

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement ("MOA") is entered into between The Animation Guild and Affiliated Optical Electronic and Graphic Artist, Local 839 IATSE ("TAG") and Nickelodeon Animation Studios, Inc. ("NASI").

TAG and NASI hereby agree that this MOA shall constitute a successor collective bargaining agreement to the collective bargaining agreement between TAG and NASI for the period from October 9, 2008 through October 8, 2011 (the "2008 NASI CBA"), a copy of which is attached hereto and incorporated herein by this reference as Exhibit "A."


The terms of this MOA shall be the same terms and conditions as the 2008 NASI CBA with the following modifications:

1. The term of this MOA shall be four (4) years, commencing on October 9, 2011 and ending on October 8, 2015.
2. The wage and unit rate minimums as set forth in the 2008 NASI CBA which became effective on October 10, 2010 shall remain in effect through and including July 31, 2012. Thereafter, during the term of this MOA, the wage and unit rate minimums shall be as set forth in and shall become effective on the same applicable wage rate effective dates as established by the successor agreement to the August 1, 2009 – July 31, 2012 TAG industry master contract ("2009 Master CBA").
3. Notwithstanding anything to the contrary set forth hereunder, the wage and unit rate minimums set forth in DreamWorks Animation LLC Sideletter E to the 2009 Master CBA shall apply with respect to NASI's engagement of Trainees and such wages shall not be subject to increase through and including July 31, 2012. Thereafter, the wage and unit rate minimums for Trainees shall be as set forth in and shall become effective on the same applicable wage rate effective dates as established by the successor agreement between TAG and DWA. NASI hereby acknowledges that Trainees may only be employed at Trainee rates for a maximum aggregate period of 18 months; thereafter, continued employment shall be at the minimums for the applicable contract job classification. In the event TAG agrees to lower Trainee wage minimums or other more favorable terms with any company during the term of this MOA, TAG shall notify NASI thereof and NASI shall be accorded such lower minimums and more favorable terms.
4. For purposes of this MOA, the term "Contract," as defined in Paragraph 1 of the 2008 NASI CBA, shall mean that certain contract negotiated by TAG with the major animation producers dated as of August 1, 2009.

By signing in the spaces provided below, TAG and NASI hereby acknowledge their acceptance and understanding of and agreement to all of the foregoing terms and conditions hereof.

ACCEPTED AND AGREED:

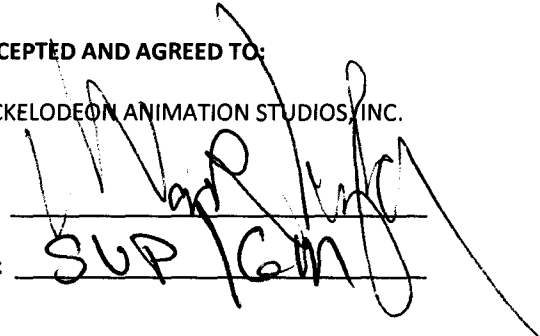
THE ANIMATION GUILD AND AFFILIATED
OPTICAL ELECTRONIC AND GRAPHIC ARTS,
LOCAL 839 OF THE INTERNATIONAL
ALLIANCE OF THEATRICAL STAGE EMPLOYEES
AND MOVING PICTURE TECHNICIANS, ARTISTS
AND ALLIED CRAFTS OF THE UNITED STATES,
ITS TERRITORIES AND CANADA

BY: 

ITS: Business Representative
The Animation Guild - Local 839, IATSE

ACCEPTED AND AGREED TO:

NICKELODEON ANIMATION STUDIOS, INC.

BY: 
ITS: SUP / GM