

August 2, 2024

MEMORANDUM OF AGREEMENT OF AUGUST 1, 2024
BETWEEN ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS
AND PLUMBERS AND PIPE FITTERS, LOCAL 78

This Memorandum of Agreement is entered into as of August 1, 2024 between the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, Local 78 (hereinafter “the Union”), on the one hand, and the Alliance of Motion Picture and Television Producers (hereinafter “AMPTP”), on behalf of those Producers listed on Attachment 1 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. As soon as practicable, this Memorandum of Agreement will be reduced to formal contract language with conforming changes to be made as applicable. This Memorandum of Agreement is not contract language, except where the context clearly indicates otherwise.

This Memorandum of Agreement is subject to ratification by the membership of Local 78.

EFFECT OF CHANGES

All of the provisions of the current collective bargaining agreement between these parties shall remain the same unless otherwise specifically changed as noted herein.

The appropriate provisions herein shall be incorporated in the 2021 Producer – United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, Local 78 Agreement (hereinafter “the 2021 Agreement”) to create the 2024 Producer – United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, Local 78 Agreement (hereinafter “the 2024 Agreement”).

The provisions herein shall be effective on the first Sunday following notice of ratification, unless a contrary date is specified, in which case such provision shall be effective as of the date so specified.

In consideration of the mutual agreements herein contained, the parties hereto agree as follows:

1. **Term**

The term of the 2024 Agreement shall be for three (3) years, commencing on August 1, 2024 and terminating on July 31, 2027.

2. **Wages**

Except as otherwise provided herein (including in Item 18.a. below), increase the minimum contract wage rates in the 2021 Agreement by seven percent (7%) effective *[insert date that is August 4, 2024, or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later]*; by an additional four percent (4%) effective *[insert date that is August 3, 2025 or the first Sunday that is one year following the business day that the AMPTP receives notification of ratification, whichever is later]*; and by an additional three and one-half percent (3.5%) effective *[insert date that is August 2, 2026 or the first Sunday that is two years following the business day that the AMPTP receives notification of ratification, whichever is later]*. These increases shall be compounded.

3. **Benefits**

a. **Increase Hourly Contribution Rate(s) to the Health Plan**

- i. Increase all hourly contribution rates to the Active Employees Fund (see Article 11(b)(1), (2) and (3)) of the 2021 Agreement by one dollar and nine cents (\$1.09) per hour effective *[August 4, 2024 or the first Sunday following the business day that the AMPTP receives notification of ratification, whichever is later]*.
- ii. Increase the “Basic Rate” in Article 11(b)(1) of the 2021 Agreement for Producers which qualify as a “\$15 Million Contributor” and the rate for contributors covered under Article 11(b)(3) of the 2021 Agreement by an additional thirty cents (\$0.30) per hour for each hour worked by or guaranteed an employee effective *[August 4, 2024 or the first Sunday following the business day that the AMPTP receives notification of ratification, whichever is later]*, by an additional forty-five cents (\$0.45) per hour for each hour worked by or guaranteed an employee effective *[August 3, 2025 or the first Sunday that is one year following the business day that the AMPTP receives notification of ratification, whichever is later]* and by an additional forty-five cents (\$0.45) per hour for each hour worked by or guaranteed an employee effective *[August 2, 2026 or the first Sunday that is two years following the business day that the AMPTP receives notification of ratification, whichever is later]*.
- iii. In recognition of the disproportionate level of Post ‘60s and Supplemental Market contributions made to the Motion Picture Industry Pension and Health Plans by certain signatory Producers, the parties agree to increase the contribution rate in Article 13(a) of the 2021 Agreement for Producers

which do not qualify as a “\$15 Million Contributor” by fifty-six cents (\$0.56) per hour for each hour worked by or guaranteed an employee effective [August 4, 2024 or the first Sunday following the business day that the AMPTP receives notification of ratification, whichever is later], and to increase the “Premium Rate” in Article 11(b)(2) of the 2021 Agreement for Producers which do not qualify as a “\$15 Million Contributor” by an additional eighty-six cents (\$0.86) per hour for each hour worked by or guaranteed an employee effective [August 3, 2025 or the first Sunday that is one year following the business day that the AMPTP receives notification of ratification, whichever is later] and by an additional eighty-six cents (\$0.86) per hour for each hour worked by or guaranteed an employee effective [August 2, 2026 or the first Sunday that is two years following the business day that the AMPTP receives notification of ratification, whichever is later].

b. **High Budget SVOD Primary Market Contribution, Performance Metric Bonus Contribution and Secondary Market Contribution**

Add a new Article to the 2021 Agreement to provide as follows:

“[] Reuse of High Budget SVOD Programs

“For purposes of this Article [], ‘High Budget SVOD Programs’ are defined as 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:

<u>“Length of Program as Initially Exhibited*</u>	<u>‘High Budget’ Threshold</u>
“20-35 Minutes	\$1,300,000 and above
“36-65 Minutes	\$2,500,000 and above
“66 Minutes or more	\$3,000,000 and above

“* Programs less than 20 minutes are not considered “high budget” for the purpose of this Article, regardless of their budgets.

“Only those covered High Budget SVOD Programs, on which two (2) or more ‘employees employed by Producer under this Agreement,’ as that term is used in Article 15(a) and in Article 21(a)(2) of this Agreement, are so employed shall generate residual payments and then only in accordance with the following. It is understood that any such High Budget SVOD Program, High Budget SVOD

mini-series or season of a High Budget SVOD series which commences principal photography during the term of the 2024 Agreement shall be governed by the residual formulas set forth in subparagraph (a) below of the 2024 Agreement in perpetuity.

“(a) High Budget SVOD Programs Subject to a Primary Market Contribution

“(1) The provisions of this subparagraph (a) apply to the following live action High Budget SVOD Programs:

“(i) any new season of a live action High Budget SVOD series for which principal photography of the first episode of the season commences on or after [August 4, 2024 or the first Sunday following the business day that the AMPTP receives notification of ratification, whichever is later];

“(ii) any live action High Budget SVOD mini-series for which principal photography of the first part of such mini-series commences on or after [August 4, 2024 or the first Sunday following the business day that the AMPTP receives notification of ratification, whichever is later]; and

“(iii) one-time live action High Budget SVOD programs which commence principal photography on or after [August 4, 2024 or the first Sunday following the business day that the AMPTP receives notification of ratification, whichever is later].

“(2) The Producer shall have the right to use a one-time live action High Budget SVOD Program, High Budget SVOD mini-series and season of a High Budget SVOD series on all subscription video-on-demand consumer pay platforms worldwide for a period commencing with the initial availability of the Program on any such platform and continuing for ninety (90) consecutive days thereafter in the case of a one-time Program (ninety (90) consecutive days after the initial exhibition of the last part of the mini-series in the case of a mini-series; and ninety (90) consecutive days after the initial exhibition of the last episode of the season in the case of a series) (‘Initial Exhibition Period’), without payment of residuals for such use.

“(3) In the event that the Producer makes available the one-time live action High Budget SVOD Program, High Budget SVOD mini-series or season of the High Budget SVOD series on any subscription video-on-demand consumer pay platform beyond the Initial Exhibition Period defined in subparagraph (a)(2) above, the Producer shall make a payment to the Motion

Picture Industry Health Plan (such payment hereinafter referred to as the ‘High Budget SVOD Primary Market Contribution’) for each Exhibition Year, as set forth below. Payment of the applicable High Budget SVOD Primary Market Contribution for each Exhibition Year shall cover a fifty-two (52) consecutive week period of use of the one-time High Budget SVOD Program, mini-series or season of the series on all subscription video-on-demand consumer pay platforms worldwide, commencing upon expiration of the Initial Exhibition Period or upon commencement of the subsequent Exhibition Year, as applicable.

“The applicable High Budget SVOD Primary Market Contribution shall be calculated by multiplying the total number of hours for which hourly contributions were due for employees employed under this Agreement on such one-time High Budget SVOD Program, High Budget SVOD mini-series or season of the High Budget SVOD series by the applicable Exhibition Year contribution rate set forth below:

<u>Exhibition Year</u>	<u>Contribution Rate</u>
Year 1	Two dollars (\$2.00) per hour
Year 2	One dollar and fifty cents (\$1.50) per hour
Year 3	Seventy-five cents (\$0.75) per hour
Year 4	Fifty cents (\$0.50) per hour
Year 5	Ten cents (\$0.10) per hour
Year 6	Five cents (\$0.05) per hour
Year 7	Five cents (\$0.05) per hour
Year 8	Five cents (\$0.05) per hour
Year 9	Three and one-half cents (\$0.035) per hour
Year 10	Three and one-half cents (\$0.035) per hour
Year 11	Three and one-half cents (\$0.035) per hour
Year 12	Three and one-half cents (\$0.035) per hour
Each Exhibition Year Thereafter	Two cents (\$0.02) per hour

“If fewer than all episodes of the season of the High Budget SVOD series are made available for exhibition during any Exhibition Year after the first, payment of the High Budget SVOD Primary Market Contribution shall be calculated based upon the total number of hours for which hourly contributions were due for employees employed under this Agreement on those episodes which are made available for exhibition.

“(4) Exhibition Year 1 as provided in subparagraph (a)(3) above shall commence on the first day that the one-time High Budget SVOD Program, the High Budget SVOD mini-series or the season of the High Budget SVOD

series, as applicable, is made available for exhibition on any subscription video-on-demand consumer pay platform after the conclusion of the Initial Exhibition Period defined in subparagraph (a)(2) above. Payment therefor shall be due within sixty (60) calendar days following the close of the calendar quarter in which Exhibition Year 1 commenced.

“Each Exhibition Year thereafter as provided in subparagraph (a)(3) above shall commence with the first day that the one-time High Budget SVOD Program, the High Budget SVOD mini-series or the season of the High Budget SVOD series, as applicable, is made available for exhibition on any subscription video-on-demand consumer pay platform following the expiration of the prior Exhibition Year. Payment therefor shall be due within sixty (60) calendar days following the close of the calendar quarter in which such Exhibition Year commenced.

“Payment of the foregoing amounts covers all uses of the one-time live action High Budget SVOD Program, live action High Budget SVOD mini-series or season of the live action High Budget SVOD series in all markets in perpetuity, except as otherwise provided in this Article [].

“(5) ‘Performance-Metric’ Bonus Contribution

“The following applies to a one-time live action High Budget SVOD Program, High Budget SVOD mini-series and season of a High Budget SVOD series that is eligible for a High Budget SVOD Primary Market Contribution pursuant to Article [], subparagraph (a) above.

“Producer shall make an additional contribution to the Motion Picture Industry Pension Plan for each one-time live action High Budget SVOD Program, High Budget SVOD mini-series or season of a High Budget SVOD series that has a ‘performance metric’ (see definition in subparagraph (i) below) of twenty percent (20%) or more on the SVOD service for which it was made (‘SVOD Service’).

“(i) Definition of ‘Performance Metric’^[1]

“The ‘performance metric’ is calculated by dividing the total number of ‘domestic views’ (see definition in subparagraph (ii) below) by the total number of domestic subscribers.^[1]

“Performance Metric = # Domestic Views
Domestic Subscribers

“(ii) Definition of ‘Domestic Views’

“The number of ‘domestic views’ of a live action High Budget SVOD mini-series or season of a live action High Budget SVOD series is calculated by dividing the total hours streamed domestically during the first ninety (90) days after each episode in the season of a live action High Budget SVOD series or each part of a live action High Budget SVOD mini-series is made available on the SVOD Service by the total runtime of all episodes in the season or all parts of a mini-series.

“For a one-time live action High Budget SVOD Program, the number of ‘domestic views’ is calculated by dividing the total hours streamed domestically on the SVOD Service during the first ninety (90) days after the one-time live action High Budget SVOD Program is made available on the SVOD Service by the total runtime of the one-time live action High Budget SVOD Program.

^[1] Producer may rely on the determination by the SVOD Service whether eligibility for the ‘performance metric’ has been met for any covered High Budget SVOD Program. Subparagraph (vi) is the sole mechanism for the Motion Picture Industry Pension Plan to verify information about the ‘performance-metric’ bonus or its calculation.

^[1] For purposes of determining the ‘performance metric’ bonus contribution, the SVOD Service shall determine the number of domestic subscribers as of July 1st of each year of the Agreement. The SVOD Service shall apply that number when the one-time live action High Budget SVOD Program, High Budget SVOD mini-series or season of a High Budget SVOD series is first made available on the SVOD Service on or after July 1st of the measuring year but not later than June 30th of the following year. Likewise, the SVOD Service shall make a separate determination of the number of domestic subscribers for each subsequent Exhibition Year as of July 1st of each year of the Agreement by applying that number on the first day that the one-time live action High Budget SVOD Program, High Budget SVOD mini-series or season of a High Budget SVOD series is made available in any second or subsequent Exhibition Year on or after July 1st of the measuring year but no later than June 30th of the following year. For example, if an SVOD Service has 25 million domestic subscribers as of July 1, 2023 and makes the first episode of the first season of a High Budget SVOD series available on March 1, 2024, the applicable number of domestic subscribers is 25 million for purposes of calculating the ‘performance metric’ bonus for that season of the series.

“(Both the hours streamed and the runtime are determined by rounding to the nearest one-tenth (1/10th) hour.)

“Views = Total Hours Streamed Domestically in 1st 90 Days
Total Runtime (in hours)

“(iii) Subsequent Year Eligibility

“Eligibility for the ‘performance-metric’ bonus contribution shall also be determined for each subsequent Exhibition Year as defined in Paragraph (a)(3) above. The formula for determining eligibility is the same as provided in paragraphs (i) and (ii) above, except that the total hours streamed are counted for the first ninety (90) days of the subsequent Exhibition Year.

“(iv) If the ‘performance metric’ is met, the Producer shall make an additional payment of one hundred percent (100%) of the High Budget SVOD Primary Market Contribution for the applicable Exhibition Year to the Motion Picture Industry Pension Plan.

“Payment of the ‘performance-metric’ bonus contribution shall be due sixty (60) days after the end of the calendar quarter in which the ninety (90) day measuring period for domestic views is complete.

“(v) Example: Program XYZ is a High Budget SVOD series with ten (10) episodes in its second season that are each 35 minutes in length. Principal photography for the second season commenced on or after [August 4, 2024 or the first Sunday following the business day that the AMPTP receives notification of ratification, whichever is later]. At all relevant times, the SVOD Service has fifty million (50,000,000) domestic subscribers. Collectively, all episodes of the second season of Program XYZ had seventy million (70,000,000) hours streamed domestically in the first ninety (90) days after the episodes were made available on the SVOD Service.

“To determine whether the second season of Program XYZ qualifies for a ‘performance-metric’ bonus contribution in its first Exhibition Year, the total number of domestic views is determined by dividing the total number of domestic hours streamed (seventy million (70,000,000) hours) of all episodes in the second season by the total runtime in hours (5.8 hours rounded as provided herein) of the second season. The ‘performance metric’ is then determined by dividing the total number of domestic views (70 million/5.8 hours) by the total number of domestic subscribers (50 million).

“Domestic Views = Total Domestic Hours Streamed = 70M
Total Runtime (in hours) 5.8

“Performance Metric = Domestic Views
Total Number of Domestic Subscribers

“= [70M hours ÷ 5.8 hours] ÷ 50M domestic subscribers

“= 0.241 (or 24.1%), which is greater than the twenty percent
(20%) threshold for payment and would, therefore, trigger payment
of the ‘performance-metric’ bonus contribution.

“Producer shall make an additional contribution in the amount of
100% of the High Budget SVOD Primary Market Contribution that
applies to Exhibition Year 1 of the second season of Program XYZ
to the Motion Picture Industry Pension Plan.

“(vi) Should the Motion Picture Industry Pension Plan
provide written notice to the SVOD Service and the Producer that it disputes
whether a covered High Budget SVOD Program qualifies for a ‘performance-
metric’ bonus contribution, the dispute shall be submitted promptly to a third
party jointly chosen by the SVOD Service and the Motion Picture Industry
Pension Plan for determination by audit (or other procedure determined by the
third party) (hereafter ‘audit’). The audit shall be for the sole purpose of verifying
to the Motion Picture Industry Pension Plan, the SVOD Service and the Producer
whether the one-time live action High Budget SVOD Program, High Budget
SVOD mini-series or season of a High Budget SVOD series is entitled to a
performance-metric bonus contribution (‘yes/no’). The third party must execute a
confidentiality agreement approved by the SVOD Service. The Motion Picture
Industry Pension Plan and the SVOD Service shall evenly split the costs and fees
associated with any such audit. The Motion Picture Industry Pension Plan and the
IATSE shall not be entitled to obtain information about the number of domestic
subscribers, the hours streamed domestically, the running time or the
‘performance metric’ of the High Budget SVOD Program.

“The Motion Picture Industry Pension Plan retains
any and all rights to pursue a claim should a Producer fail to pay the performance-
metric bonus contribution within sixty (60) days after the third party confirms that
such a bonus is due.

“(6) Reuse on Free-to-the-Consumer Advertiser-Supported New Media Platforms, Free Ad-Supported Streaming Television (FAST) Channels, Free Television or Basic Cable

“Producer shall have the right to use a High Budget SVOD Program on any free-to-the-consumer advertiser-supported new media platform, free ad-supported streaming television (FAST) channel, free television or basic cable without the payment of residuals for a ninety (90) consecutive day period, commencing with the first day of use of the High Budget SVOD Program on a free-to-the-consumer advertiser-supported new media platform, free ad-supported streaming television (FAST) channel, free television or basic cable.

“If the Producer uses the High Budget SVOD Program on a free-to-the-consumer advertiser-supported new media platform, free ad-supported streaming television (FAST) channel, free television or basic cable beyond such ninety (90) consecutive day period, then Producer shall pay to the Motion Picture Industry Health Plan 5.4% of the ‘Producer’s gross’ realized from any license which includes use on any such platform beyond the ninety (90) consecutive day period referred to above. Payment for such exhibition shall be due sixty (60) days after the end of the calendar quarter in which the ninety (90) consecutive day period ended.

“The term ‘Producer’s gross,’ for purposes of this subparagraph (6), shall be as defined in [insert reference to the provision in the 2024 IATSE Basic Agreement containing the terms and conditions of Paragraph 3.a. of the 2021 IATSE Basic Agreement’s ‘Sideletter re Exhibition of Motion Pictures Transmitted Via New Media,’] (subject to conforming changes as necessary).^[1] In addition, the parties agree that the residuals due under this subparagraph (6) shall be payable in the same manner and to the same extent as applicable to pay television and pay-per-view as provided in the following provisions of this Agreement (subject to conforming changes as necessary):

- Article 21(b)(3)(i), (iii), (iv), (v); and
- Article 21(b)(5)-(12).

^[1] For example, the phrase “‘Producer’s gross’ derived from new media exploitation” in the second paragraph of [insert reference to the provision in the 2024 IATSE Basic Agreement containing the terms and conditions of Paragraph 3.a. of the 2021 IATSE Basic Agreement’s ‘Sideletter re Exhibition of Motion Pictures Transmitted Via New Media,’] shall be changed to “‘Producer’s gross’ derived from the exploitation.”

“(7) Reuse on Pay Television and Cassettes

“The applicable provisions of Article 21 with respect to exhibition on ‘pay television,’ as that term is defined in Article 21(a)(3)(ii) of this Agreement, shall apply when a covered High Budget SVOD Program is exhibited on pay television. The applicable provisions of Article 21 with respect to exhibition on ‘cassettes,’ as that term is defined in Article 21(a)(3)(i), shall apply when a covered High Budget SVOD Program is exhibited on videocassettes or DVDs.

“(8) General

“It is understood that the tests for triggering Supplemental Markets payments set forth in Article 21 of this Agreement, including the understandings set forth in subparagraph (f), shall also apply to residual payments due under the terms of this subparagraph (a).

“(b) Reuse of Other High Budget SVOD Programs

“The provisions of this subparagraph (b) apply to High Budget SVOD Programs which do not meet the test set forth in subparagraph (a)(1) above:

“(1) Except as provided in subparagraph (b)(3) below, the Producer shall have the right to use a High Budget SVOD Program on any consumer pay platform (including any domestic or foreign subscription video-on-demand consumer pay platform that is related to or affiliated with the subscription video-on-demand consumer pay platform on which the High Budget SVOD Program was initially exhibited) without payment of residuals.

“(2) Except as provided in subparagraph (b)(3) below, Producer shall have the right to use a High Budget SVOD Program on any free-to-the-consumer, advertiser-supported platform without payment of residuals.

“(3) If a High Budget SVOD Program is initially exhibited simultaneously on a free-to-the-consumer, advertiser-supported platform and the subscription video-on-demand consumer pay platform (including any domestic or foreign subscription video-on-demand consumer pay platform that is related to or affiliated with the subscription video-on-demand consumer pay platform on which the High Budget SVOD Program was initially exhibited), then Producer shall have a twenty-six (26) consecutive week period of use on the subscription video-on-demand consumer pay platform (including any domestic or foreign

subscription video-on-demand consumer pay platform that is related to or affiliated with the subscription video-on-demand consumer pay platform on which the High Budget SVOD Program was initially exhibited), commencing with the first day of use on the subscription video-on-demand consumer pay platform, without the payment of residuals.

“If the Producer uses the High Budget SVOD Program on a consumer pay platform beyond such twenty-six (26) consecutive week period, then Producer shall pay to the Motion Picture Industry Pension and/or Health Plans 5.4% of the ‘Producer’s gross,’ as that term is defined in [insert reference to the provision in the 2024 IATSE Basic Agreement containing the terms and conditions of Paragraph 3 of the 2021 IATSE Basic Agreement’s ‘Sideletter re Exhibition of Motion Pictures Transmitted Via New Media,’] realized from any license which includes use on consumer pay platforms, which ‘gross’ is attributable to use on consumer pay platforms beyond the twenty-six (26) consecutive week period, measured from the first day of use on the subscription video-on-demand consumer pay platform under the first license.

“Notwithstanding the foregoing, Producer shall have the right to exhibit a High Budget SVOD Program (including any one-time program or the first three (3) episodes of a new series) simultaneously on a free-to-the-consumer, advertiser-supported platform and the subscription video-on-demand consumer pay platform (including any domestic or foreign subscription video-on-demand consumer pay platform that is related to or affiliated with the subscription video-on-demand consumer pay platform on which the High Budget SVOD Program was initially exhibited) for a period of seven (7) consecutive days for the purpose of promoting the High Budget SVOD Program, without triggering payment of residuals as provided in the preceding paragraph.

“(4) Reuse in Traditional Media

“The applicable provisions of Article 21 with respect to exhibition on ‘pay television,’ as that term is defined in Article 21(a)(3)(ii) of this Agreement, shall apply when a covered High Budget SVOD Program is exhibited on pay television. The applicable provisions of Article 21 with respect to exhibition on ‘cassettes,’ as that term is defined in Article 21(a)(3)(i), shall apply when a covered High Budget SVOD Program is exhibited on videocassettes or DVDs.

“(5) General

“It is understood that the tests for triggering Supplemental Markets payments set forth in Article 21 of this Agreement, including the

understandings set forth in subparagraph (f) of that Article, and the proration provisions in that Article, shall also apply to residual payments due under the terms of this subparagraph (b). Residual payments due under this subparagraph (b) shall be prorated in the same manner as are Supplemental Market monies under Article 21 of this Agreement.”

Make conforming changes as necessary, including to Paragraph 5 of the Sideletter re: New Media Productions in the Agreement.

c. **Dental Plan Maximum**

The bargaining parties agree to recommend that the Directors of the Motion Picture Health Plan increase the Dental Plan maximum benefit to \$2,500 per calendar year effective January 1, 2025.

d. **Pension Benefit Improvements**

i. **Recommendations to the Pension Plan Directors re: Plan Year 2023**

The bargaining parties agree to make the following recommendations to the Directors of the Pension Plan:

- (1) No participant shall incur a Break in Service for plan year 2023.
- (2) All participants with 65 or more Credited Hours in 2023 shall be credited with a pension Qualified Year for 2023.

ii. **Thirteenth and Fourteenth Checks to Retirees Who Retired on or Before August 1, 2009**

The bargaining parties agree to recommend to the Directors of the Pension Plan that the Pension Plan provide a thirteenth and fourteenth check on or about November 1st of each year of this Agreement to those retirees who retired on or before August 1, 2009 and who were employed under the Basic Crafts Agreements or who were not covered by any collective bargaining agreement during their employment (i.e., “non-affiliates”), provided that the Pension Plan's actuaries, in conjunction with the Health Plan's consultants, determine, taking into account the costs of such thirteenth and fourteenth checks, that: (i) at least eight (8) months of reserves exist in each of the Active Employees Fund and the Retired Employees Fund at that time; (ii) the Plan is certified to be in the Green Zone in the calendar year in which the check(s) are paid; (iii) the cost of

thirteenth and fourteenth checks, if any, granted during the term of the Agreement shall be amortized over the fifteen (15) year amortization period commencing January 1, 2017; and (iv) if there are insufficient funds in the Pension Plan after accounting for existing obligations to provide both a thirteenth and fourteenth check, then a thirteenth check will be provided.

The foregoing Pension Plan improvements shall not be applicable to any Plan participant who is covered by another collective bargaining agreement, unless such collective bargaining agreement contains this pension and health package on an equivalent economic basis.

iii. **One-Time Payment for Retirees Who Retire Prior to January 1, 2025**

The bargaining parties agree to recommend to the Directors of the Motion Picture Industry Pension Plan that the Pension Plan make a one-time payment equivalent to the value of one additional monthly check to those retirees who retired prior to January 1, 2025 and who were employed under the Basic Crafts Agreements or who were not covered by any collective bargaining agreement during their employment (i.e., “non-affiliates”).

iv. **Improvement of Contingent Pension Benefit Increase(s) for Actives**

Modify Article 12(f)(1) of the 2021 Agreement as follows:

“(f) (1) Contingent Pension Benefit Increase(s) Effective January 1, 20242027 and Every Three (3) Years Thereafter.¹ The bargaining parties agree to recommend to the Directors of the Pension Plan the following pension benefit increase(s):

“As soon as practicable following the end of the first quarter of 20242027 and every three years thereafter (‘the evaluation year’), the Health Plan’s consultants, in conjunction with the Pension Plan’s actuaries, shall determine whether each of the Active Health Fund and the Retired Employees Fund has at least eight (8) months of reserves as of January 1st of the evaluation year, and the Pension Plan’s actuaries shall determine whether to certify that the Pension Plan is in the Green

¹ This provision assumes that the term of the successor agreements to the 20212024 IATSE Basic Agreement is three (3) years. If the term of a successor agreement is for a period other than three (3) years, the evaluation year shall be the final year of the applicable IATSE Basic Agreement and the period of the pension benefit increase shall be equivalent to such term.

Zone in the evaluation year. The foregoing determinations shall be based upon the assumptions and methodologies, including but not limited to the funding priorities established for Supplemental Markets and Post '60s contributions, approved by the bargaining parties.

“In the event that the Health Plan’s consultants certify that each of the Active Health Fund and the Retired Employees Fund has at least eight (8) months of reserves on January 1st of the evaluation year, and the Pension Plan’s actuaries certify that the Pension Plan is in the Green Zone in the evaluation year, the pension benefit accrual rates shall be increased, effective January 1st of the evaluation year, by ~~ten percent (10%)~~fifteen percent (15%) retroactively for Credited Hours accumulated during the three (3) year period immediately following the most recent increase in the pension benefit accrual rate; **provided, however, that the foregoing retroactive increase shall not apply to pensions (including Frozen Benefits) that went into pay status prior to January 1, 2024.** For those individuals who had a Break in Service during the three (3) year period immediately preceding January 1st of the evaluation year, the increase shall apply only to Credited Hours accumulated after the date of the most recent Break in Service. (For example, an active participant in the Pension Plan on January 1, ~~2024~~2027 who failed to accumulate at least two hundred (200) Vested Hours in ~~2021~~2024 and ~~2022~~2025 is entitled to the ~~ten percent (10%)~~fifteen percent (15%) increase only for those Credited Hours accumulated on or after January 1, ~~2023~~2026.) Any retroactive payments required above shall be made without interest and as soon as practicable following the consultants’ certifications as provided above.”

* * *

- v. The foregoing Pension Plan improvements shall not be applicable to any Plan participant who is covered by another collective bargaining agreement, unless such collective bargaining agreement contains this pension and health package on an equivalent economic basis.
- vi. **Amortization Period Extension**

The bargaining parties agree to recommend to the Directors of the Motion Picture Industry Pension Plan that the Pension Plan change the amortization period for the Plan’s unfunded liability from seven (7) years to eight (8) years, effective January 1, 2025.

e. **Eliminate Reallocation of Post '60s and Supplemental Markets Monies from Pension and Health Plans to IAP and Producers**

Delete Article 12A.(c) of the 2021 Agreement. Make conforming changes as necessary, including by deleting Article 15.(b)(1)(vii) and 21.(b)(4)(v).

4. **Journeyman Plumber and Assistant Foreman Rates for Construction**

a. Amend the wage tables in Paragraphs 1 and 31 to add a new footnote 6 to the Journeyman Plumber classification as follows:

“6 Effective [insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later], when a Journeyman Plumber is assigned to construction which includes the installation of a new plumbing system (as distinguished from replacement or maintenance of an existing plumbing system), that employee shall be engaged under Occ. Code 6912 and paid at the rate of \$51.35 per hour (for employees outside the film laboratories) or \$50.23 (for employees of the film processing laboratories). Footnote 4 shall not apply to employees engaged under Occ. Code 6912.”

The foregoing rates shall be subject to any general wage increases agreed upon in the 2024 negotiations.

b. Amend the wage tables in Paragraphs 1 and 31 to add a new footnote 7 to the Assistant Foreman classification as follows:

“7 Effective [insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later], when an Assistant Foreman is assigned to construction which includes the installation of a new plumbing system (as distinguished from replacement or maintenance of an existing plumbing system), that employee shall be engaged under Occ. Code 6907 and paid at the rate of \$54.83 per hour (for employees outside the film laboratories) or \$53.64 (for employees of the film processing laboratories).”

The foregoing rates shall be subject to any general wage increases agreed upon in the 2024 negotiations.

Make conforming changes to the 2021 Agreement for a. and b. above as necessary.

5. **Hyphenates**

Modify Footnote 5 to Paragraph 1 of the 2021 Agreement as follows:

“When performing such work, the employee(s) will be paid the higher of the applicable wage rates, plus an additional \$2.00 per hour (**\$3.50 per hour effective [insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later]**”).”

Eliminate footnote 5 to Paragraph 31 of the 2021 Agreement.

6. **Pension and Health Contributions on Travel Only Days**

Modify Paragraph 39(a) of the 2021 Agreement as follows:

“(a) An employee (other than an ‘on call’ employee) who is transported by airplane, train, bus or other private or common carrier by the Producer to distant location on any day of the week (including holidays) and who is not required to work on such travel day shall receive an allowance of four (4) hours of pay at straight time or pay for time traveled, whichever is greater, but in no event more than eight (8) hours of pay at straight time. ‘On call’ employees who travel only to or from distant location shall be paid an allowance of one-sixth (1/6) of the scheduled minimum weekly ‘on call’ rate for any day so traveled. **Effective [insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later], Producer shall make pension and health contributions based on the employee’s actual travel time on such days, with a minimum of four (4) hours and a maximum of eight (8) hours.**”

7. **Overtime and Golden Hours**

a. *Modify Paragraph 11(a) of the 2021 Agreement as follows:*

“11. Golden Hour Provisions

“(a) (1) All time worked at a studio zone (or secondary studio zone) location or nearby location, including a combination of work in the same shift of work between a studio and any of such locations, in excess of fourteen (14) consecutive hours (including meal periods) from the time of reporting for work shall be Golden Hours and shall be paid for at the following rates:

“Occurring on Any Day Other Than a Holiday or the Sixth or Seventh Day Worked in an Employee's Studio Workweek: Two and one-half (2½) times (2.5x) the scheduled Regular Basic Hourly Rate for all hours worked in excess of fourteen (14) consecutive hours and, ~~effective March 6, 2022~~, three (3) times (3x) the scheduled Regular Basic Hourly Rate for all hours worked in excess of sixteen (16) consecutive hours (three (3) times (3x) the scheduled Regular Basic Hourly Rate for all hours worked in excess of fifteen (15) consecutive hours, effective for motion pictures, new mini-series and seasons of series commencing principal photography on or after [insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later]).

“Occurring on the Sixth Day Worked in an Employee's Studio Workweek: Three and three-fourths (3¾) times (3.75x) the scheduled Regular Basic Hourly Rate for all hours worked in excess of fourteen (14) consecutive hours and, ~~effective March 6, 2022~~, four and one-half (4.5) times (4.5x) the scheduled Regular Basic Hourly Rate for all hours worked in excess of sixteen (16) consecutive hours (four and one-half (4.5) times (4.5x) the scheduled Regular Basic Hourly Rate for all hours worked in excess of fifteen (15) consecutive hours, effective for motion pictures, new mini-series and seasons of series commencing principal photography on or after [insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later]).

“Occurring on the Seventh Day Worked in an Employee's Workweek or Holidays: Five (5) times (5x) the scheduled Regular Basic Hourly Rate for all hours worked in excess of fourteen (14) consecutive hours and, ~~effective March 6, 2022~~, six (6) times (6x) the scheduled Regular Basic Hourly Rate for all hours worked in excess of sixteen (16) consecutive hours (six (6) times (6x) the scheduled Regular Basic Hourly Rate for all hours worked in excess of fifteen (15) consecutive hours, effective for motion pictures, new mini-series and seasons of series commencing principal photography on or after [insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later]).

“(2) In a shift of work all of which occurs solely on the premises in a studio, all time worked by "on production" employees in excess of fourteen (14) hours (including meal period) and all time worked by "off production" employees in excess of twelve (12) consecutive hours (including meal period) from the time of reporting for work shall be Golden Hours and shall be paid at the following rates:

“Occurring on Any Day Other Than a Holiday or the Sixth or Seventh Day Worked in an Employee's Workweek: Two (2) times (2x) the scheduled Regular Basic Hourly Rate for all hours worked in excess of fourteen (14) consecutive hours (twelve (12) consecutive hours in the case of “off production” employees) and, ~~effective March 6, 2022~~, three (3) times (3x) the scheduled Regular Basic Hourly Rate for all hours worked in excess of sixteen (16) consecutive hours (three (3) times (3x) the scheduled Regular Basic Hourly Rate for all hours worked in excess of fifteen (15) consecutive hours, effective for motion pictures, new mini-series and seasons of series commencing principal photography on or after [insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later]).

“Occurring on the Sixth Day Worked in an Employee's Workweek: Three (3) times (3x) the scheduled Regular Basic Hourly Rate for all hours worked in excess of fourteen (14) consecutive hours (twelve (12) consecutive hours in the case of “off production” employees) and, ~~effective March 6, 2022~~, four and one-half (4.5) times (4.5x) the scheduled Regular Basic Hourly Rate for all hours worked in excess of sixteen (16) consecutive hours (four and one-half (4.5) times (4.5x) the scheduled Regular Basic Hourly Rate for all hours worked in excess of fifteen (15) consecutive hours, effective for motion pictures, new mini-series and seasons of series commencing principal photography on or after [insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later]).

“Occurring on the Seventh Day Worked in An Employee's Workweek or Holidays: Four (4) times (4x) the scheduled Regular Basic Hourly Rate for all hours worked in excess of fourteen (14) consecutive hours (twelve (12) consecutive hours in the case of “off production” employees) and, ~~effective March 6, 2022~~, six (6) times (6x) the scheduled Regular Basic Hourly Rate for all hours worked in excess of sixteen (16) consecutive hours (six (6) times (6x) the scheduled Regular Basic Hourly Rate for all hours worked in excess of fifteen (15) consecutive hours, effective for motion pictures, new mini-series and seasons of series commencing principal photography on or after [insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later]).”

* * *

b. *Modify Paragraph 44(b) of the 2021 Agreement as follows:*

“(b) The rate for Golden Hours, as defined in Paragraph 11(a)(1), for distant location employment shall be as follows:

“(1) For such employment occurring on any day other than a holiday or the seventh day worked in an employee's workweek, two and one-half (2½) times (2.5x) the employee's scheduled Regular Basic Hourly Rate for all hours worked in excess of fourteen (14) consecutive hours (including meal periods) from time of reporting for work and, ~~effective March 6, 2022~~, three (3) times (3x) the scheduled Regular Basic Hourly Rate for all hours worked in excess of sixteen (16) consecutive hours three (3) times (3x) the scheduled Regular Basic Hourly Rate for all hours worked in excess of fifteen (15) consecutive hours, effective for motion pictures, new mini-series and seasons of series commencing principal photography on or after [insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later]).

“(2) For such employment occurring on a holiday or the seventh day worked in the employee's workweek, five (5) times (5x) the employee's scheduled Regular Basic Hourly Rate for all hours worked in excess of fourteen (14) consecutive hours (including meal periods) from the time of reporting for work; and ~~effective March 6, 2022~~, six (6) times (6x) the scheduled Regular Basic Hourly Rate for all hours worked in excess of sixteen (16) consecutive hours six (6) times (6x) the scheduled Regular Basic Hourly Rate for all hours worked in excess of fifteen (15) consecutive hours, effective for motion pictures, new mini-series and seasons of series commencing principal photography on or after [insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later]).”

* * *

c. *Modify Paragraph 5.(ii) of Sideletter No. 6 re: “Special Conditions for Movies for Television and Long-Form Television Motion Pictures, Made for DVD Productions and Low Budget Theatrical Productions” of the 2021 Agreement as follows:*

* * *

“(ii) (a) Except as set forth in subparagraph (b) below, overtime Overtime will be paid at the rate of time and one-half (1.5x) after eight (8) hours

worked; double time (2x) to be paid after fourteen (14) elapsed hours double time and one-half (2.5x) after fourteen (14) elapsed hours, effective for motion pictures and new mini-series commencing principal photography on or after [insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later] and, effective March 6, 2022, triple time (3x) to be paid after sixteen (16) elapsed hours (triple time (3x) paid after fifteen (15) elapsed hours, effective for motion pictures and new mini-series commencing principal photography on or after [insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later]). Overtime pay for weekly employees shall be based on one-fortieth (1/40) of the weekly rate.”

“(b) On direct-to-video productions and “low budget” theatrical productions covered by this Sideletter as described in Paragraph 8 below, overtime will be paid at the rate of time and one-half (1.5x) after eight (8) hours worked, double time (2x) after fourteen (14) elapsed hours, and triple time (3x) after sixteen (16) elapsed hours. Overtime pay for weekly employees shall be based on one-fortieth (1/40) of the weekly rate.”

* * *

d. *Add a new Sideletter re: “Paragraph 43 (‘Sixth Day Worked on Distant Location’)” of the 2021 Agreement as follows:*

* * *

“Reference is made to Paragraph 43 of the 2024 Local 78 Agreement, which provides:

‘43. Sixth Day Worked on Distant Location

‘The sixth day worked in an employee’s workweek on distant location is a straight time day.’

“During the 2024 negotiations, the Union reported that some independent Producers are confused about the application of Paragraph 43 and, specifically, whether to treat the sixth day worked on distant location as a straight time day or a premium day.

“The following describes the application of Paragraph 43 to employees employed on an hourly basis. Hours worked on an employee’s sixth day of work in a

workweek will be paid at time and one-half (1.5x) the employee's Regular Basic Hourly Rate so long as the employee has already worked at least forty (40) hours in the workweek. Hours worked in excess of fourteen (14) consecutive hours on the sixth day of work are paid at two and one-half times (2.5x) the employee's Regular Basic Hourly Rate. Additionally, hours worked in excess of sixteen (16) consecutive hours on the sixth day of work (or in excess of fifteen (15) consecutive hours on the sixth day of work, effective for motion pictures, new mini-series and seasons of series commencing principal photography on or after [insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later]) are paid at three times (3x) the employee's Regular Basic Hourly Rate. These concepts are illustrated in the following example:

"An employee on distant location who works twelve (12) hours per day Monday through Friday and then works on Saturday will be paid time and one-half (1.5x) the scheduled Regular Basic Hourly Rate for all hours worked after forty (40) hours in the week, including for the first fourteen (14) consecutive hours on Saturday (i.e., the sixth day worked). After fourteen (14) consecutive hours on Saturday, the employee will be paid two and one-half times (2.5x) the scheduled Regular Basic Hourly Rate until the sixteenth consecutive hour (or until the fifteenth consecutive hour, as applicable). After sixteen (16) consecutive hours on Saturday (or after fifteen (15) consecutive hours on Saturday, as applicable), the employee will be paid three times (3x) the scheduled Regular Basic Hourly Rate for the remainder of the day."

* * *

8. Weekend Rest Period

Modify Paragraph 10.1(e) of the 2021 Agreement as follows:

"(e) For motion pictures, parts of a mini-series or episodes of a series which commence principal photography prior to [insert date that is the first Sunday that is 90 days after August 4, 2024 or 90 days after the business day on which the AMPTP receives notice of ratification, whichever is later], the The penalty for invasion of the rest period provisions in subparagraphs (a) - (c) above shall be payment of additional straight time for the invaded hours only.

"Effective for motion pictures, parts of a mini-series or episodes of a series which commence principal photography on or after [insert date that is the first Sunday that is 90 days after August 4, 2024 or 90 days after the business day on which the AMPTP receives notice of ratification, whichever is later], the penalty for invasion

of the rest period provisions in subparagraphs (a) - (c) above shall be payment of additional double time for the invaded hours only. If the rest period is invaded by one-half hour or less, the penalty shall be payment of one-half hour of additional double time; if the rest period is invaded by more than one-half hour, the penalty shall be computed in one-tenth hour increments (e.g., a thirteen (13) minute invasion would result in payment of additional double time for one-half hour, and a thirty-six (36) minute invasion would result in payment of additional double time for six-tenths of an hour).”

9. **Holidays Package**

a. **Juneteenth**

Effective January 1, 2025, Juneteenth shall be added as a recognized holiday to the 2024 Agreement. The unworked holiday percentage shall increase from 4% to 4.583% commencing with the period January 1, 2025 to and including December 31, 2025 and continuing in the period January 1, 2026 to and including December 31, 2026 and in the period January 1, 2027 to and including December 31, 2027.

Make conforming changes as necessary.

b. **Presentation of Claim for Holiday Pay**

Modify Paragraphs 9(f)(2)(i)(A) and 9(f)(2)(ii)(A) of the 2021 Agreement as follows:

“(A) On or after March 15, but no later than March 31, of the year following the calendar year in which holiday pay was earned, the Producer shall either:”

* * *

10. **Pay-Off Requirements**

Modify Paragraph 19(a) of the 2021 Agreement as follows:

“(a) The regular pay day will be on Thursday (holiday weeks excluded). When employee is laid off, he the employee shall be paid by the next regular pay day or his the pay check will be mailed to him or made available to him at a specific location in the county where the employee was hired or performed labor by the next regular pay day. All employees will be offered the option of direct deposit for payment of their wages.

“The regular pay day will be on Friday for employees working on distant location.

~~“A subcommittee shall be created for the purpose of establishing an exclusive procedure for resolving late payment claims, in lieu of processing such claims under the Labor Code.”~~

* * *

11. **Contract Services Administration Trust Fund Package**

a. **Training Stipend**

Modify the fourth and fifth paragraphs of Article 18(a) of the 2021 Agreement as follows:

“A \$20.00 per hour stipend shall be paid to any individual for attending CSATF required safety training classes during non-working time. **Effective January 1, 2025, the applicable stipend shall increase to \$25.00 per hour.** The stipend shall be paid to each individual in a single check within thirty (30) days following completion of all safety classes required for that individual's job classification. It is understood that any check so issued shall include payment for course A of the Safety Pass Program, whether completed before or after the individual was placed on the Industry Experience Roster.

“A \$20.00 per hour stipend shall be paid to any individual who attends required harassment prevention training administered by CSATF during non-working time. **Effective January 1, 2025, the applicable stipend shall increase to \$25.00 per hour.”**

b. **Contribution Rates**

Increase the general contribution rate to the Contract Services Administration Trust Fund (“CSATF”) in the first paragraph of Article 18(a) by three cents (\$0.03) per hour (from sixty cents (\$0.60) per hour to sixty-three cents (\$0.63) per hour) effective *[insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later]* and by an additional three cents (\$0.03) per hour (to sixty-six cents (\$0.66) per hour) effective *[insert date that is August 2, 2026 or the first Sunday that is two years following the business day that the AMPTP receives notification of ratification, whichever is later]*; and

Film Labs: Increase CSATF contribution rates for employees of laboratories from one and seventy hundredths cents (\$0.0170) per hour to one and seventy-nine hundredths cents (\$0.0179) per hour effective [*insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later*] and to one and eighty-seven hundredths cents (\$0.0187) per hour effective [*insert date that is August 2, 2026 or the first Sunday that is two years following the business day that the AMPTP receives notification of ratification, whichever is later*].

12. **Sick Leave**

a. Expanded Paid Sick Leave

Modify Article 33 of the 2021 Agreement as follows:

“ARTICLE 33. California Sick Leave

“(a) Accrual. Eligible employees covered by this Agreement shall accrue one (1) hour of paid sick leave for every thirty (30) hours worked ~~in~~ **California** for Producer, up to a maximum of forty-eight (48) hours or six (6) days (**up to a maximum of eighty (80) hours or ten (10) days effective [*insert date that is January 1, 2025 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later*]**). (In lieu of the foregoing hourly accrual of paid sick leave, and provided that advance notice is given to the employee, a Producer may elect to provide employees, upon their eligibility to use sick leave as provided below (i.e., upon working thirty (30) days ~~in California~~ for the Producer and after their ninetieth (90th) day (**forty-fifth day effective [*insert date that is January 1, 2025 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later***]) of employment ~~in California~~ with the Producer (based on days worked or guaranteed), with a bank of twenty-four (24) hours or three (3) days of sick leave per year (**forty (40) hours or five (5) days of sick leave per year, effective [*insert date that is January 1, 2025 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later***]), such year to be measured, as designated by the Producer, as either a calendar year or starting from the employee's anniversary date. Under this elected option, such banked sick leave days may not be carried over to the following year.) **Employees employed outside California shall be eligible for such sick leave commencing [*insert date that is January 1, 2025 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later***].

“(b) To be eligible to accrue paid sick leave, the employee must have worked for the Producer for at least thirty (30) days ~~in California~~ within a one (1) year period, such year to be measured, as designated by the Producer, as either a calendar year or starting from the employee's anniversary date. Sick leave may be used in minimum increments of four (4) hours upon oral or written request after the eligible employee has been employed by the Producer ~~in California~~ for ninety (90) days (forty-five (45) days effective [insert date that is January 1, 2025 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later]) (based on days worked or guaranteed), such period to be measured, as designated by the Producer, as either a calendar year or starting from the employee's anniversary date. Reasonable advance notification of the need for sick leave is required if the use is foreseeable; otherwise, notice is required as soon as practicable. Sick days accrued on an hourly basis shall carry over to the following year of employment; however, the Producer may limit the use of such accrued time to no more than twenty-four (24) hours or three (3) days (no more than forty (40) hours or five (5) days effective [insert date that is January 1, 2025 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later]) during each year of employment as defined by the Employer in advance. To the extent the employee is eligible for paid sick leave in a jurisdiction with a law that cannot be waived in a collective bargaining agreement, any sick leave paid pursuant to the law shall count towards satisfying the Producer's obligations to provide paid sick leave under this Article.

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

“(d) Sick leave may be taken for the diagnosis, care or treatment of an existing health condition of, or preventive care for, the employee or the

employee's "family member."⁵ Sick leave also may be taken by an employee who is a victim of domestic violence, sexual assault or stalking.

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

"(f) Producer shall include in the employee's start paperwork the contact information for the designated Producer representative whom the employee may contact to confirm eligibility and the amount of accrued sick leave available. Such start paperwork shall also include information with respect to the year period (i.e., calendar year or the employee's anniversary date) that the Producer selected to measure the thirty (30) day and ninety (90) day **forty-five (45) day effective [insert date that is January 1, 2025 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later]** eligibility periods and the cap on accrual set forth in subparagraph (b) above or, alternatively, if the Producer elected to provide employees with a sick leave bank, the year period (i.e., calendar year or the employee's anniversary date) that the Producer selected for the bank of three (3) sick days **five (5) sick days effective [insert date that is January 1, 2025 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later]** as provided in subparagraph (a) above. Producer also shall notify the Local Union office of the name and contact information of the designated Producer representative.

"(g) **Any Producer that, as of June 30, 2015, had a sick leave policy, or paid leave or paid time off policy that permits the use of paid sick time**

⁵ "Family member" means any of the following: (1) a biological, adopted or foster child, stepchild, legal ward or a child to whom the employee stands *in loco parentis*; (2) a biological, adoptive or foster parent, stepparent or legal guardian of the employee or the employee's spouse or registered domestic partner or a person who stood *in loco parentis* when the employee was a minor child; (3) a spouse; (4) a registered domestic partner; (5) a grandparent; (6) a grandchild; or (7) a sibling. **For purposes of this Article only, the definition of a "family member," as applied to an employee covered under this Agreement who is employed in California, shall include a designated person identified to the Producer by the employee at the time the employee requests paid sick leave to care for that person and shall be limited to one person so designated in a twelve (12) month period.**

with respect to eligible employees working in California or that, as of [insert date that is January 1, 2025 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later], has a sick leave policy, or paid leave or paid time off policy that permits the use of paid sick time, as of June 30, 2015 for all other eligible employees, may continue such policy in lieu of the foregoing. Nothing shall prevent a Producer from negotiating a sick leave policy with better terms and conditions. There shall be no discrimination or retaliation against any employee for exercising his or her the right to use paid sick leave.

“(h) Any dispute with respect to sick leave for employees covered under this Agreement shall be subject to the grievance and arbitration procedures provided herein.”

- b. Housekeeping – Update Sick Leave Waiver

Modify Article 34 of the 2021 Agreement as follows:

“ARTICLE 34. Waiver of New York City Earned Safe and Sick Time Act and Similar Laws

“The Union expressly waives, to the full extent permitted by law, application of the following to all employees employed under this Agreement: the New York City Earned Safe and Sick Time Act of 2013 (N.Y.C. Admin. Code, Section 20-911 *et seq.*); the New York State Paid Sick Leave Law of 2020 (New York Labor Law Section 196-B); the Illinois Paid Leave for All Workers Act (P.A. 102-1143); the Chicago Paid Sick Leave Ordinance (Section 6-105-045 of the Municipal Code of Chicago); the Chicago Paid Leave and Paid Sick and Safe Leave Ordinance (Chapter 6-130 of the Municipal Code of Chicago); the Cook County Earned Paid Sick Leave Ordinance (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 (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), 37.03, 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 (amended June 24, 2021); 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 (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); the Tacoma Paid Sick Leave Ordinance (Title 18, Chapter 18.10 of the Tacoma Municipal Code); the Arizona Earned Paid Sick Time Law (A.R.S. section 23-371 *et seq.*); the New Jersey Paid Sick Leave Act (N.J.S.A. 34:11D-1 *et seq.*); the Bloomfield Sick Leave for Private Employees Ordinance (Chapter 463 of the Code of the Township of Bloomfield, New Jersey); the East Orange Paid Sick Leave Ordinance (Chapter 140 of the Code of the City of East Orange, New Jersey); the Jersey City Paid Sick Time Law (Chapter 4 of the Code of the City of Jersey City, New Jersey); 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 Irvington Paid Sick Time Ordinance (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 (Article XV, § 2-89, *et seq.* of the Code of the Town of Morristown, New Jersey); the Newark Sick Leave for Private Employees Ordinance (Chapter 16:18 of the Code of the City of Newark, New Jersey); the Passaic Paid Sick Leave for Private Employees Ordinance (Chapter 128, Article I of the Code of the City of Passaic, New Jersey); the Paterson Sick Leave for Private Employees Ordinance (Chapter 412 of the Paterson, New Jersey Code); and the Trenton Paid Sick Leave Ordinance (Chapter 230 of the Code of the City of Trenton, New Jersey); **the District of Columbia Accrued Safe and Sick Leave Act (Section 32-531 of the Code of the District of Columbia) (but only to the extent that an employee working within the District of Columbia is granted at least three (3) days of paid sick leave per calendar year pursuant to the provisions of Article 33 above** and any other ordinance, statute or law requiring paid sick leave that is hereafter enacted. It is understood that the Union and the AMPTP shall memorialize any such waiver for any newly-enacted law by letter agreement.

13. **Bereavement Leave**

Add the following as a new Paragraph (“Bereavement Leave”) to the 2021 Agreement:

“The following is effective [insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later]. In the event of the death of a ‘family member’* of a regularly-scheduled employee, the employee shall be allowed up to three (3) days of paid bereavement leave. For employees employed on an hourly or daily basis, a day of bereavement leave pay shall be equal to eight (8) hours' pay at the employee's straight time hourly rate. For weekly employees (including ‘on call’ employees), a day of bereavement leave pay shall be equal to one-fifth (1/5th) of the employee's weekly rate under the studio minimum wage scales or one-sixth (1/6th) of the employee's weekly rate under the distant location minimum wage scales.

“An employee who has been employed by the Producer for at least thirty (30) days in California shall be entitled to an additional two (2) days of unpaid bereavement leave in the event of the death of a ‘family member.’*

“An employee who is absent from work due to bereavement leave will be reinstated to the employee's original position on the production upon return, provided that the position continues to exist; however, for continuity purposes, a Producer is not required to reinstate an employee on an episodic series until work on the current episode has been completed. The Producer and the Union will discuss on a case-by-case basis, upon the request of the Producer, issues related to the individual's reinstatement.

“* ‘Family member’ means any of the following: (1) a biological, adopted or foster child, stepchild, legal ward or a child to whom the employee stands *in loco parentis*; (2) a biological, adoptive or foster parent, stepparent or legal guardian of the employee or the employee's spouse or registered domestic partner or a person who stood *in loco parentis* when the employee was a minor child; (3) a spouse; (4) a registered domestic partner; (5) a grandparent; (6) a grandchild; or (7) a sibling.”

14. **Payroll Companies’ Agreement**

- a. Revise Exhibit C, “Payroll Companies’ Agreement,” of the 2021 Agreement as set forth in Attachment 2 hereto.

15. **Labor-Management Meetings**

Modify Article 20 of the 2021 Agreement as follows:

“The Producers and the Union agree to ~~reinstate~~ **conduct** meaningful labor-management meetings. A labor-management standing committee shall be established jointly by the Basic Crafts and the Producers which shall schedule a meeting ~~quarterly~~ **twice per year** or on call of either the Basic Crafts or the Producers. A pre-meeting conference shall be held to review the subject matter of the agenda. **The standing committee will set dates of each of its semi-annual meetings no later than January 15th of the year in which the meetings will be conducted.**”

16. **Severance Pay**

a. **Severance for Employees with 12 or More Qualified Years**

Modify Paragraph 74(a)(1) of the 2021 Agreement as follows:

“(a) **General**

“(1) (i) An employee employed by the Producer under this Agreement or its predecessor agreements for one or more qualified years (as defined in subparagraph (f) hereof) whose employment is severed after August 1, **2021**2024; or

“(ii) an employee who had at least one (1) qualified year (as defined in Paragraph ~~68(f)~~**74(f)** of this Agreement) as of August 1, 1985 who has made the required application for retirement to the Motion Picture Industry Pension Plan at least sixty (60) days prior to retiring or has made the required application for retirement to any private retirement plan referred to in the Trust Agreement of the Motion Picture Industry Pension Plan and who retires shall receive the applicable severance pay set forth below (as modified by subparagraphs (c) and (d) hereof) unless such employee is disqualified for severance pay purposes pursuant to subparagraph (e) hereof.

Qualified Years	Number of Weeks of Severance Pay
1 - 2	1
3 - 4	2
5 - 8	3
9	4
10	5
11 - 12	6
13 - 14	7
15	8
16	9
17	10
18	11
19	12
20	13

“An employee with twelve (12) or more qualified years whose employment is severed on or after [insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later], or whose retirement date is on or after [insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later], shall receive an additional twenty-five percent (25%) of the applicable severance pay set forth above.

“The rate at which severance pay is payable shall be determined in the same manner as the rate at which vacation pay is determined under the vacation pay provisions of this Agreement; provided, however, that the base period used in computing the employee's average earnings shall, for the purpose of severance pay, be based on the twelve (12) consecutive month period ending on the date of severance, instead of the employee's personal income tax earnings year used in computing vacation pay.”

b. **Definition of Qualified Year**

Modify the definition of a ‘qualified year’ in Paragraph 74(f) of the Agreement so that an employee whose employment is severed on or after [insert date that is

August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later], or whose retirement date is on or after [insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later], is required to have 170 work days within a 365 consecutive day period (rather than 200 work days) in order to have a qualified year. The foregoing shall apply prospectively only (i.e., it does not apply to qualified years for which the work days occurred prior to the effective date of this provision), except that when a 365 consecutive day lookback period includes days that fall both within the term of the 2021 Agreement and within the term of the 2024 Agreement, the employee will be awarded a qualifying year if the employee worked 170 days within that 365 consecutive day lookback period.

c. **Definition of Qualified Year in 2023**

Add a footnote to the definition of a “qualified year” in Paragraph 74(f) of the Agreement, as follows:

“Effective [insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later], the definition of a ‘qualified year,’ for purposes of Paragraph 74(f), shall be applied in the following manner with respect to calendar year 2023: As to calendar year 2023 only, an employee shall be deemed to have a ‘qualified year’ if the employee has worked at least 94 days.”

17. **Vacation**

Add a new footnote to the definition of “eligible year” in Paragraph 72(e)(1) of the 2021 Agreement as follows:

“The term ‘eligible year’ shall be applied in the following manner with respect to calendar year 2023: As to calendar year 2023 only, an employee shall be deemed to have an ‘eligible year’ if the employee has worked at least forty (40) days.”

18. **Sideletters**

Modify Sideletters No. 4, 5, 6 and 7 of the 2021 Agreement as follows, effective for motion pictures commencing principal photography on or after [insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later], new seasons of series and new mini-series, the first episode or part of which commences principal photography on or after [insert date

that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later]:

- a. Wage Rates:
 - i. To the extent that wage rates for the period immediately preceding the period in question currently apply, they shall instead be reduced by three percent (3%) (e.g., in year 1, instead of the wage rates being reduced by 7%, they shall be reduced by 3%);
 - ii. For made for television long-form projects (including movies-of-the-week) (other than those made for basic cable), wage rates shall be the wage rates set forth in the Agreement reduced by ten percent (10%) (instead of 15%);
 - iii. For made for television long-form projects (including movies-of-the-week), pilots, mini-series and the first season of an episodic series made for basic cable, wage rates shall be the wage rates set forth in the Agreement reduced by twelve and one-half percent (12.5%) (instead of 15%); and
 - iv. For mini-series made for network television or pay television, wage rates shall be the wage rates set forth in the Agreement reduced by three percent (3%) (instead of 15%).
- b. Vacation and Unworked Holiday – There will be no vacation and unworked holiday for a long-form television motion picture, pilot, mini-series or the first season of an episodic series made for basic cable. In the second season of an episodic series made for basic cable, vacation and unworked holiday will be payable at one-half of the applicable percentage; thereafter, the vacation and unworked holiday provisions in the applicable Agreement shall apply.
- c. Transportation Allowance – To the extent that the Sideletters provide that no transportation allowance is payable, Producer will instead be required to pay a transportation allowance to any employee who travels to any location in Los Angeles County outside a ten (10) mile radius from a point to be determined by the Producer.

19. **Subcontracting**

Modify Article 16(d) of the 2021 Agreement as follows:

“(d) Subcontracting

“The parties recognize the existence of past subcontracting practices within the multi-employer bargaining unit. The parties agree that the rights, limitations and restrictions upon subcontracting practices set forth in the **West Coast Studio Local Agreements and the Basic Crafts Agreements** shall remain in effect.

“The Producer, as a matter of preservation of work for employees who have historically and traditionally performed work under the crafts and classifications as set forth in the **IATSE Basic Agreement, the Videotape Agreement, the West Coast Studio Local and** Basic Crafts Agreements, agrees that as to bargaining unit work of a type which has not heretofore been subcontracted in the multi-employer bargaining unit, the Producer will subcontract such bargaining unit work to any other person, corporation, joint venture or entity only: (1) if the Producer first notifies the **IATSE and** Chair of the Basic Crafts **and the Union**, when applicable, in writing of its intention to subcontract, and (2) the direct labor costs of the person, corporation, joint venture or entity who will perform such work under said subcontract are not less than the direct labor costs set forth in the **IATSE Basic Agreement, the Videotape Agreement, the West Coast Studio Local and** Basic Crafts Agreements or other applicable collective bargaining agreements; or (3) if the Producer lacks the requisite technology, facilities or equipment to perform the work. **In addition, the Producer agrees, effective November 1, 2024, to notify the Chair of the Basic Crafts and the Union in writing of its intention to subcontract bargaining unit work of a type that has heretofore been subcontracted in the multi-employer bargaining unit. Except with respect to such notice, nothing in the preceding sentence shall alter the parties' rights, limitations and restrictions with respect to subcontracting under this Article 16(d).**”

20. **Discussion Item Re: Notice of Rental Facilities Deals**

Producers with a Los Angeles studio facility agree to issue the following bulletin to appropriate personnel:

“Each of the 2021 Agreements between the Producers and the Basic Crafts Unions requires that the Producer notify the Chair of the Basic Crafts Unions when the Producer enters into a rental facilities agreement with a third party for use of its Los Angeles studio facility in connection with the production of a motion picture in which the Producer has no financial interest.

“During the 2024 negotiations between the Producers and the Basic Crafts Unions, the Unions stated that they are not receiving those notices.

“This is a reminder that such notices are required under the terms of each of the Basic Crafts Agreements. (See Article 27 of the Studio Transportation Drivers, Local 399 (Drivers) Agreement; Article 22 of the International Brotherhood of Electrical Workers, Local 40 Agreement; Article 23 of the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry, Local 78 Agreement; Article 22 of the Studio Utility Employees, Local 724 Agreement; and Article 22 of the Operative Plasterers and Cement Masons International Association of the United States and Canada, Local 755 Agreement.) Please send such notice by email to the Chair of the Basic Crafts at callboard@ht399.org.

“As a courtesy, please consider copying the business representatives for the other Basic Crafts Unions on the notice.”

21. **Housekeeping/Administration Items**

a. **Gender Neutral Language**

Modify the 2021 Agreement to use gender neutral language that is grammatically correct.

b. **Update Roster Placement Language**

Update the roster placement language in Paragraph 68(a)(2) to: (a) eliminate the obsolete “90-days with more than one Producer” roster placement language and (b) clarify that at least thirty (30) actual workdays collectively with one or more Producers engaged in Los Angeles County (instead of “a Producer”), as follows:

“(2) Persons who, after July 31, 2024 ~~2021~~, perform services in the job classifications covered by this Agreement for a total ~~thereafter~~ of at least ~~(i)~~ at least ninety (90) ~~thirty (30)~~ actual workdays collectively, with one or more ~~than one~~ Producers engaged in the production of motion pictures in the motion picture industry in Los Angeles County ~~or (ii) thirty (30) or more actual workdays with a Producer~~, shall have their work record reviewed by Producer, provided all such workdays were performed within a period of twelve (12) consecutive months immediately preceding the date such workdays are completed.”

c. **Online Industry Experience Roster**

Modify Paragraph 68(h) to provide that the availability of the Industry Experience Roster on CSATF's website satisfies any posting or notice obligation required of Producers, as follows:

“(h) Posting

“Said Industry Experience Roster has been posted by the Producer on the bulletin board in the applicable studio departments. A copy of such Roster was furnished to the Union and the Union shall post a copy of such Roster on the bulletin board at its business office. The availability of the Industry Experience Roster on CSATF's website satisfies these posting requirements.

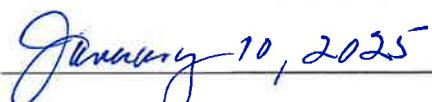
~~“Such roster, when posted, shall remain posted for a period of thirty (30) days.~~

~~“Any objections by the Union or any person affected to the contents of such roster as so posted shall be made, in writing, to the Producer within such thirty (30) days and, if not so made, shall be deemed to be waived.~~

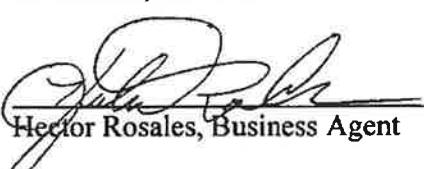
“The said roster shall be revised from time to time as required.”

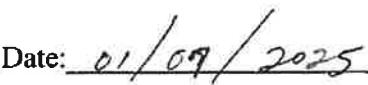
FOR THE ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS, ON BEHALF OF THE COMPANIES LISTED ON ATTACHMENT 1 ATTACHED HERETO



Carol A. Lombardini, President Date: 

FOR THE UNITED ASSOCIATION OF JOURNEY MEN AND APPRENTICES OF THE PLUMBING AND PIPE FITTING INDUSTRY OF THE UNITED STATES AND CANADA, LOCAL 78



Hector Rosales, Business Agent Date: 

ATTACHMENT 1
LOCAL 78 AUTHORIZATION LIST

1440 Productions LLC
20th Century Studios, Inc.
40 North Productions, LLC

Abominable Pictures Inc.
AE Ops, LLC
Alameda Productions, LLC
Alcon Entertainment, LLC
Alive and Kicking, Inc.
Arcraft Productions Inc.
Ascension Films Inc.

Big Indie Pictures, Inc.
Black Label Media, LLC
Bronson Avenue LLC

Carnival Row Productions, LLC
Cast & Crew Production Services, LLC
CBB Productions
CBS Studios Inc.
ChubbCo FilmCo
Columbia Pictures Industries, Inc.
Corrado Mooncoin Holdings LLC
CPT Holdings, Inc.
Cush Light LLC

DAE Light Media, LLC
Dean River Productions Inc.
Dyminium Productions, LLC

Electric Entertainment, Inc.
EPSG Management Services
Extreme Reach Productions Payroll, Inc.
Eye Productions Inc.

Fox Studio Lot, LLC
Frank & Bob Films II LLC

Goldcrest Features, Inc.
HBO Entertainment, Inc.
HBO Films, Inc.
Hydronaut Productions, LLC
Jax Media, LLC
Kapital Productions, LLC
Legendary Features Productions US, LLC
Legendary Pictures Productions, LLC
Legendary Television Animation, LLC
Madison Productions, Inc.
Media Services Processing, LLC
Mesquite Productions, Inc.
Metro-Goldwyn-Mayer Pictures Inc.
MGM Television Entertainment Inc.
Milk Street Productions, LLC
Mountainair Film Inc.
New Regency Productions, Inc.
Next Step Productions LLC
Nila Inc.
North Center Productions, Inc.
Olive Productions, LLC
Orchard Road Productions, LLC
Over The Pond Productions, Inc.
Paramount Overseas Productions, Inc.
Paramount Pictures Corporation
Paramount Worldwide Productions, Inc.
pg County, LLC
Picrow Inc dba Pictures in a Row
Picrow Streaming Inc.

Raquel Productions Inc.	The Book of Jobs LLC
Remote Broadcasting, Inc.	Theatrical Resources, LLC
River Road Entertainment Productions, LLC	Topanga Productions, Inc.
Ruff Draft Productions, LLC	Trackdown Productions, Inc.
San Vicente Productions, Inc.	Twentieth Century Fox Film Corporation
Screen Gems Productions, Inc.	Universal City Studios LLC
Serendipity Productions, Inc.	Walden Media Productions LLC
Sony Pictures Studios, Inc.	Walk By Faith Film, LLC
South Circle Productions LLC	Walt Disney Pictures
South Rock Productions LLC	Warner Bros. Studio Operations
Stage 6 Films, Inc.	wiip Productions, LLC
Steptinpooh, LLC	Woodridge Productions, Inc.
Story Ink, Ltd.	XOF Studios, LLC
Storyteller Productions Co., LLC dba	
Amblin Partners	
Stu Segall Productions, Inc.	

ATTACHMENT 2
TO LOCAL 78 MEMORANDUM OF AGREEMENT

EXHIBIT "C"

PAYROLL COMPANIES' AGREEMENT

This Agreement is made and entered into between _____ (herein "The Payroll Company"), and the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, Local 78 (herein "Union"), an unincorporated association, upon the following terms, conditions and recitals:

I. The Payroll Company is a payroll service for the motion picture and television industries and is an employer member of the multi-employer bargaining unit represented by the Alliance of Motion Picture and Television Producers, Inc., described in the Producer-United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, Local 78 Agreement (hereinafter "Agreement") to which The Payroll Company is a signatory.

II. The Payroll Company's employment of persons subject to the Agreement and its responsibility to the Union therefor shall be governed by the following:

A. The Payroll Company shall give advance notice to the Union of its involvement in connection with any motion picture or television production when services falling within the work jurisdiction of the Agreement are to be performed. Effective for new seasons of episodic series, the first episode of which commences principal photography on or after [insert date that is August 4, 2024 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later], the Payroll Company will provide notice to the Union in advance of each new season of the series in which it is involved as the primary employer. Said advance notice shall be given as soon as practicable, but in no event later than the Monday immediately following the issuance of the first payroll covering employees under the Agreement. Said notice may be oral and confirmed in writing within two (2) working days thereafter and shall include the following:

1. Name of production company and producer;
2. Title of production;
3. **Season of the series, if applicable;**
- 3.4. Nature of production (Theatrical, Television, Commercial, Videotape);
- 4.5. Scheduled pre-production, production, and post-production dates;

- 5.6.** Production locations; and
- 6.7.** Whether The Payroll Company is the "primary" or "secondary" employer as those terms are herein defined.

The Payroll Company, in addition to the foregoing notice to the Union, shall also, on its own behalf as a "primary" employer, comply with any notification provisions contained within the Agreement or, when the Payroll Company is the "secondary" employer, require the "primary" employer to comply therewith.

In the event a Payroll Company consistently fails to give notice as required by this Section, then an arbitrator in an arbitration proceeding shall have the authority to issue an appropriate remedy.

Absent receipt of the aforementioned notice from the Payroll Company, The Payroll Company will not be deemed to have any responsibility for any production merely because someone other than a designated representative of The Payroll Company represents to the Union that it is utilizing the services of The Payroll Company unless The Payroll Company is in fact providing such services and failed to give the notice called for herein. Notwithstanding any other provision herein, in the event The Payroll Company fails to give the advance notice as above required as to more than one (1) production **or season of a series**, the Union shall have the right to cancel this Payroll Companies' Agreement as to such Payroll Company upon fifteen (15) days' written notice. The Union shall notify The Payroll Company of the first violation, which may be oral and confirmed in writing later.

B. The scope of The Payroll Company's responsibility to the Union and to persons performing services subject to the Agreement shall be based on whether The Payroll Company is deemed a "primary" employer or a "secondary" employer insofar as the employees performing such services are concerned.

1. The Payroll Company shall be deemed the "primary" employer when it is providing services to a customer producer/employer which is not a member of the multi-employer bargaining unit described in the Agreement.

(a) In its position as a "primary" employer, The Payroll Company shall provide services to a customer producer/ employer only on the basis that persons working in the crafts and classifications designated in the Agreement are employed under the Agreement to the same extent as would be required of any other Producer signatory to the Agreement.

Notwithstanding any other provision, in the event a Payroll Company violates the above requirement as a "primary" employer as to more than one (1) production, the Union shall have the right to cancel this Agreement as to such Payroll Company

upon fifteen (15) days' written notice. The Union shall notify The Payroll Company of the first violation, which may be oral and confirmed in writing later.

In the event a Payroll Company fails to provide coverage to employees under the Agreement as required above, an arbitrator shall have the authority to issue an award as to the full measure of damages.

(b) When a client requests a Payroll Company to act as the primary employer for a theatrical or television motion picture with respect to those employees engaged in covered classifications under the Agreement, **including any new season of an episodic series**, The Payroll Company shall notify the Union of that fact within one (1) business day after the client requests The Payroll Company to so act as the primary employer for that picture. In the event the Union is engaged in negotiations with said client, the Union shall notify The Payroll Company and the AMPTP of that fact within one (1) business day after receipt of said notice from The Payroll Company. Thereafter, The Payroll Company shall not act as the primary employer under this Agreement without the consent of the Union. If The Payroll Company does not receive an objection from the Union within said one (1) business day, The Payroll Company may act as the primary employer under this Agreement.

(c) No contributions will be accepted from The Payroll Company on behalf of employees employed by an employer which is not a signatory to a collective bargaining agreement requiring contributions to the Plans if the non-signatory employer employs one or more "controlling employees."

A "controlling employee" is defined as any employee who performs work within any job classification covered by a collective bargaining agreement with a Union party to the Motion Picture Industry Pension and/or Health Plans ("Plans") requiring contributions to be made to the Plans and who is also an officer or controlling shareholder of the non-signatory employer or the spouse of such an officer or controlling shareholder. The term "controlling shareholder" means a person who owns ten percent (10%) or more of the voting power of the corporation.

The Payroll Company shall be required to submit a completed Non-Signatory Employer Data Sheet in the form required by the Plans with respect to each production or other project on which The Payroll Company is to act as the primary employer.

2. The Payroll Company shall be deemed a "secondary" employer when it is providing services to a customer producer/employer which is a member of the multi-employer bargaining unit described in Agreement and The Payroll Company's customer producer/employer shall be deemed the "primary" employer in such instances.

C. In those situations in which The Payroll Company is the primary employer, The Payroll Company shall be deemed the ~~p~~Producer and shall have full responsibility for compliance with all of the terms and conditions of the Agreement, including compliance with requirements in the Local Agreements relating to deal memos and personal services contracts, until such time as The Payroll Company gives the Union written notice of cancellation of its agreement with its customer producer/employer and notwithstanding said notice of cancellation, The Payroll Company shall remain responsible for all wages (including wages for reasonable time spent by an employee in returning equipment or properties for which ~~he~~ the employee is responsible), fringe benefits and conditions of employment to the effective date of the cancellation and notice to the Union and, on distant location, all expenses due and costs of transportation and salaries for such transportation time, and for any residual payments (Post '60 payments or Supplemental Market payments) resulting from the performance of services prior to the notice of said cancellation unless and until The Payroll Company shall be relieved of responsibility for such residual payments pursuant to the procedures set forth in this Exhibit "C." In addition to all other required information, The Payroll Company shall specify in all reports to the Motion Picture Industry Pension Plan and the Motion Picture Industry Health Plan the name of the customer/producer employer, the title of the production, the season of the episodic series, if applicable, and the classification(s) of employees covered by the Trust Fund payments.

When acting as the "primary employer" for a theatrical motion picture, The Payroll Company shall be prohibited from processing and/or issuing any payroll checks for or on behalf of its customer producer/employer until such time as The Payroll Company has secured from its customer producer/employer an executed Assumption Agreement, as provided below, and delivered same to the Administrator of the Motion Picture Industry Pension and Health Plans. The Assumption Agreement shall be substantially in the following form:

"In consideration of the Agreement between the undersigned Producer,

_____ (herein for convenience referred to as
(*insert name of Producer*))

'Producer'), and _____ (herein for convenience
(*insert Name of Payroll Company*))

referred to as 'The Payroll Company'), under which The Payroll Company has agreed to furnish payroll services for the theatrical motion picture presently entitled, ' _____ ' (hereinafter for convenience
(*insert name of motion picture*))

referred to as 'the motion picture'), the Producer hereby agrees that the motion picture is covered by and subject to the following agreements (check the box(es) of those that are applicable):

- The Producer - I.A.T.S.E. and M.P.T.A.A.C. Basic Agreement of **20212024** ('the IATSE Basic Agreement');
- The Animation Guild, Local 839 Agreement of **20212024** ('the Cartoonists Agreement');
- The Producer - Studio Transportation Drivers, Local 399 Agreement of **20212024** ('the Teamsters (**Drivers**) Agreement');
- The Producer - International Brotherhood of Electrical Workers, Local 40 Agreement of **20212024** ('the IBEW Agreement');
- The Producer - United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, Local 78 Agreement of **20212024** ('the Plumbers Agreement');
- The Producer - International Hod Carriers, Building and Common Laborers Union, Studio Utility Employees, Local 724 Agreement of **20212024** ('the Laborers Agreement');
- The Producer - Operative Plasterers and Cement Masons International Association of the United States and Canada, Local 755 Agreement of **20212024** ('the Plasterers Agreement')

"Producer further agrees that the motion picture is covered by and subject to the provisions of Article 15 of the Agreement, '*Post '60 Theatrical Motion Pictures*,' and/or the corresponding provisions of the other applicable Agreements referred to above (*i.e.*, the applicable provisions of The Animation Guild Agreement,

Article XIX of the IATSE Basic Agreement, Article 15 of the Teamsters (**Drivers**) Agreement, Article 15 of the IBEW Agreement, Article 15 of the Plumbers Agreement, Article 15 of the Laborers Agreement and Article 15 of the Plasterers Agreement), pertaining to payments due when theatrical motion pictures, the principal photography of which commenced in the period August 1, ~~2021~~2024 through July 31, ~~2024~~2027, are released to free television and to the provisions of Article 21 of the Agreement, '*Supplemental Markets*,' and/or the corresponding provisions of the other applicable Agreements referred to above (i.e., the applicable provisions of The Animation Guild Agreement, Article XXVIII of the IATSE Basic Agreement, Article 21 of the Teamsters (**Drivers**) Agreement, Article 21 of the IBEW Agreement, Article 21 of the Plumbers Agreement, Article 21 of the Laborers Agreement and Article 21 of the Plasterers Agreement), pertaining to payments due for the release of theatrical motion pictures in Supplemental Markets.

"Producer hereby agrees, expressly for the benefit of the Motion Picture Industry Pension and Health Plans ('the Plans') to assume the obligations of said provisions and to make the payments to the Plans required thereby. It is expressly understood and agreed that the rights of Producer to exhibit or license the exhibition of such motion pictures on free television and/or in Supplemental Markets shall be subject to and conditioned upon payment to the Plans as provided in the respective applicable provisions referred to hereinabove. It is agreed that such Plans shall be entitled to injunctive relief and damages against Producer in the event such payments are not made.

"The Producer agrees to keep or have access to complete records showing the income derived from the distribution of such motion pictures to free television and/or Supplemental Markets and the Plans shall have the right at all reasonable times to inspect such records. The Producer shall give the Plans prompt written notice of the date on which the motion picture is first telecast on free television and/or is first released in Supplemental Markets. An inadvertent failure to comply with said notice requirements shall not constitute a default by the Producer, provided that such failure is cured promptly after notice thereof from the Plans.

"Producer further agrees that in the event of a sale, transfer, license or assignment of the free television distribution rights or the Supplemental Markets distribution rights to the above-referenced motion picture, Producer will obtain from the buyer, transferee, licensee or assignee an Assumption Agreement substantially in the form set forth above and shall provide an executed copy of such Assumption Agreement to the Plans. In

such event, Producer shall give notice to the Plans, within thirty (30) days of each sale, transfer, license or assignment of such distribution rights, with the name and address of the buyer, transferee, licensee or assignee."

Upon the execution and delivery of such Assumption Agreement to the Administrator of the Motion Picture Industry Pension and Health Plans, The Payroll Company shall not be further liable to the Plans for the keeping of any records required under the "*Post '60 Theatrical Motion Pictures*" provisions or the "*Supplemental Markets*" provisions nor for the payments required thereunder for the exhibition of the motion picture in Supplemental Markets and/or on free television, and the Plans shall look exclusively to the Producer or any subsequent party last executing such an Assumption Agreement for the keeping of such records and compliance with such payment obligations.

D. In those situations in which The Payroll Company is a secondary employer, The Payroll Company's responsibility shall be limited to the monies advanced by the primary employer to The Payroll Company for wage payments, allowances, penalties, fringe benefits and payroll taxes for payment to or on behalf of persons who performed services subject to the Agreement. Provided, however, that should the primary employer default in its payment obligations to The Payroll Company and The Payroll Company not promptly cancel its agreement with the primary employer and simultaneously notify the Union of said termination, as hereinafter provided, then The Payroll Company shall be responsible for the wage payments, allowances, penalties, fringe benefits and payroll taxes owing to or on behalf of individuals who performed services subject to said Agreement for all hours worked by said persons through the end of the workday on which said notice or cancellation is given to the Union. In such event, The Payroll Company shall also be responsible for the payment of expenses and costs of transportation and salaries for transportation time, but only if The Payroll Company has expressly assumed responsibility therefor. When The Payroll Company acts only as a secondary employer, the Union shall deem The Payroll Company an agent of the primary employer and The Payroll Company shall have no responsibility for matters outside of its control such as, but not limited to, staffing requirements, seniority, work rules, jurisdictional problems or residual payments (Post '60 payments or Supplemental Market payments). With reference to such items, the Union shall look exclusively to the primary employer for responsibility. Furthermore, nothing contained in this Agreement shall in any way reduce, diminish or prejudice any legal or equitable right or claim that the Union could assert directly against any primary employer if this Agreement did not exist.

E. Once having given the notice to the Union described in Paragraph A., the scope of The Payroll Company's responsibility as delineated herein shall continue until such time as The Payroll Company serves a notice of contract termination upon its customer producer/employer and simultaneously delivers a copy of said termination notice to the Union.

Except as otherwise expressly provided in Paragraph C. above, upon delivery of said notice of termination to the Union, The Payroll Company shall forthwith be relieved of all further responsibility for services to be performed in connection with the production therein involved on and after the day immediately following the workday on which said notice of termination is delivered to the Union.

On distant location productions, reasonable notice of termination, whenever possible, must be given to the Union, and employees covered by the Agreement shall be paid, in addition to their salaries and conditions, all hotel and meal expenses and costs of transportation and salaries for such transportation time.

F. The Payroll Company shall remit vacation and holiday pay payments to the employees either on a weekly basis with their paychecks or by payment in full no later than with their final paycheck at the end of production. Any payments of unworked holiday pay made to an employee on a production shall be credited against the 3.719%4% accrual (4.583% accrual effective January 1, 20222025). For the purpose of this provision, the "end of production" is defined as: (1) for television series, upon conclusion of the production season for episodes ordered and produced; (2) on television "movies of the week" and theatrical features, upon conclusion of principal photography; and (3) for post-production, upon conclusion of post-production work.

G. This Agreement is effective for a term coinciding with the term of the Agreement to which The Payroll Company is a party and shall be extended and renewed from time to time to the same extent that said Agreement is hereafter extended or renewed.