided with copies of their individual contracts if requested. The Union should raise any concerns with the Producer’s Labor Relations Executives should an issue arise with the voice actor obtaining a copy of their individual contract(s), and, if needed, contact the AMPTP for assistance.

15. **Sheet Music When Singing is Required (U-11)**

Modify Article VI, "Scripts" of the Television Animation Agreement as follows:

"VI. Scripts and Sheet Music

"Whenever possible, voice actors shall receive their scripts not later than twenty-four hours before their work calls, but in no event shall voice actors receive their scripts later than commencement of their work call. Upon request of a voice actor who is required by the Producer to sing, Producer shall also provide the voice actor with the relevant sheet music, if it is available."

16. **Interstitials (Article IV) (P-3)**

Modify Article IV. of the Television Animation Agreement as follows:

"IV. Interstitial Bits

"The following applies to interstitial bits, the principal recording of which commences on or after *[insert date that is the first Sunday following the business day on which the AMPTP receives notice of ratification]* ~~September 4, 2020:~~

"A. Voice actors may record up to twenty-two (22) minutes of material to be used as interstitial bits upon payment of the minimum four (4) hour session fee, as adjusted for additional voices when required. ~~No interstitial bit may exceed two (2) minutes in length.~~

"B. 1. Interstitial bits of two (2) minutes or less in length

"(i) Producer shall have the unlimited right to rerun such interstitial bits on free television, foreign free television, basic cable and pay television and in new media for a period of five (5) years beginning sixty (60) days after the date such interstitial was recorded upon payment to the voice actor of a cycle payment of either: (i) one hundred ninety-five percent (195%) of the voice actor's total applicable minimum salary if Producer reruns such interstitial(s) on a network during such five (5) year period; or (ii) otherwise, one hundred eighty percent (180%) of the voice actor's total applicable minimum salary.

2. "(ii) At any time after the expiration of such five (5) year period, if Producer desires to continue to rerun such interstitial bits on free television (including reruns on a network), foreign free television, basic cable or pay television and in new media, it may do so for the period set forth below upon payment to the voice actor of the amount indicated:

"~~(i)~~(A) For a second five (5) year cycle of use, one hundred ten percent (110%) of voice actor's total applicable minimum salary;

“(ii)(B) For a third five (5) year cycle of use, eighty-five percent (85%) of voice actor's total applicable minimum salary; and

“(iii)(C) For a fourth five (5) year cycle of use and each succeeding five (5) year cycle of use, sixty percent (60%) of voice actor's total applicable minimum salary.

“Each cycle payment shall be made not later than thirty (30) days after the commencement of a cycle.

“2. Interstitial bits over two (2) minutes but not to exceed two (2) minutes and thirty (30) seconds in length

“(i) Producer shall have the unlimited right to rerun such interstitial bits on free television, foreign free television, basic cable and pay television and in new media for a period of five (5) years beginning sixty (60) days after the date such interstitial was recorded upon payment to the voice actor of a cycle payment of either: (i) two hundred forty-five percent (245%) of the voice actor's total applicable minimum salary if Producer reruns such interstitial(s) on a network during such five (5) year period; or (ii) otherwise, two hundred twenty-five percent (225%) of the voice actor's total applicable minimum salary.

“(ii) At any time after the expiration of such five (5) year period, if Producer desires to continue to rerun such interstitial bits on free television (including reruns on a network), foreign free television, basic cable or pay television and in new media, it may do so for the period set forth below upon payment to the voice actor of the amount indicated:

“(A) For a second five (5) year cycle of use, one hundred forty percent (140%) of voice actor's total applicable minimum salary;

“(B) For a third five (5) year cycle of use, one hundred ten percent (110%) of voice actor's total applicable minimum salary; and

“(C) For a fourth five (5) year cycle of use and each succeeding five (5) year cycle of use, seventy-five percent (75%) of voice actor's total applicable minimum salary.

“Each cycle payment shall be made not later than thirty (30) days after the commencement of a cycle.

“The Union and Producers acknowledge that each interstitial bit under this subparagraph 2. shall contain its own story and that interstitial bits shall not include longer-form programs that are edited to fall within this subparagraph 2. This

does not limit multiple interstitials from taking place in the same universe, nor from having the same characters and themes appear in more than one interstitial.

“3. Alternatives to Paragraphs 1.(ii) and 2(ii) above

“At any time after the expiration of the five (5) year periods referenced in Paragraphs 1.(i) and 2.(i) above, if Producer desires to continue to rerun such interstitial bits only in new media, it may do so for the period set forth below upon payment to the voice actor of the amount indicated:

“(i) For a second five (5) year cycle of use only in new media, twenty percent (20%) of voice actor's total applicable minimum salary;

“(ii) For a third five (5) year cycle of use only in new media, fifteen percent (15%) of voice actor's total applicable minimum salary; and

“(iii) For a fourth five (5) year cycle of use only in new media and each succeeding five (5) year cycle of use only in new media, five percent (5%) of voice actor's total applicable minimum salary.

“Each cycle payment shall be made not later than thirty (30) days after the commencement of a cycle.

“C. In the event that the Producer of such interstitial material desires to make a program comprised fifty percent (50%) or more of interstitials, it shall first negotiate with the Union as to the provisions to apply to such use. The parties agree to discuss this subject in the Contract Adjustment Committee.

“D. The foregoing shall not apply to public service announcements.

“Article IV.A. of the ~~2020~~ 2018 Television Animation Agreement shall apply to interstitial bits, the principal recording of which commences on or after July 1, ~~2023~~ 2020 but before *[insert date that is the first Sunday following the business day on which the AMPTP receives notice of ratification]* ~~September 4, 2020.~~”

Make conforming changes.

17. **Theatrical Exhibition of Covered Animated Programs (P-4)**

- a. *Modify Article XVII.A. ("Theatrical Release of a Television Motion Picture") of the Television Animation Agreement as follows:*

"XVII Theatrical Release of a Television Motion Picture"

"The provisions of the ~~2020~~ 2023 SAG-AFTRA TELEVISION AGREEMENT shall be applicable when Producer desires to acquire rights to theatrical exhibition of such films, subject to the following:

"A. Limited Theatrical Exhibition"

"The following shall apply in lieu of the provisions in Section 19(a), (b), (c) and (d)(1) of the ~~2020~~ 2023 SAG-AFTRA TELEVISION AGREEMENT for limited theatrical exhibitions with an admission charge (other than a theatrical exhibition covered by Article XVII.B., C. or D. below) of animated series episode(s), animated films or segments of films, ~~Animated High Budget SVOD Programs~~ covered animated new media programs (as defined in Article XXII.B. below) or animated long-form television motion pictures:

"1. If one or more episodes (or a segment thereof) of an animated free television or pay television series or one or more episodes (or a segment thereof) of ~~an Animated High Budget SVOD~~ a covered animated new media series or multi-part closed end picture mini-series (as defined in Article XXII.B.), either alone or in combination with another episode or segment of the same or different series, an animated film or segment of film or an animated long-form television motion picture made for free television or pay television or a covered animated new media program sixty-six (66) minutes or more in length (but not one that is an Animated 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 new media in the case of ~~an Animated High Budget SVOD~~ a covered animated new media program, series or multi-part closed end picture mini-series), the Producer shall pay to the Union, for rateable distribution to the voice actors, an amount equal to nine percent (9%) of the "Distributor's gross receipts" derived from licensing the theatrical exhibition rights and, for this purpose, shall include the fair market value of any in-kind consideration, provided that:

"(i) The theatrical exhibition shall take place at least twenty-four (24) hours after the episode's initial telecast (or, for ~~a covered animated new media program, series or multi-part closed end picture mini-series~~ a covered animated new media program, series or multi-part closed end picture mini-series, at least twenty-four (24) hours after the episode has been made available for viewing ~~on the streaming service in new media~~ or at least thirty (30) days after the initial telecast of an animated long-form television motion picture or at least forty (40) consecutive days after the one-time covered animated new media

program sixty-six (66) minutes or longer has been made available for exhibition in new media;

“(ii) 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 (or a segment thereof) of a 30-minute or 60-minute animated free television or pay television series, or one or more episodes (or a segment thereof) of a ~~20-35 minute or 36-65 minute Animated High Budget~~ covered animated new media series, either alone or in combination with another episode or segment 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 ~~20-35 minute or 36-65 minute Animated High Budget~~ covered animated new media series, thirty (30) days in advance of or on the same date that it is made available for exhibition ~~on a streaming service in new media~~), the Producer shall pay to the Union, for rateable distribution to the voice actors, an amount equal to nine percent (9%) of the "Distributor's gross receipts" derived from licensing the theatrical exhibition rights and, for this purpose, shall include the fair market value of any in-kind consideration, provided that:

“(i) The theatrical exhibition shall not exceed six (6) days, which need not be consecutive;

“(ii) The episode, including the pilot, or any segment thereof, is part of a series order of at least six (6) episodes.

“3. Producer shall provide the Union with notice of any theatrical exhibition covered hereunder as soon as possible after an agreement in principle has been reached for theatrical exhibition. In the event that a license agreement is entered into prior to July 1, ~~2026~~ 2023, the terms of which extend beyond the termination date of the ~~2023~~ 2020 Television Animation Agreement, Producer shall notify the Union of any such license agreement.

“If the license for theatrical exhibition under this provision covers the exhibition of a covered animated new media program and one or more other motion picture(s) produced by the Producer: (i) the notice shall specify whether the covered animated motion picture will be exhibited in connection with such other motion picture(s); and (ii) when reporting the Distributor's Gross Receipts and paying the associated residuals for the covered animated new media program, the Producer shall notify the Union of its allocation among such motion picture(s). Inadvertent failure to provide any of these notices shall not be subject to grievance and arbitration.

“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. It is understood that no individual bargaining is required with any voice actor for the right to exhibit the animated television motion picture(s) or ~~Animated High Budget SVOD~~ covered animated new media programs, series or mini-series theatrically, provided that the theatrical exhibition occurs under the foregoing conditions.

“6. The theatrical use fee and related conditions set forth in Section 19 of the ~~2023~~ ~~2020~~ SAG-AFTRA TELEVISION AGREEMENT, less the amount of the percentage residual payment already paid hereunder, shall apply if the foregoing conditions are not met.

“7. The provisions above shall apply to the use on or after July 1, ~~2020~~2023 of any animated television episode (or a segment thereof), ~~Animated High Budget SVOD Program~~ covered animated new media program (or a segment thereof) or animated long-form television motion picture for which a theatrical release payment is due under the ~~2020~~2023 Television Animation Agreement or any prior animation agreement, including but not limited to any animation agreement with SAG, AFTRA or SAG-AFTRA negotiated prior to July 1, ~~2020~~2023.

“8. Within ten days of a request by the Union, the Producer shall provide for inspection by the Union’s designated employee(s) or auditor(s), at Producer’s premises, full access to all unredacted agreements related to the theatrical exhibition of the animated television motion picture or ~~Animated High Budget SVOD Program~~ covered animated new media program. The information provided to the Union will be treated as confidential pursuant to Section 6.1 of the General Provisions of the SAG-AFTRA Codified Basic Agreement.

“9. This subparagraph A. may not supersede any individually bargained terms governing theatrical exhibition of an animated television motion picture or covered animated new media program in a performer’s personal services agreement.

“10. The provisions of Section 18(d) of the TELEVISION AGREEMENT that apply to Animated High Budget SVOD Programs shall also apply to a covered animated new media program for purposes of a limited theatrical exhibition of the covered new media program under the terms of this Article XVII.A.

~~“9.11.~~ The above provisions shall expire on the termination date of the ~~2020~~2023 Television Animation Agreement and will be of no force and

effect thereafter; however, the terms of this Article XVII.A. shall continue to apply to any license agreement entered into before July 1, ~~2023~~2026.”

Make conforming changes as necessary.

b. *Modify Article XVII.C and D as follows:*

“C. When No Admission Fee is Charged

“When an animated television motion picture or covered animated new media program a pilot or an episode (or a segment thereof) of an animated television series which has not ended its initial run is exhibited theatrically for promotional purposes, no admission fee is charged and no remuneration is received by the Producer or the Producer's licensee in consideration for the use of the motion picture, no payment shall be due hereunder.”

“D. When Producer Does Not Receive Any Remuneration for the Theatrical Exhibition of an Animated Television Motion Picture

“SAG-AFTRA agrees to give good faith consideration to any request for a waiver of the payment otherwise due for theatrical exhibition in any circumstance when no monies are paid to the Producer in consideration for the use of the animated television motion picture or covered animated new media program.”

Make conforming changes as necessary.

18. **Drafting/Housekeeping (P-5)**

Incorporate the following items from the 2023 Codified Basic Agreement/Television Agreement Memorandum of Agreement:

a. Item 39.b. (Reuse of Photography or Sound Track in Franchise Projects)

For purposes of this provision, a “franchise” is defined as a series of related projects that have common settings, characters and/or storylines.

With respect to projects that are part of the same franchise (as defined above) including, but not limited to theatrical films, episodic series, multi-part, closed-end pictures and one-time Animated High Budget SVOD Programs (each individually referred to as a “Franchise Project”), modify Article XII of the Television Animation Agreement to allow for consent of reuse of photography or sound track from one Franchise Project in another Franchise Project (including for purposes of recapping the story to date and/or refreshing the recollection of the audience via flashbacks) to be obtained at the time of employment; however, consent must be obtained in an agreement separate from the performer’s employment contract (and shall not be obtained at the time of employment) for

the reuse of a “blooper” excerpt that was not included in the original Franchise Project as originally exhibited (but not including deleted or alternative scenes that are not characterized as a “blooper”).

The minimum compensation due for such reuse shall be the applicable minimum session fee under Article I of the Television Animation Agreement; however, the foregoing does not alter the current exceptions to the reuse provisions under which there is no obligation to bargain and/or pay. This provision shall only apply to animated motion pictures and programs produced under the successor agreements to the 2023 Television Animation Agreement and may not supersede the terms of a personal services agreement.

- b. Item 43 (Inspection Rights under the Sideletter re Programs Made for New Media and the Sideletter re Exhibition of Motion Pictures Transmitted via New Media) - See Exhibit A for contract language modifications for the Sideletter re: Programs Made for New Media.
- c. Item 46.d. to renew and update the Sideletter re: HBO Max as follows:

Renew and update the Sideletter re HBO Max to the SAG-AFTRA Television Animation Agreement, as follows:

“The parties have discussed a new media over-the-top (‘OTT’) platform called ‘Max’. The purpose of this Sideletter is to confirm the parties’ agreement concerning the application of the SAG-AFTRA Television Animation Agreement to Max. This agreement was renewed as provided herein during the negotiations for successor agreements to the 2020 SAG-AFTRA Agreements.

“Max offers over-the-top delivery of HBO’s pay television service and carries all of that service’s programming (such programming will be referred to collectively as the ‘Pay Television Service’). Max also offers 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 offers 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 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 animated 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-Sideletter U to the Television Agreement re: Over-the-Top Service of Pay Television Service, as applicable.

“2. Programs Made for HBO: With respect to animated programs made for initial exhibition on the Pay Television Service, the percentage residual payment set forth in Section 78(c)(1) shall apply if a program is available on the Pay Television Service and, therefore, on Max, even if the program is available on only one of those services or platforms.

“3. Library Content: Except as provided in Paragraph 1 above, exhibition on Max of: (1) animated television motion pictures covered under this Agreement or any prior Screen Actors Guild Television Animation Agreement, the principal photography of which commenced on or after July 20, 1952; and (2) animated television motion pictures produced under Exhibit A or The CW Supplement to the 2011 or any predecessor AFTRA Network Code, the principal photography of which commenced on or after November 16, 1973 shall be subject to the percentage residual formula set forth in Paragraph 1.A. (‘License for Limited Period or Fixed Number of Exhibitions’) of Sideletter No. 22 to the Codified Basic Agreement or Sideletter I to the Television Agreement re: Exhibition of Motion Pictures Transmitted via New Media, as applicable.

“4. Programs Made for Max: Animated programs made for initial exhibition on Max shall be classified as programs made for a subscription consumer pay platform (‘SVOD’). The number of subscribers to Max for purposes of Sideletter No. 21 to the Codified Basic Agreement and Sideletter H to the Television Agreement re: 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 recognize that Max is a new and emerging platform, and that its business model is subject to change. Therefore, the provisions of this Agreement shall expire on the termination date of the 2023 SAG-AFTRA Agreements and will be of no force and effect thereafter; however, this Agreement shall continue to apply to programs, the principal photography of which commenced on or

before the termination date of this Agreement, or which were subject to a license agreement entered into on or before the termination date of this Agreement. No later than sixty (60) days before the termination date of the 2023 SAG-AFTRA Agreements, the parties will meet to negotiate any changes to this Agreement.”

“FN1 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.”

- d. Items 47.j. (Drafting/Housekeeping matters), including the update to the sick leave waiver as follows:

Modify Article XXIII of the Television Animation Agreement as follows: .

“XXIII WAIVER OF NEW YORK CITY EARNED SAFE AND SICK TIME ACT AND OTHER SIMILAR LAWS

“The Union 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~~ 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); New York Labor Law Section 196-B); the Chicago Paid Sick Leave Ordinance (Section 4-24-105-045-6-105-045 of the Municipal Code of Chicago); the Cook County Earned Sick Leave Ordinance (Ordinance No. 16-4229-Chapter 42, Article I, Section 42-1 *et seq.* of the Cook County Code); the San Francisco Paid Sick Leave Ordinance (San Francisco Administrative Code Section 12W); the San Francisco Public Health Emergency Leave Ordinance (San Francisco Police Code Article 33P); the Paid Sick Leave Ordinance of Berkeley, California (Municipal Code-Chapter 13.100 of the Berkeley Municipal Code); 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 37.01-e, Chapter 37.01.(e), 37.03, 37.07-a)1)B-ii, 37.07(a)(1)(ii)(B), 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 (Title 8, Chapter 8.200 of the Los Angeles County Code); Los Angeles County Employee Paid Leave for Expanded Vaccine Access Ordinance (Title 8, Chapter 8.205 of the Los Angeles County Code); the Long Beach COVID-19 Paid Supplemental Sick Leave Ordinance (Chapter 8.110 of the Long Beach Municipal Code); the Oakland Paid Sick Leave Law (Municipal Code-Section 5.92.030 of the Oakland Municipal and Planning Codes); the West Hollywood Sick Pay Ordinance (Section 5.130.030 of the West Hollywood Municipal Code); the Santa

Monica Paid Sick Leave Ordinance (Chapter 4.62.025 of the Santa Monica Municipal Code ~~(enacted by Ordinance No. 2509)~~; the Tacoma Paid Sick Leave Ordinance (Title 18, Chapter 18.10 of Title 18 of the Tacoma Municipal Code of the City of Tacoma, Washington ~~(enacted by Ordinance No. 28275)~~; the Arizona Earned Paid Sick Time Law (Article 8.1 of Title 23, Chapter 2 of the Arizona Revised Statutes; A.R.S. section 23-371 *et seq.*); the New Jersey Paid Sick Leave Act (C.34:11-56a N.J.S.A. 34:11D-1 *et seq.*); the Bloomfield Sick Leave for Private Employees Ordinance (Chapter 160-463 of the Ordinances Code of the Township of Bloomfield, New Jersey ~~(enacted by Ordinance No. 15-10)~~; the East Orange Paid Sick Leave Ordinance Paid Sick Time for Private Employees Ordinance (Chapter 140 of the Code of the City of East Orange, New Jersey ~~(Ordinance No. 21-2014; East Orange Code Chapter 140, Section 1 *et seq.*)~~; the Jersey City Paid Sick Time Law of Jersey City, New Jersey (Chapter 4 of the Code of the City of Jersey City, New Jersey ~~the Jersey City Municipal Code~~); the New Brunswick Paid Sick Time and Paid Safe Time Leave Ordinance (Chapter 8.56 of the Revised General Ordinances of the City of New Brunswick, New Jersey); the Plainfield Sick Leave for Private Employees and City Employees Ordinance (Chapter 8, Article 5 of the Municipal Code of the City of Plainfield, New Jersey); the Sick Leave for Private Employees Ordinances of Elizabeth (Ordinance No. 4617); the Irvington Paid Sick Time Ordinance (Ordinance No. MC-3513) Chapter 277, Article I of the Code of the Township of Irvington, New Jersey); the Montclair Paid Sick Leave Ordinance (Chapter 132, Article I of the Code of the Township of Montclair, New Jersey); the Morristown Paid Sick Leave Ordinance (Ordinance No. O-35-2016 Article XV, § 2-89, *et seq.* of the Code of the Town of Morristown, New Jersey); the Newark Sick Leave for Private Employees Ordinance (City Ordinance 13-2010 Chapter 16:18 of the Code of the City of Newark, New Jersey); the Passaic Paid Sick Leave for Private Employees Ordinance (Ordinance No. 1998-14 Chapter 128, Article I of the Code of the City of Passaic, New Jersey); the Paterson Sick Leave for Private Employees Ordinance (Paterson Code Chapter 412 of the Paterson, New Jersey Code); and the Trenton Paid Sick Leave Ordinance (Ordinance No. 14-45 Chapter 230 of the Code of the City of Trenton, New Jersey); and any other ordinance, statute or law requiring paid sick leave that is hereafter enacted. It is understood that in the event any other paid sick leave laws are enacted during the term of these Agreements which permit the parties to a collective bargaining agreement to waive application of such laws, the Union and the AMPTP shall memorialize any such waiver for any newly-enacted law by letter agreement.

19. **Renewal of Expiring Clauses (P-7)**

All of the other provisions of the 2020 Television Animation Agreement shall continue and all sunset clauses are renewed for the term of the 2023 Television Animation Agreement.

**THE ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS ON
BEHALF OF THE PRODUCERS LISTED IN EXHIBIT "B" ATTACHED HERETO**

By: 
Carol A. Lombardini

Date: July 26, 2024

**SCREEN ACTORS GUILD-AMERICAN FEDERATION OF TELEVISION
AND RADIO ARTISTS**

By: 
Duncan Crabtree-Ireland

Date: July 17, 2024

EXHIBIT A

CONTRACT LANGUAGE MODIFICATIONS TO THE SIDELETTER RE: PROGRAMS MADE FOR NEW MEDIA AND THE SIDELETTER RE: "BUNDLED" SUBSCRIPTION CONSUMER PAY PLATFORMS

Modify the Sideletter re: Programs Made for New Media as follows:

"B. Animated Derivative New Media Productions (Other Than Animated "High Budget" Dramatic Productions Made for Initial Exhibition on a Subscription Video-On-Demand Consumer Pay New Media Platform)

"An "Animated Derivative New Media Production" ("ADNMP") is an animated production for New Media based on an existing animated television motion picture that was produced for "traditional" media (other than one produced for basic cable) (the "Original Production"), to the extent that such production is covered under the terms of the Television Agreement. See Paragraph 15.A. of the 2023 Basic Cable Animation Agreement for provisions related to an animated production for New Media based on an existing animated motion picture produced for initial exhibition on a basic cable service.

"The following provisions apply to ADNMPs other than "high budget" dramatic ADNMPs made for a subscription video-on-demand consumer pay New Media platform described in Paragraph E. below.

"1. Compensation

"Except as provided in the following paragraphs, all terms and conditions of employment, including initial compensation and deferred compensation, if any, will be subject to negotiation between the Producer and the individual voice actor, except for those provisions of the Codified Basic Agreement and the TELEVISION AGREEMENT incorporated herein by reference below. The Union agrees that it will not interfere in any such negotiations between the voice actor and the Producer. All such terms shall be set forth in a stand-alone agreement or separately stated in the voice actor's contract for the Original Production.

"A voice actor employed on a dramatic Animated Derivative New Media Production, the principal recording of which commences on or after September 4, 2020, that is made for a subscription video-on-demand consumer pay New Media platform and is at least eleven (11) minutes in length and budgeted at \$25,000 per minute or more shall be paid in accordance with Articles I and II of the 2020 SAG-AFTRA Television Animation Agreement. The foregoing shall not apply to a voice actor employed on any of the following Animated Derivative New Media Productions:

- “(a) An Animated Derivative New Media Production, the principal recording of which commences before September 4, 2020;
- “(b) A new Animated Derivative New Media series, the principal recording of the first episode of which commences before September 4, 2020;
- “(c) An Animated Derivative New Media Production, the principal recording of any one-time program or of the first episode in the case of a series, commences on or after September 4, 2020 pursuant to a license agreement entered into prior to September 4, 2020.^{2, 3}

“A voice actor employed on a dramatic Animated Derivative New Media Production, the principal recording of which commences on or after [insert date that is the first Sunday after ninety (90) days following the business day on which the AMPTP receives notice of ratification], that is made for a free-to-the-consumer, advertiser-supported new media platform (“AVOD”), is at least eleven (11) minutes in length and is budgeted at \$25,000 per minute or more shall be paid in accordance with Articles I and II of the 2023 SAG-AFTRA Television Animation Agreement.”

* * *

² If the licensee orders additional programs or episodes of the series, the principal recording of which will commence on or after September 4, 2020, pursuant to a license agreement entered into prior to September 4, 2020, and the Producer 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 this subparagraph.

³ The Producer shall notify SAG-AFTRA of any such license agreement that it enters into prior to September 4, 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 recording, 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 SAG-AFTRA’s request, the Producer must make an unredacted license agreement available for inspection at the Producer’s office in Los Angeles subject to a confidentiality agreement equivalent to those governing new media license agreement inspections.

“D. Animated Original Programs Made for New Media (Other Than Animated "High Budget" Dramatic Productions Made for Initial Exhibition on a Subscription Video-On-Demand Consumer Pay Platform)

“1. Compensation

“Except as provided in the following paragraphs, all terms and conditions of employment, including initial compensation and deferred compensation, if any, for animated original programs made for New Media, other than animated "high budget" dramatic original programs made for a subscription video-on-demand consumer pay platform described in Paragraph E. below, will be subject to negotiation between the Producer and the individual voice actor, except for those provisions of the Codified Basic Agreement or TELEVISION AGREEMENT incorporated herein by reference below. The Union agrees that it will not interfere in any such negotiations between the voice actor and the Producer.

“A voice actor employed on a dramatic Animated Original New Media Production, the principal recording of which commences on or after September 4, 2020, that is made for a subscription video-on-demand consumer pay New Media platform and is at least eleven (11) minutes in length and budgeted at \$25,000 per minute or more shall be paid in accordance with Articles I and II of the 2020 SAG-AFTRA Television Animation Agreement. The foregoing shall not apply to a voice actor employed on any of the following Animated Original New Media Productions:

- “(a) An Animated Original New Media Production, the principal recording of which commences before September 4, 2020;
- “(b) A new Original Derivative New Media series, the principal recording of the first episode of which commences before September 4, 2020;
- “(c) An Animated Original New Media Production, the principal recording of any one-time program or of the first episode in the case of a series, commences on or after September 4, 2020 pursuant to a license agreement entered into prior to September 4, 2020.^{4, 5}

⁴ If the licensee orders additional programs or episodes of the series, the principal recording of which will commence on or after September 4, 2020, pursuant to a license agreement entered into prior to September 4, 2020, and the Producer 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 this subparagraph.

⁵ The Producer shall notify SAG-AFTRA of any such license agreement that it enters into prior to September 4, 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 recording, the

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“A voice actor employed on a dramatic Animated Original New Media Production, the principal recording of which commences on or after *[insert date that is the first Sunday after ninety (90) days following the business day on which the AMPTP receives notice of ratification]*, that is made for a free-to-the-consumer, advertiser-supported new media platform (“AVOD”), is at least eleven (11) minutes in length and is budgeted at \$25,000 per minute or more shall be paid in accordance with Articles I and II of the 2023 SAG-AFTRA Television Animation Agreement.”

* * *

“E. “High Budget” Derivative and Original Animated Dramatic New Media Productions Made for Initial Exhibition on a Subscription Video-On-Demand Consumer Pay Platform

“1. Prospective Application

- “a. ~~A~~ season of an Animated High Budget SVOD series that continues in production on or after July 1, ~~2020~~ 2023 and was grandfathered, and remains grandfathered, pursuant to Paragraph E.1. of the 2014 Sideletter re Programs Made for New Media (*i.e.*, it is subject to the 2011 Sideletter re Programs Made for New Media, as applicable), the first episode of which commences principal recording prior to *[the first Sunday following the business day on which the AMPTP receives notice of ratification]*, shall continue to be grandfathered if it continues to meet the test in Paragraph E.1. of that Sideletter and shall not be subject to the ~~2020~~2023 Sideletter re Programs Made for New Media-, except Paragraph E.5.1. below applies.
- “b. ~~A~~ season of an Animated High Budget SVOD series that continues in production on or after July 1, ~~2020~~ 2023 and was grandfathered, and remains grandfathered, pursuant to Paragraph E.1. of the 2018 Sideletter re Programs Made for New Media (*i.e.*, it is subject to the 2014 Sideletter re Programs Made for New Media, as applicable), the first episode of which commences principal recording prior to *[the first Sunday following the business day on which the AMPTP receives notice of ratification]*, shall continue to be grandfathered if it continues to meet the test in

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 SAG-AFTRA’s request, the Producer must make an unredacted license agreement available for inspection at the Producer's office in Los Angeles subject to a confidentiality agreement equivalent to those governing new media license agreement inspections.

Paragraph E.1. of that Sideletter and shall not be subject to the ~~2020~~2023 Sideletter re Programs Made for New Media, except:

- “(i) Paragraph E.5.1. below applies:
- “(ii) Footnote 4 of the ~~2020~~2023 Sideletter (quoted below in footnote 6) concerning program length applies;⁶
- “(iii) Minimum initial compensation as provided in the ~~2020~~2023 SAG-AFTRA Television Animation Agreement shall apply to any animated program or episode of an animated series, which program or episode commences principal recording on or after July 1, ~~2020~~2023 and would otherwise meet the definition of an "Animated High Budget SVOD Program" under the 2014 SAG-AFTRA Television Animation Agreement had it not been grandfathered as provided above;
- “(iiiiv) The "total actual compensation" for purposes of calculating the fixed residual payment for an "Animated High Budget SVOD Program" as provided in the 2014 SAG-AFTRA Television Animation Agreement shall not exceed the applicable ceiling set forth in Section 18(b)(1)b) of the 2014 SAG-AFTRA TELEVISION AGREEMENT as of June 30, 2017 in the case of an Animated High Budget SVOD Program intended for initial exhibition on a subscription video-on-demand consumer pay new media platform with 15 million or more subscribers in the United States and Canada, or sixty-five percent (65%) of the applicable ceiling set forth in Section 18(b)(1)b) of the 2014 SAG-AFTRA TELEVISION AGREEMENT as of June 30, 2017 in the case of an Animated High Budget SVOD Program intended for initial exhibition on a subscription video-on-demand consumer pay new media platform with fewer than 15 million subscribers in the United States and Canada.

⁶ For purposes of determining the applicable compensation and other terms and conditions under Paragraph E. of this Sideletter, the parties agree that an episode of an Animated 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 an Animated 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 Animated High Budget SVOD Programs produced under the Sideletter re "Programs Made for New Media" as provided in Article XXII.B. of the 2014 SAG-AFTRA Television Animation Agreement.

“Grandfathering,” as set forth in subparagraphs a. and b. above, is eliminated for any new season of an Animated High Budget SVOD series for which principal recording of the first episode of the season commences on or after [the first Sunday following the business day on which the AMPTP receives notice of ratification]. All episodes of that season and any subsequent seasons of the series shall be subject to the terms and conditions (including residuals) applicable during the contract year in which the episode is produced.

“e. — Subject to the next paragraph, any Animated High Budget SVOD Program (including an episode of an Animated High Budget SVOD series) which commences principal recording prior to July 1, 2020 and any episodes of a High Budget SVOD series (other than those referred to in the preceding paragraphs) which commence principal recording on or after July 1, 2020 pursuant to a license agreement entered into prior to July 1, 2020^{7, 8} shall be subject to grandfathering (i.e., the 2018 Sideletter re Programs Made for New Media shall apply instead of the 2020 Sideletter re Programs Made for New Media), except that negotiated increases in the minimum salary rates and fringe rates shall apply.

“Eliminate grandfathering for any new production period of an Animated High Budget SVOD series for which principal recording of the first episode of the production period commences on or after July 1, 2021. All episodes of that production period and any subsequent production period of the series shall be subject to the terms and conditions (including

⁷ If the licensee orders additional High Budget SVOD Programs or episodes of a High Budget SVOD series, the principal recording of which will commence on or after July 1, 2020, pursuant to a license agreement entered into prior to July 1, 2020, and the Producer 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 re Programs Made for New Media.

⁸ The Producer shall notify SAG-AFTRA of any such license agreement that it enters into prior to July 1, 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 recording, 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 SAG-AFTRA's request, the Producer must make an unredacted license agreement available for inspection at the Producer's office in Los Angeles subject to a confidentiality agreement equivalent to those governing new media license agreement inspections.

~~residuals) applicable during the contract year in which the episode is produced.~~

“2. "Animated High Budget SVOD Programs" Defined

“The terms and conditions set forth in Paragraph E. of this ~~2020~~2023 Sideletter re Programs Made for New Media shall be applicable only to animated original and derivative 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 "**Animated High Budget SVOD Programs**") and are not grandfathered as provided in Paragraph E.1. above:

Length of Program as Initially Exhibited*	“High Budget” Threshold
20-35 minutes	\$500,000 and above (See below for certain programs or series budgeted at less than \$550,000 as of June 30, 2020)
36-65 minutes	\$1,700,000 and above (\$1,750,000 and above effective July 1, 2022) (See below for certain programs or series budgeted at less than \$2,500,000 as of June 30, 2020)
66 minutes or more	\$3,000,000 and above
* Programs less than twenty (20) minutes are not considered "high budget" for the purpose of this Sideletter, regardless of their budgets. It is understood that two (2) animated segments, each of which is ten (10) minutes or longer and which are initially exhibited as a unit of no more than thirty-five (35) minutes, qualify as a twenty (20) to thirty-five (35) minute program, provided that the combined budget of the segments meets the "high budget" threshold.	

“Any ~~program or season of a~~ series budgeted at less than \$550,000 for a 20-35 minute program or less than \$2,500,000 for a 36-65 minute program as of June 30, 2020 that would otherwise qualify as an “Animated High Budget SVOD Program” under the 2020 Sideletter, the first episode of which commences principal recording prior to [the first Sunday following the business day on which the AMPTP receives notice of ratification], shall be subject to Paragraph B. if an “Animated Derivative New Media Production” (other than an “Animated High Budget SVOD Program”) or to Paragraph D. if an “Animated Original New Media Production” (other than an “Animated High Budget SVOD Program”) of the 2020 Sideletter re Programs Made for New Media, if:

- “(1) principal recording of the program, or the first episode in the case of a series, commences prior to July 1, 2020; or
- “(2) principal recording of the program, or the first episode in the case of a series, commences on or after July 1, 2020 pursuant to a license agreement entered into prior to July 1, 2020.”^{97, 108}

“Any new season of such series for which principal recording of the first episode of the season commences on or after [the first Sunday following the business day on which the AMPTP receives notice of ratification] shall be subject to the terms and conditions (including residuals) applicable under this Paragraph E. during the contract year in which the episode is produced.

* * *

“4. Other Terms and Conditions

“Except as otherwise provided herein, the terms and conditions applicable to Animated High Budget SVOD Programs shall be those applicable under the ~~2020~~2023 SAG-AFTRA Television Animation Agreement, subject to the following clarifications and modifications:

* * *

- “(c) Section 18(d) of the ~~2017~~2023 SAG-AFTRA TELEVISION AGREEMENT shall apply in lieu of Article X.B. of the ~~2018~~2023 SAG-AFTRA Television Animation Agreement. It is understood that the advance payment of residuals provision in Section 18(d) of the ~~2017~~2023 SAG-AFTRA TELEVISION AGREEMENT allows the crediting of all residuals payable for the reuse of an Animated High Budget SVOD

⁷ If the licensee orders additional programs or episodes of the series, the principal recording of which will commence on or after July 1, 2020, pursuant to a license agreement entered into prior to July 1, 2020, and the Producer 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 re Programs Made for New Media.

⁸ The Producer shall notify SAG-AFTRA of any such license agreement that it enters into prior to July 1, 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 recording, 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 SAG-AFTRA’s request, the Producer must make an unredacted license agreement available for inspection at the Producer’s office in Los Angeles subject to a confidentiality agreement equivalent to those governing new media license agreement inspections.

Program (other than residuals under Section 18(b)(2)g) concerning broadcast syndication sales of an Animated High Budget SVOD Program under a license agreement entered into on or after July 1, 2020 for a voice actor whose contract is entered into on or after July 1, 2020), regardless of whether the residuals are a fixed or percentage payment.

“(d) For an Animated High Budget SVOD Program intended for initial exhibition on a subscription video-on-demand consumer pay platform with fewer than 20 million subscribers, or an Animated High Budget SVOD Program intended for initial exhibition on a subscription video-on-demand consumer pay platform with 20 million or more subscribers that is budgeted at \$550,000 or more but less than \$2,100,000 for a program between 20 and 35 minutes in length, \$2,500,000 or more but less than \$3,800,000 for a program between 36 and 65 minutes in length, \$3,000,000 or more but less than \$4,000,000 for a program between 66 and 95 minutes in length and \$3,000,000 or more but less than \$4,500,000 (plus \$2,250,000 for each additional 35 minutes or portion thereof) for a program 96 minutes or more in length, the following additional modifications shall apply:

“(i) The provisions of this subparagraph E.4.(d)(i) only apply to contracts entered into prior to [the first Sunday following the business day on which the AMPTP receives notice of ratification], and do not apply to contracts entered into on or after that date. Producer may credit amounts in excess of 65% of the minimum, but not to exceed the minimum, against any other compensation otherwise due to a series or term contract performer (e.g., overtime, penalties, and residuals, regardless of whether the threshold for advance payment of residuals has been met). Such crediting shall not apply to voice actors other than series or term contract performers. (Note that this crediting is in addition to the rights of crediting of residuals provided in Paragraph E.4.(c) of this Sideletter.)

* * *

“5. **Reuse**

“The provisions below apply to the reuse of Animated High Budget SVOD Programs.

“(a) (i) Initial compensation paid to voice actors employed on an Animated High Budget SVOD Program intended for initial exhibition on a subscription video-on-demand consumer pay platform constitutes payment for ninety (90) days of use worldwide on such platform (including any related or affiliated foreign subscription video-on-demand consumer pay platform),

commencing with the first day the Animated High Budget SVOD Program is available on such subscription video-on-demand consumer pay platform(s).

“(ii) Subsequent Use on the Domestic Subscription Consumer Pay Platform on Which the Animated High Budget SVOD Program Was Initially Exhibited

“For use on the subscription video-on-demand 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 Producer shall pay residuals calculated by multiplying the voice actor’s “total actual compensation” (as defined in Article X.A. of the ~~2018~~2023 SAG-AFTRA Television Animation Agreement), but not to exceed the applicable ceiling set forth in the chart below, by the applicable percentage for the period of use set forth in subparagraph (A) below and by the subscriber factor set forth in subparagraph (B) below.

<u>Applicable Ceiling</u>			
<u>Length</u>	<u>Effective July 1, 2020</u>	<u>Effective July 1, 20212023</u>	<u>Effective for Animated High Budget SVOD Programs That Commence Principal Recording on or after [the first Sunday following the business day on which the AMPTP receives notice of ratification]</u>
20-35 minutes	\$2,910	\$3,128	<u>\$3,206</u>
36-65 minutes	\$4,140	\$4,451	<u>\$4,562</u>
66-95 minutes	\$4,263	\$4,583	<u>\$4,698</u>
96 minutes or more	\$4,456	\$4,790	<u>\$4,910</u>

“(A) Percentage of "Total Actual Compensation" (Subject to Applicable Ceiling) Payable for Residuals.

“(1) For an Animated High Budget SVOD Program that commences principal recording prior to [the first Sunday following the business day on which the AMPTP receives notice of ratification]:

<u>Exhibition Year*</u>	<u>Percentage of "Total Actual Compensation" (Subject to Applicable Ceiling)</u>
Year 1*	45.0%
Year 2	40.0%
Year 3	35.0%
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%

- “2) For an Animated High Budget SVOD Program that commences principal recording on or after [the first Sunday following the business day on which the AMPTP receives notice of ratification]:

<u>Exhibition Year*</u>	<u>Percentage of "Total Actual Compensation" (Subject to Applicable Ceiling)</u>
<u>Year 1*</u>	<u>45.0%</u>
<u>Year 2</u>	<u>40.0%</u>
<u>Year 3</u>	<u>35.0%</u>
<u>Year 4</u>	<u>25.0%</u>
<u>Year 5</u>	<u>20.0%</u>
<u>Year 6</u>	<u>15.0%</u>
<u>Year 7</u>	<u>10.0%</u>
<u>Year 8</u>	<u>10.0%</u>
<u>Year 9</u>	<u>10.0%</u>
<u>Year 10</u>	<u>5.0%</u>
<u>Year 11</u>	<u>5.0%</u>
<u>Year 12</u>	<u>5.0%</u>
<u>Each Year Thereafter</u>	<u>1.5%</u>

“*Exhibition Year 1 shall commence on the first day that the Animated High Budget SVOD Program is made available for exhibition on the subscription video-on-demand consumer pay platform following ninety (90) days after the initial exhibition date. Each Exhibition Year thereafter shall commence with the first day that the Animated High Budget SVOD Program is made available for exhibition on the subscription video-on-demand consumer pay platform following the conclusion of the prior one-year use period.

“(B) Subscriber Factor.

“(1) For an Animated High Budget SVOD Program that commences principal recording prior to July 1, 2024:

<u>Subscriber Tier</u>	<u>Domestic Subscribers</u>	<u>Subscriber Factor</u>
1	Under 1 million	20%*
2	1 million to 5 million	40%
3	Over 5 million but fewer than 20 million	65%
4	20 million to 45 million	100%
5	Over 45 million	150%

"*No residual shall be owed for the first year of exhibition of an Animated High Budget SVOD Program or series produced for initial exhibition on a subscription consumer pay platform with fewer than 1,000,000 domestic subscribers.

“(2) For an Animated High Budget SVOD Program that commences principal recording on or after July 1, 2024:

<u>Subscriber Tier</u>	<u>Domestic Subscribers</u>	<u>Subscriber Factor</u>
<u>3</u>	<u>Fewer than 20 million</u>	<u>65%</u>
<u>4</u>	<u>20 million to 45 million</u>	<u>100%</u>
<u>5</u>	<u>Over 45 million</u>	<u>150%</u>

“(C) Payment

“Payment for each Exhibition Year shall be due sixty (60) days after the end of the calendar quarter in which the Animated High Budget SVOD Program was first made available in that Exhibition Year.

“(iii) Use on a Foreign Subscription Video-on-Demand Consumer Pay Platform Related to or Affiliated with the Domestic Subscription Video-on-Demand Consumer Pay Platform^{10, 11}

“(A) Foreign Subscription Video-on-Demand Consumer Pay Platforms Related to or Affiliated with a Domestic Subscription Video-on-Demand Consumer Pay Platform with Over 45 Million Subscribers.

“1) When Producer licenses the right to exhibit an Animated High Budget SVOD Program to a domestic subscription video-on-demand consumer pay platform with over 45 million subscribers and also licenses SVOD rights for use on its related or affiliated foreign subscription video-on-demand consumer pay platform(s), Producer 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 video-on-demand consumer pay platform) ~~that is fifteen percent (15%) of the domestic residual set forth in subparagraph 5.(a)(ii) above~~ calculated by multiplying the voice actor’s “total actual compensation” (Article X.A. of the 2023 SAG-AFTRA Television Animation Agreement), but not to exceed the applicable ceiling set forth in subparagraph E.5.(a)(ii) above, by the applicable percentage for the period of use set forth in subparagraph E.5.(a)(ii)(A) above and by the foreign subscriber factor set forth below.

<u>Subscriber Tier</u>	<u>Foreign Subscribers</u>	<u>Subscriber Factor</u>
<u>1</u>	<u>Fewer than 20 million</u>	<u>20%</u>
<u>2</u>	<u>20 million to 45 million</u>	<u>26%</u>
<u>3</u>	<u>More than 45 million but fewer than 75 million</u>	<u>32%</u>
<u>4</u>	<u>75 million or more</u>	<u>39%</u>

¹⁰ Residuals shall also be payable under this provision when the Producer 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.

¹¹ It is understood that this provision also applies when a subscription consumer pay platform that holds foreign exhibition rights sublicenses those rights.

“The preceding formula does not apply to any Animated High Budget SVOD Program or episode or part of an Animated High Budget SVOD series that commences principal recording prior to [the first Sunday following the business day on which the AMPTP receives notice of ratification]; instead, the Producer 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 video-on-demand consumer pay platform) that is fifteen percent (15%) of the domestic residual set forth in subparagraph E.5.(a)(ii) above.

Payment of the additional fixed residual above shall cover worldwide use of the Animated High Budget SVOD Program on all foreign subscription video-on-demand consumer pay platforms for the applicable exhibition year.

“2) However, when Producer’s license includes the SVOD rights for use on the related or affiliated foreign subscription video-on-demand consumer pay platform(s) of such domestic subscription video-on-demand 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 5.(a)(iii)(B)2) below in lieu of the foreign fixed residual in subparagraph 5.(a)(iii)(A)1) above. In that case, the Producer 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 make a residual payment equal to 3.6% of such allocated amount, which amount shall include health contributions to the SAG-AFTRA Health Plan and either pension contributions to the SAG Pension Plan or retirement contributions to the AFTRA Retirement Fund, as applicable.^{12, 13} If the Union

¹² If the Producer 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 arms’ length transactions for comparable programs, or, if none, then the amounts received by the Producer

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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 Video-on-Demand Consumer Pay Platforms Related to or Affiliated with a Domestic Subscription Video-on-Demand Consumer Pay Platform with 45 Million or Fewer Subscribers.

“1) When a Producer licenses the right to exhibit an Animated High Budget SVOD Program to a domestic subscription video-on-demand 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 Producer 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 video-on-demand consumer pay platform) according to the formula set forth in subparagraph 5.(a)(iii)(A)1) above.

“2) When a Producer licenses the right to exhibit an Animated High Budget SVOD Program to a domestic subscription video-on-demand consumer pay platform with 45 million or fewer subscribers and also licenses foreign SVOD rights other than "worldwide" to its related or affiliated foreign subscription video-on-demand consumer pay platform(s), the Producer shall make a residual payment equal to 3.6% of "Distributor's gross" as defined in Paragraph 4 of the "Sideletter re Exhibition of Motion Pictures Transmitted Via New Media." Such payment shall

from unrelated and unaffiliated exhibitors in arms' length transactions, or, if none, a comparable exhibitor's payments to comparable unrelated and unaffiliated entities in arms' length transactions for comparable programs.

¹³ At the Union's request, the Producer must make an unredacted license agreement available for inspection at the Producer's office subject to a confidentiality agreement equivalent to those governing new media license agreement inspections as described in the "Sideletter re Exhibition of Motion Pictures Transmitted Via New Media" in the TELEVISION AGREEMENT.

include health contributions to the SAG-AFTRA Health Plan and either pension contributions to the SAG Pension Plan or retirement contributions to the AFTRA Retirement Fund, as applicable. For purposes of this provision, when the license includes both the right to exhibit a High Budget SVOD Program on a domestic subscription video-on-demand consumer pay platform and on its related or affiliated foreign subscription video-on-demand consumer pay platform(s), the Producer shall allocate a fair and reasonable portion of the license fee to the foreign territories for which related or affiliated foreign subscription video-on-demand consumer pay platform(s) have exhibition rights, and then make the residual payment provided herein of such allocated amount.^{14, 15} If the Union 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.

* * *

“5.1 Success Bonus

“The following is effective for a season of an Animated High Budget SVOD series, an Animated High Budget SVOD multi-part, closed-end picture or a one-time Animated High Budget SVOD Program that is initially exhibited on an SVOD Service on or after January 1, 2024. Subparagraph 5.1 to Paragraph E of Sideletter H to the 2020 SAG-AFTRA TELEVISION AGREEMENT shall apply, except that references to “High Budget SVOD Programs” shall be replaced with references to “Animated High Budget SVOD Programs.”

¹⁴ If the Producer 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 arms’ length transactions for comparable programs, or, if none, then the amounts received by the Producer from unrelated and unaffiliated exhibitors in arms’ length transactions, or, if none, a comparable exhibitor’s payments to comparable unrelated and unaffiliated entities in arms’ length transactions for comparable programs.

¹⁵ At the Union’s request, the Producer must make an unredacted license agreement available for inspection at the Producer’s office subject to a confidentiality agreement equivalent to those governing new media license agreement inspections as described in the "Sideletter re Exhibition of Motion Pictures Transmitted Via New Media" in the TELEVISION AGREEMENT.

* * *

“7. Subscriber Count for Animated High Budget SVOD Programs

- “(a) The ~~number of~~ domestic (and foreign, if applicable) subscribers tier shall be determined as of July 1st of each year of the Agreement and shall apply for all purposes under Paragraph E. of this Sideletter to an Animated High Budget SVOD Program or episode of an Animated High Budget SVOD series, the principal recording of which commences on or after July 1st of the measuring year but not later than June 30th of the following year. The ~~number of~~ domestic (and foreign, if applicable) subscribers tier so determined shall apply to the Program or the episode of the Animated High Budget SVOD series in perpetuity.
- “(b) The parties shall agree upon a methodology to determine the ~~number of~~ domestic (and foreign, if applicable) subscribers tier when the ~~whose~~ subscription includes a video-on-demand platform for which an Animated High Budget SVOD Program is made and other services, such as gaming, music or free shipping.
- “(c) In addition to any other exclusion agreed to by the parties, the domestic (and foreign, if applicable) subscriber ~~count tier~~ for any subscription consumer pay platform shall exclude subscribers during any “free trial period” of no more than thirty (30) days.
- “(d) The following shall apply to a new subscription consumer pay platform that launches on or after July 1, ~~2020~~2023:
- “(i) Such platform is encouraged to enter into good faith discussions with the Union prior to launch to reach agreement on the ~~number of~~ domestic (and foreign, if applicable) subscribers tier to be attributed to that platform for purposes of applying the provisions of this Sideletter pertaining to Animated High Budget SVOD Programs.
- “(ii) The ~~number of~~ domestic (and foreign, if applicable) subscribers tier applicable 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 (and foreign, if applicable) subscribers tier shall be determined as of July 1st of each year of the Agreement as provided in subparagraph 7.(a) above.

“(iii) Absent any agreement to the contrary between the new subscription consumer pay platform and the Union:

“(A) Initial compensation and other terms and conditions for a High Budget SVOD Program that commences principal recording prior to the ninetieth (90th) day after the launch of a new subscription consumer pay platform shall be those that are applicable to an Animated High Budget SVOD Program made for a subscription consumer pay platform with fewer than 20 million domestic subscribers.

“(B) Residuals for High Budget SVOD Programs that commence principal recording prior to the ninetieth (90th) day after launch shall be calculated according to the number of domestic (and foreign, if applicable) subscribers tier applicable to the subscription consumer pay platform as of ninety (90) days after launch.

~~“The special crediting provisions applicable to a High Budget SVOD Program made for a subscription consumer pay platform with fewer than 20 million domestic subscribers as provided in Paragraph E.4.(c)(i) shall continue to apply to the Program even if the platform has 20 million or more domestic subscribers on the 90th day after launch, but shall not be applicable towards the payment of residuals.”~~

* * *

“I. Agreements.

“On an semi-annual basis, within thirty (30) calendar ~~ten (10) business~~ days after a request by SAG-AFTRA to conduct an inspection as provided herein, the Producer shall provide for inspection by SAG-AFTRA's designated employee or auditor, at Producer's premises in Los Angeles, full access* to all unredacted license, distribution, and other agreements pertaining to exploitation of covered motion pictures on domestic and foreign New Media platforms that were entered into during the immediately preceding inspection period. Alternatively, the Producer may elect to provide the Union with such access remotely or over the internet, such as through a secured link or digital locker. In any subsequent ~~semi-annual~~ inspection, SAG-AFTRA's designated employee or auditor may re-inspect any agreements previously inspected and inspect any agreements not previously inspected.

“The provisions of this Paragraph I do not apply to agreements relating to a multichannel video programming distributor ("MVPD") or any similar service that currently exists or may hereafter be developed.

“* Full access includes access to all agreements, notwithstanding any confidentiality clause contained therein, and access to all sideletters, exhibits, addenda, and other ancillary documents.”

“J. Sunset Clause

“The parties recognize that this Sideletter is being negotiated at a time when the business models and patterns of usage of productions in New Media are in the process of exploration, experimentation and innovation. Therefore, except as provided in the next paragraph, all of the provisions of this Sideletter shall expire on the termination date of the ~~2020~~2023-SAG-AFTRA Television Animation Agreement and will be of no force and effect thereafter. No later than sixty (60) days before that expiration date, the parties will meet to negotiate new terms and conditions for reuse of Made for New Media Productions to be in effect thereafter.

“The terms and conditions herein applicable to Animated High Budget SVOD Programs shall apply and remain in full force and effect, and without change, to Animated High Budget SVOD Programs produced by the Producer hereunder, regardless of the terms or provisions of any agreement which is a modification, extension or renewal of, or substitution for, this sideletter.

“The parties further acknowledge that conditions in this area are changing rapidly and that the negotiation for the successor agreements will be based on the conditions that exist and reasonably can be forecast at that time.

* * *

Make conforming changes to the Animation Agreements as necessary.

Modify the Sideletter re “Bundled” Subscription Consumer Pay Platforms as follows:

“Dear Carol:

“During the ~~2020~~ 2023 negotiations, the parties discussed the difficulty of determining the ~~number of domestic~~ (and/or foreign, if applicable) subscribers tier when a subscriber’s 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 2020 SAG-AFTRA Television Animation Agreement.~~

“Should an issue arise during the term of the ~~2020-2023~~ SAG-AFTRA Animation Agreement as to the ~~number of domestic~~ (and/or foreign, if applicable) subscribers tier 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~~ (and/or foreign, if applicable) subscribers tier to

be attributed to that platform for purposes of applying the provisions of the Sideletter Re Programs Made for New Media to the ~~2020~~2023 SAG-AFTRA Television Animation Agreement 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 (and/or foreign, if applicable) subscribers tier 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 (and/or foreign, if applicable) 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 the ~~2020~~2023 SAG-AFTRA Television Animation Agreement. If the parties cannot agree upon the list of potential arbitrators, the arbitrator shall be selected utilizing the procedure in Section 9.F.(3) of the General Provisions of the SAG-AFTRA Codified Basic Agreement and using the Los Angeles list of arbitrators.”

EXHIBIT B

**2023 PRODUCER--SAG-AFTRA TELEVISION ANIMATION AGREEMENT
AUTHORIZATION LIST**

20th Century Studios, Inc.

ABC Signature, LLC
Adelaide Productions, Inc.
Alameda Productions, LLC
Alive and Kicking, Inc.
Alternate Theory Productions LLC
Apple Studios LLC

Battle Anybody Productions LLC
Belmont Family Productions, Inc.
Bento Box Animation, LLC
Box Office Animation, Inc.

Cartoon Network Studios, Inc.
Chuck Productions, Inc.

DAE Light Media, LLC
Disney Television Animation
DreamWorks Animation L.L.C.
DreamWorks Animation Television LLC
DW Dramatic Television L.L.C.
DW SKG TV L.L.C.
DW Studios Productions L.L.C.

Eye Animation Productions Inc.

Factual Productions, Inc.
Film 49 Productions, Inc.
Final Space, LLC
Fox Animation, LLC

Good Dreams, LLC
Got Talent, LLC

Hostage Productions, Inc.
Human Discoveries, LLC

InClined Productions, Inc.
In Development, LLC

Kapital Productions, LLC
Katy Mac Session Productions
Kerner Films, LLC

Late Night Cartoons, Inc.
LD Productions, LLC
Legendary Features Productions US, LLC
Legendary Pictures Productions, LLC
Legendary Television Animation, LLC
Legendary Television Animation 2, LLC
Log Jam Productions LLC

Maglev Train Productions LLC
Marvel Animation Studio LLC
Mere Mortals Productions, Inc.
Metro-Goldwyn-Mayer Animation Inc.
Minim Productions, Inc.
Muddy Water Entertainment, Inc.

NF Voices, LLC
Next Step Productions LLC
Non-Cal Animation, Inc.
Northwest Shadow, LLC

Odd Planet, LLC
Olive Productions, LLC
On Your Mark Productions LLC
Ordinary Angels, LLC
Over the Pond Productions, Inc.

Paramount Overseas Productions, Inc.
Paramount Pictures Corporation
Partricks Road Productions II, Inc.
Pet II Productions, Inc.
Pitch Black Development, LLC
Pixar Talking Pictures

Retro, Inc.
Robin Red Breast, Inc.
Ruff Draft Productions, LLC
Rutherford Bench Productions, Inc.

Shadow Animation, LLC
Shadow Stories Northwest, LLC
Shawndan Animation, Inc.
Something Amazing Productions, LLC
Sony Pictures Animation, Inc.
South Circle Productions LLC
South Rock Productions LLC
Speyside Productions LLC

Stillwater Productions LLC

Talent Court Productions, Inc.
Tomorrow Friends LLC

Turner Films, Inc.
Twentieth Century Fox Film Corporation

Universal Animation Studios LLC

WAG Pictures Inc.
Walt Disney Pictures
Warner Bros. Animation Inc.
Warner Specialty Productions Inc.
Warner Specialty Video Productions Inc.
wiip Productions, LLC
Williams Street Productions, LLC