

MEMORANDUM OF AGREEMENT OF 02/08/2016
BETWEEN IATSE AND TSL & TTL

This Memorandum of Agreement is entered into as of January __, 2019 between The Secret Lab ("TSL") and The Traveling Lab ("TTL") (herein after referred to individually and jointly as the "Employer") and the International Alliance of Theatrical Stage Employees (hereinafter referred to as the "Union").

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. This Memorandum of Agreement is not contract language, except where the context clearly indicates otherwise.

The provisions of the Memorandum of Agreement are subject to ratification of this Agreement.

All of the provisions of the 2015 collective bargaining agreements between these parties (hereinafter collectively referred to as "the Agreement") shall remain the same unless otherwise specifically changed as noted herein. The provisions herein shall be effective upon ratification of the Agreement, 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 of Agreement

The term of the Agreement shall be for three (3) years, commencing on November 1, 2018 and continuing to and including October 31, 2021.

2. Wage Increases

Minimum wage rates shall be increased as follows:

- (i) By three percent (3%) effective October 28, 2018.
- (ii) By three percent (3%) effective November 3, 2019.
- (iii) By three percent (3%) effective November 1, 2020.

These increases shall be compounded.

3. Hours (On-Call)

Modify Article 5B as follows:

Increase On-Call hourly benefit contributions to 60 hours for a 5-day week. For the 6th day worked, employee shall receive 8 hours of benefit contributions and for the 7th day worked employee shall receive 8 hours of benefit contributions.

4. Process Lead

Add the following language to the bottom of the Wage Schedule:

An employee selected and performing the role of a process lead for a technology or process development initiative shall be compensated at not less than 5% above the then current Category I scale rates.

5. Contract Services Administration Trust Fund

Increase the CSATF contribution rate in Article 18 to nine cents (\$0.09) per hour effective July 29, 2018 and ten cents (\$0.10) per hour effective August 2, 2020.

6. The Animation Guild 401K Plan

Add the following language as a new Article to the Agreement:

Subject to satisfaction of the following conditions, the Employer shall allow eligible employees, after ninety (90) days of employment with the Employer, to participate in The Animation Guild 401(k) Plan (the "401(k) Plan") under the terms of the Trust Agreement. The Employer shall withhold and contribute or cause to be withheld and contributed on a before-tax basis, for each payroll period, the dollar amount or percentage of compensation (not to exceed the lesser of the statutory IRS dollar maximum amount or 100% of the employee's compensation), which the employee has designated in writing to the Employer as the employee's salary deferral election under the 401(k) Plan. The Employer shall remit each employee's salary deferrals in accordance with and as required by the Trust Agreement.

The 401(k) Plan operates as a Taft-Hartley plan, administered by an independent service provider chosen by the Trustees. The 401(k) Plan shall continue its current structure and shall continue to operate in accordance with the following:

1. There will be no Employer contributions to the 401(k) Plan.
2. The Employer shall have no responsibility for any management or administrative costs of the 401(k) Plan.
3. The Employer and the Union will take such measures, particularly with respect to design of the Plan, as are required to limit the liability of the Employer.
4. The bargaining parties agree to recommend to the Trustees of the 401(k) Plan the adoption of a resolution under which the 401(k) Plan shall warrant to the Employer that it will timely discharge its duties and responsibilities so as to avoid any liability for the Employer.

5. The Employer's participation in the Plan is contingent on the 401(k) Plan's continued qualification as tax-exempt under the provisions of the Internal Revenue Code.

7. Animation Intern

Add a new Sideletter 7 re: Animation Interns as follows:

During negotiations, the parties discussed the fact that the Producer has established or may establish internship programs designed to give students and recent graduates an opportunity to learn about the animated motion picture industry and gain insight into artistic staff responsibilities and animated motion picture production.

In order to provide a meaningful learning experience, Animation Interns may perform work covered by this Agreement without becoming subject to its terms and conditions so long as the Animation Intern is enrolled in an undergraduate or graduate school program, or has graduated from such a program within the past six (6) months, and is a participant in a Producer's internship program lasting no longer than one (1) semester if the program takes place during the school year, or no longer than twelve (12) weeks if the program takes place during the summer break. It is understood that no bargaining unit employees shall be displaced as a result of this Sideletter.

This Sideletter shall expire on the termination of this Agreement, except that it shall continue to apply to any Animation Intern who commences an internship program prior to the termination of this Agreement for the duration of the internship program.

8. Non-Discrimination

Revise Article 9 as follows:

The parties agree to continue to comply with all applicable federal and state laws relating to non-discriminatory employment practices. Further, Company policies regarding equal employment opportunity is deemed incorporated into this Agreement.

Claims alleging a violation of this 'non-discrimination' provision are not subject to grievance nor arbitration but are instead subject to non-binding mediation.

9. Family Care Leave

Add new Article

Employer's policy regarding Family Care Leave shall be incorporated by reference into this Agreement

10. Waiver of Paid Sick Leave Statutes Outside of Los Angeles County

Amend Article 7A as follows:

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.*); Section 1-24-045 of the Municipal Code of Chicago; the Cook County Earned Sick Leave Ordinance (Ordinance No. 16-4229); the San Francisco Paid Sick Leave Ordinance (San Francisco Administrative Code Section 12W); the Paid Sick Leave Ordinance of Berkeley, California (Municipal Code Chapter 13.100); all requirements pertaining to "paid sick leave" in Chapter 37 of Title 5 of the Municipal Code of Emeryville, California (including, but not limited to, Chapter 37.01.e), 37.03, 37.07.a)1)B.ii. and 37.07.f)); the Oakland Sick Leave Law (Municipal Code Section 5.92.030.); Chapter 4.62.025 of the Santa Monica Municipal Code (enacted by Ordinance No. 2509); the Seattle Paid Sick and Safe Time Ordinance (Ordinance No. 123698); Chapter 18.10 of Title 18 of the Municipal Code of the City of Tacoma, Washington (enacted by Ordinance No. 28275); Article 8.1 of Title 23, Chapter 2 of the Arizona Revised Statutes; the New Jersey Paid Sick Leave Act (C.34:11-56a *et seq.*); Chapter 160 of the Ordinances of the Township of Bloomfield, New Jersey (enacted by Ordinance No. 15-10); the Paid Sick Time for Private Employees Ordinance of East Orange, New Jersey (Ordinance No. 21-2014; East Orange Code Chapter 140, Section 1 *et seq.*); the Paid Sick Time Law of Jersey City, New Jersey (Chapter 4 of the Jersey City Municipal Code); Chapter 8.56 of the Revised General Ordinances of the City of New Brunswick, New Jersey; Chapter 8, Article 5 of the Municipal Code of the City of Plainfield, New Jersey; the Sick Leave for Private Employees Ordinances of Elizabeth, New Jersey (Ordinance No. 4617); Irvington, New Jersey (Ordinance No. MC-3513); Montclair, New Jersey; Morristown, New Jersey (Ordinance No. O-35-2016); Newark, New Jersey (City Ordinance 13-2010); Passaic, New Jersey (Ordinance No. 1998-14); Paterson, New Jersey (Paterson Code Chapter 412); and Trenton, New Jersey (Ordinance No. 14-45) and ~~Elizabeth, New Jersey (Ordinance No. 4617);~~ 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."

11. Productions Made for New Media

Provisions agreed to by the parties regarding Productions Made for New Media in the Productions Made for New Media Sideletter in the 2018 IATSE Basic Agreement and Sideletter N in the 2018 Local 839 Agreement are deemed to be incorporated into this Agreement.

12. Employee Benefits

Adjust all references to term in Article 14. Employee Benefits to conform to current term and Basic Agreement.

13. Sideletters

All Sideletters will remain in full force and effect except as amended in these negotiations.

14. Incorporated Reference to IATSE Basic Agreement

Provisions agreed to by the parties in the IATSE 2018 Basic Agreement including but not limited to, Excise Tax under the Affordable Care Act, Retired Employees Fund and Pension and Health changes are deemed to be incorporated into this Agreement.

FOR THE IATSE

By:  _____

Date: APR 03 2019

On Behalf of TSL

By:  _____

Date: April 3, 2019

On Behalf of TTL

By:  _____

Date: April 3, 2019