

MEMORANDUM OF AGREEMENT OF SEPTEMBER 24, 2013 BETWEEN SONY PICTURES ANIMATION, INC., ("EMPLOYER") AND THE INTERNATIONAL ALLIANCE OF THEATRICAL STAGE EMPLOYEES AND MOVING PICTURE TECHNICIANS, ARTISTS AND MOVING PICTURE TECHNICIANS, ARTISTS AND ALLIED CRAFTS OF THE UNITED STATES, ITS TERRITORIES AND CANADA, AFL-CIO ("UNION.")

This Memorandum of Agreement is entered into as of September 24, 2013 between Sony Pictures Animation ("SPA") and International Alliance of Theatrical Stage Employees and Moving Picture Technicians, Artists and Allied Crafts of the United States, its territories and Canada (the "Union").

This Memorandum of Agreement reflects the complete understanding reached between the Union and SPA. As soon as practicable, this Memorandum of Agreement will be reduced to formal contract language.

EFFECTS OF CHANGES

All of the provisions of the current collective bargaining agreement between the Union and SPA shall remain the same unless specifically changed as noted herein.

In consideration of the mutual agreements herein contained, the Union and SPA agree as follows:

1. Term of Agreement

The term of this Agreement shall be for three (3) years commencing on September 24, 2013 and terminating September 23, 2016.

2. Wage Rates

Wage Rates contained in Article 25 "Wages" shall be increased by two percent (2%) effective September 24, 2013, by two percent (2%) effective September 24, 2014, and by two percent (2%) effective September 24, 2015. Such increases shall be compounded and retroactive to September 24, 2013.

FOR SONY PICTURES ANIMATION:

on behalf of SPA
BY *Nelson* Dated *July 10, 2014*

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

BY *[Signature]* Dated *Aug. 5, 2014*

MEMORANDUM OF AGREEMENT OF SEPTEMBER 24, 2013 BETWEEN SONY PICTURES ANIMATION, INC., ("EMPLOYER") AND THE INTERNATIONAL ALLIANCE OF THEATRICAL STAGE EMPLOYEES AND MOVING PICTURE TECHNICIANS, ARTISTS AND MOVING PICTURE TECHNICIANS, ARTISTS AND ALLIED CRAFTS OF THE UNITED STATES, ITS TERRITORIES AND CANADA, AFL-CIO ("UNION.")

This Memorandum of Agreement is entered into as of September 24, 2013 between Sony Pictures Animation ("SPA) and International Alliance of Theatrical Stage Employees and Moving Picture Technicians, Artists and Allied Crafts of the United States, its territories and Canada (the "Union").

This Memorandum of Agreement reflects the complete understanding reached between the Union and SPA. As soon as practicable, this Memorandum of Agreement will be reduced to formal contract language.

EFFECTS OF CHANGES

All of the provisions of the current collective bargaining agreement between the Union and SPA shall remain the same unless specifically changed as noted herein.

In consideration of the mutual agreements herein contained, the Union and SPA agree as follows:

1. Term of Agreement

The term of this Agreement shall be for three (3) years commencing on September 24, 2013 and terminating September 23, 2016.

2. Wage Rates

Wage Rates contained in Article 25 "Wages" shall be increased by two percent (2%) effective September 24, 2013, by two percent (2%) effective September 24, 2014, and by two percent (2%) effective September 24, 2015. Such increases shall be compounded and retroactive to September 24, 2013.

FOR SONY PICTURES ANIMATION:

on behalf of SPA
BY *Nelson* Dated *July 10, 2014*

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

BY *Walt Kelly* Dated *Aug. 5, 2014*

SONY PICTURES ANIMATION
WAGE AND CLASSIFICATION SCHEDULE -- 2010-2013 CBA

| | <u>First Year</u> | <u>Second Year</u> | <u>Third Year</u> |
|-----------------------------------|-------------------------|-------------------------|-------------------------|
| | 9/24/2013- 9/23/2014 | 9/24/2014- 9/23/2015 | 9/24/2015- 9/23/2016 |
| <u>LEVEL I</u> | | | |
| Animation Story Board (Sr.) | \$44.00 | \$44.88 | \$45.78 |
| Animation Writer | | | |
| Animator (Sr.) | | | |
| Art Director /Production Designer | | | |
| Character Designer (Sr.) | | | |
| Editor | | | |
| Illustrator/Designer (Sr.) | | | |
| Music Editor | | | |
| Production Designer | | | |
| Sound Editor | | | |
| Sound Effects Editor | | | |
| Story Artist (Sr.) | | | |
| Visual Development Artist (Sr.) | | | |
| Animator Specialist | | | |
| <u>LEVEL II</u> | | | |
| Animation Story Board (Int.) | \$37.50 | \$38.25 | \$39.02 |
| Animator (Int.) | | | |
| Art Director (Int.) | | | |
| Editor (Assoc.) | | | |
| Music Editor (Asst.) | | | |
| Sound Editor (Asst.) | | | |
| Character Designer (Int.) | | | |
| Illustrator/Designer (Int.) | | | |
| Sculptor | | | |
| Story Artist (Int.) | | | |
| Visual Development Artist (Int.) | | | |

LEVEL III

\$30.76

\$31.38

\$32.01

Animation Story Board (Assoc.)
Animator (Asst.)
Editor (Asst.)
Character Designer (Assoc.)
Illustrator/Designer (Assoc.)
Story Artist (Assoc.)
Story Cleanup
Art Director (Assoc.)
Visual Development Artist (Assoc.)

LEVEL IV

Animation Story Board Trainee
Animator Trainee
Apprentice Editor
Character Designer Trainee
Illustrator/Designer Trainee
Editorial Trainee
Story Artist Trainee
Visual Development Artist Trainee

First 6 months

\$23.59

\$24.07

\$24.56

Second 6 months

\$26.46

\$26.99

\$27.53

Third 6 months

\$29.30

\$29.89

\$30.49

SONY PICTURES ANIMATION
WAGE AND CLASSIFICATION SCHEDULE — 2013-2016 CBA

| | <u>First Year</u> | <u>Second Year</u> | <u>Third Year</u> | <u>Pension &</u> |
|--|-------------------|--------------------|-------------------|----------------------|
| | <u>9/24/2013-</u> | <u>9/24/2014-</u> | <u>9/24/2015-</u> | <u>Health</u> |
| | <u>9/23/2014</u> | <u>9/23/2015</u> | <u>9/23/2016</u> | <u>Hours</u> |

Freelance Animation Writer and Storyboard

SHORT SUBJECTS — (4 to 7 minutes)

| | | | | |
|----------------------|------------|------------|------------|----|
| Synopsis and Outline | \$890.46 | \$908.27 | \$926.44 | 22 |
| Storyboard Only | \$1,234.84 | \$1,259.54 | \$1,284.73 | 30 |
| Screenplay | \$2,324.50 | \$2,370.99 | \$2,418.41 | 50 |

SHORT SUBJECTS — (7 to 15 minutes)

| | | | | |
|----------------------|------------|------------|------------|----|
| Synopsis and Outline | \$902.96 | \$921.02 | \$939.44 | 23 |
| Storyboard Only | \$1,495.34 | \$1,525.25 | \$1,555.76 | 38 |
| Screenplay | \$2,945.07 | \$3,003.98 | \$3,064.06 | 77 |

HALF-HOUR SUBJECTS

| | | | | |
|----------------------|------------|------------|------------|-----|
| Synopsis and Outline | \$1,606.27 | \$1,638.40 | \$1,671.17 | 45 |
| Storyboard Only | \$2,839.59 | \$2,896.39 | \$2,954.32 | 75 |
| Screenplay | \$5,643.89 | \$5,756.77 | \$5,871.91 | 155 |

ONE HOUR OR MORE SUBJECTS

| | | | | |
|----------------------|------------|------------|------------|-----|
| Synopsis and Outline | \$2,378.78 | \$2,426.36 | \$2,474.89 | 70 |
| Storyboard Only | \$4,235.43 | \$4,320.14 | \$4,406.55 | 113 |
| Screenplay | \$7,748.62 | \$7,903.60 | \$8,061.68 | 230 |

In reference to the above Freelance Animation Writer and Storyboard rates, the Employer may require two rewrites or re-works without additional compensation. If the Employer requires an additional re-write or re-work, an additional 20% of the original unit rate shall be paid for each re-write or re-works. Any amount negotiated in excess of the above minimums may be applied against any additional compensation for re-write or rework when due.