

CONTRACT

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Effective August 1, 2021 through July 31, 2024

Agreement of August 1, 2021 between PRODUCER

and

THE ANIMATION GUILD AND AFFILIATED OPTICAL ELECTRONIC AND GRAPHIC ARTS, LOCAL 839

and

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

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PRODUCER

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THE ANIMATION GUILD AND AFFILIATED OPTICAL ELECTRONIC AND GRAPHIC ARTS, LOCAL 839

and

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

THIS AGREEMENT is executed as of this first day of August, 2021 between the International Alliance of Theatrical Stage Employees and Moving Picture Technicians, Artists and Allied Crafts of the United States, its Territories and Canada, and 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 (both hereinafter referred to as the "Union"), on the one hand, and the Alliance of Motion Picture and Television Producers, on behalf of those Producers listed in Exhibit "A" attached hereto (each hereinafter referred to individually as the "Producer" and collectively referred to as the Producers"), on the other hand. In consideration of the mutual agreements hereinafter contained, it is agreed as follows:

WITNESSETH

The basic purposes of this Agreement are:

- 1. To assist each other in every fair and constructive way to secure uninterrupted work in the Producer's place or places of business and the general stabilization of working conditions therein. To that end, Producer agrees to discuss its annual production schedules and its personnel requirements with the Union.
- 2. To provide methods for the fair and peaceful adjustment of all disputes between the Producer and the Union or members of the Union for the mutual benefit of the Producer and its employees.

- 3. Both parties hereto agree that these fundamental purposes shall serve as a guiding influence in the settlement of all problems, disputes, grievances and differences between them during the term of this Agreement.
- 4. The Union hereby warrants and agrees that it is not under any disability of any kind, either arising out of the provisions of its Articles of Incorporation, Constitution, By-laws or otherwise, that will prevent it from fully carrying out and performing each and all of the terms and conditions of the Agreement, and the Producer hereby warrants and agrees that it is not under any disability of any kind, either contractual or otherwise, that will prevent it from fully carrying out and performing all of the terms and conditions hereof.

AUTHORITY OF UNION AND PRODUCER

The Union and the Producer each agrees that it will not maintain or adopt any Articles or By-laws or any rules or orders which will be in conflict with this Agreement.

Each party hereto agrees that it will not take any action that will impede or prevent the full and complete performance of every term and condition hereof.

Nothing herein contained shall be deemed to vest in Local 839 (hereinafter sometimes referred to as the "Local Union") any rights, powers or privileges not granted to it by the provisions of the Constitution and By-laws of the I.A.T.S.E. in effect during the life of this Agreement, or which may be inconsistent with said provisions.

As Local 839 is a member of the I.A.T.S.E., nothing in this Agreement shall ever be construed to interfere with any obligation Local 839 owes to the I.A.T.S.E. by reason of a prior obligation.

NOW, THEREFORE, in consideration of the mutual understandings contained, the parties covenant and agree as follows:

ARTICLE 1.SCOPE OF AGREEMENT

This Agreement shall be applicable to all persons employed by the Producer to perform services in this County of Los Angeles, or employed by the Producer in the County of Los Angeles to perform services outside said County, in any of the job classifications hereinafter set forth except where the employee is required to work under the jurisdiction of another union contract.

ARTICLE 2. *RECOGNITION*

The Producer recognizes the International Alliance of Theatrical Stage Employees and Moving Picture Technicians, Artists and Allied Crafts of the United States, its Territories and Canada as the exclusive collective bargaining representative of all classifications listed in this Agreement, employed by the Producer. The Union makes this Agreement on behalf of such employees employed by the Producer, the majority of whom the Union warrants are members of the Union in good standing.

The Local Union represents that the terms of this Agreement have been submitted to its membership and have been duly approved thereby.

ARTICLE 3.SHOP REQUIREMENTS

- A. Each and every employee subject to this Agreement hired by the Producer to perform services in the County of Los Angeles, or hired by the Producer in the County of Los Angeles to perform services outside said County, except where the employee is required to work under another union's jurisdiction, shall be and remain a member in good standing of the Union on and after the thirtieth day following the beginning of the employee's first employment, as hereinafter defined, or the effective date of this Agreement, whichever is the later. The foregoing requirements of Union membership as a condition of employment shall be subject to the obligations of the parties under law.
- B. The Producer may employ or continue to employ any such employee who does not become or is not a member of the Union as required under Paragraph A. above until:
- (1) the Union first gives the Producer a written notice that such employee has not become or is not then a member of the Union as above required, because of such employee's failure to tender the periodic dues and the initiation fees uniformly required as a condition of acquiring or retaining such membership, and
- (2) such employee fails to tender to the Union such required periodic dues or initiation fees, as the case may be, within three (3) working days after Producer receives such notice in which event Producer upon receipt of written notice by the Union requesting the discharge of such employee for non-membership, as herein provided, shall discharge said employee at the close of shift on which such employee is working at the time Producer receives such notice.

C. Producer agrees to inform the Local Union in writing within seven (7) days (Sundays and holidays excluded) from the date of employment hereafter of any employee subject to this Agreement, of such employee's name, residential address, social security number, classification, applicable scale wage, and date of employment.

Producer agrees to inform the Local Union in writing within seven (7) days (Sundays and holidays excluded) of severance of employment and of permanent promotions.

- D. "First employment" as referred to in Paragraph A. of this Article shall (unless determined otherwise by the N.L.R.B., its General Counsel, or a court of competent jurisdiction) mean, in the case of all employees, the first such employment in any of the classifications covered hereunder by any Producer in the animated film cartoon industry in Los Angeles County.
- E. The parties hereto agree that the above Union Security provisions shall be interpreted and enforced in accordance with and subject to the provisions of the National Labor Relations Act, as amended in 1947, or subsequent amendments thereto, or any other applicable law. When and if such National Labor Relations Act, as amended in 1947, is amended to provide more favorable conditions for the Union than those provided herein with respect to said Union Security, or if the respective portions of the National Labor Relations Act, as amended in 1947, relating to said Union Security are held to be unconstitutional by the Supreme Court of the United States, then in either of such events, the Union may, within sixty (60) days thereafter by written notice to Producer, signify its intention to negotiate a modification of such Union Security provisions only.

Such notice shall set forth in detail the proposals and recommendations of the Union. The parties agree to commence negotiations concerning the proposals or recommendations set forth in such notice, within ten (10) days after receipt of such notice by the Producer, and to continue such negotiations diligently and in good faith until agreement is reached on such proposals and recommendations. In the event that no agreement to modify said Union Security provision is reached within sixty (60) days after commencement of such negotiations, then within thirty (30) days thereafter, either party hereto may, by not less than sixty (60) days' advance written notice to the other party hereto, terminate this Agreement. If no such sixty (60) day notice to terminate is so served, then the terms and conditions of the existing Agreement shall continue in full force and effect.

ARTICLE 4.

WAGE SCALES, HOURS OF EMPLOYMENT AND WORKING CONDITIONS

Wage scales, hours of employment and working conditions shall be as set forth in the Wage Scales, Hours of Employment and Working Conditions attached hereto.

- A. The rates of pay now being received by any employee shall not be decreased by reason of the execution of this Agreement.
- It is recognized that weekly employees in classifications В. covered by this Agreement who are exempt under the Fair Labor Standards Act of 1938, as amended, and whose rate is higher than one hundred ten percent (110%) of the applicable Journey rate may, at the Producer's option, be considered on an "on call" basis if mutually agreeable with the employee. An employee placed in such category shall not be subject to the provisions set forth in Article 5 ("HOURS") of this Agreement for work performed on a regularly-scheduled workday as provided in Article 5 hereof and may be required to work additional hours as required during those days. If an employee employed pursuant to this paragraph shall be required to work a sixth or seventh workday as defined in this Agreement, then the employee shall be paid one and onehalf $(1\frac{1}{2})$ times one-fifth (1/5) of the minimum basic weekly rate provided herein for such employee's classification for each day so worked, rather than as provided in Article 5, Paragraph A.2.
- C. Nothing in this Agreement shall prevent any individual from negotiating and obtaining from the Producer better conditions and terms of employment than those herein provided. Further, the Union and the Producer agree that the Producer shall have the right to adjust compensation, conditions and benefits at the sole discretion of the Producer, but in no event less than the applicable minimum compensation, conditions and benefits provided herein for such employee's classification.

For any employee whose salary is in excess of one hundred ten percent (110%) of the minimum scale required hereunder, any premium time payments required under this Agreement may be credited, to the extent legally permissible, to all overtime payments required under this Agreement.

D. If an employee shall be engaged in more than one (1) classification of work during any workweek, the employee shall be paid on a *pro rata* basis for time spent in each classification.

E. Homework Assignment for Weekly Employees

- 1. Homework for employees currently employed on a weekly basis shall be voluntary. Overtime, where applicable, shall be paid in accordance with Article 5 ("HOURS") of this Agreement.
- 2. Contributions to the Pension Plan, Active Health Plan and Retired Employees Fund shall include hours worked or guaranteed on homework assignments.

F. Deductions for Time Off

Whether due to tardiness or other causes, deductions shall not be in excess of time lost.

G. Documentaries and Industrials

The Producer and Union agree to negotiate separate agreements for the production of documentaries, commercials, educational or industrial films when and as needed.

H. Materials: Tools and Equipment

If, because of lack of facilities, the Producer requires an employee to work away from the studio, the Producer will furnish material and tools of the trade customarily furnished by the Producer. Necessary equipment shall likewise be furnished unless the employee has such equipment available.

I. Technological Change

- 1. Definition of Technological Change: As used herein, the term "technological change" means the introduction of any new or modified devices or equipment for the purpose of performing any work by employees covered by this Agreement, which work directly results in a change in the number of employees employed under this Agreement or which results, with respect to the performance of work in any classification hereunder, in materially changing the job description thereof, if any, provided herein, or in requiring substantially different training, qualification or skills therefor.
- 2. Producer's Right to Institute Technological Changes: The parties hereto agree that Producer has the unrestricted right to make technological changes and that such right shall not be subject to grievance or arbitration or any other proceeding.

However, Producer's right to make technological changes shall be subject to the provisions of subparagraphs 3., 4., 5. and 6. of this Article 4, Paragraph I.

- 3. Notice of Technological Change: If Producer proposes to make any technological change, it shall give written notice thereof to Union and to any other union affected by such change. Such notice shall be given as soon as possible but no less than thirty (30) days prior to instituting such change.
- 4. *Retraining*: If any technological change permanently displaces any person in the performance of the person's job classification for Producer, and
- 1) such person, as of the date of such displacement, is entitled under the provisions of subparagraph 9. hereof to be credited with at least one (1) "qualified year" arising out of the person's employment by Producer and
- 2) such person is qualified to be retrained for an available job resulting from such technological change or for other jobs which Producer has available within Union's jurisdiction, or within the jurisdiction of any other union which is a party to the Memorandum of Agreement of 1965, or for any other available job opportunity with Producer,

Producer agrees to endeavor to retrain such person for such available job at Producer's expense in which event the provisions of subparagraph 5. below shall not apply. Union agrees, anything in this Agreement to the contrary notwithstanding, to permit such retraining and to cooperate with Producer with respect thereto. Union further agrees for the benefit of other union parties to the Memorandum of Agreement of 1965, in consideration of the inclusion in their respective contracts of a clause identical with this Article 4, Paragraph I, to permit retraining within this Union's jurisdiction of employees displaced from jobs within the jurisdiction of such other union parties; provided, however, that such other union parties' displaced employees are qualified for retraining in this Union's jurisdiction and provided, further, that such permission shall be on condition (applicable to this Article 4, Paragraph I only) that this Union has been notified of such available job and within forty-eight (48) hours thereafter (excluding Saturdays, Sundays and holidays) is unable to furnish competent available persons on the Studio Seniority Roster, if any, applicable to this Union, to fill such available job. Any such persons offered retraining pursuant to this subparagraph 4. shall, of course, have the right to reject the same, but any such rejection shall discharge Producer's obligations under this

Article 4, Paragraph I, unless the job opportunity for which Producer offered retraining was at a lower rate of pay than the job from which employee is being displaced.

- 5. Displacement Pay If any such technological change permanently displaces any person in the performance of the person's job classification for Producer, and
- 1) such person, as of the date of such displacement, is entitled under the provisions of subparagraph 9. hereof to be credited with at least one (1) "qualified year" arising out of the person's employment by Producer and
- 2) such person makes written application to Producer within thirty (30) days after such displacement, to receive Displacement Pay (as herein defined),

Producer shall pay the person the amount of compensation set forth in the following table and upon such payment the person shall be removed from the Studio Seniority Roster, if any.

Qualified Years as of the Date of Displacement	Number of Weeks of Displacement Pay Payable
1 or 2	1
3	1½
4	2
5 to 9 (inclusive)	3
10 or 11	5
12 or 13	6
14 or 15	7
16 or 17	8
18 or 19	9
20 or more	10

The payment of Displacement Pay as above provided shall be separate and apart from any obligation Producer may have to pay Dismissal Pay to such displaced person under the provisions of Article 14 hereof ("DISMISSAL PAY"). Anything in this subparagraph 5. to the contrary notwithstanding, no such displaced person shall be eligible for Displacement Pay if:

- 1) Producer offers the training referred to in subparagraph 4. above and such person rejects it, unless the training rejected is for a job at a lower rate of pay, or
- 2) such person is offered a job by Producer at an equal or better rate of pay, or
- 3) such person accepts any job with Producer even though such job is at a lower rate of pay.
- Negotiation of New Rates: If any technological change results, with respect to the performance of work in any classification hereunder, in materially changing the job description thereof, if any, provided herein, or in requiring substantially different training, qualification or skills therefor, and either the Producer or the Union desires to negotiate a new rate or classification for such job, the party desiring such negotiation shall give written notice to such effect to the other party within thirty (30) days following the date upon which any such job is so affected. Upon receipt of such notice the parties shall immediately endeavor to agree upon the proper classification or rate for such job. Any such agreement shall be final and binding upon the parties concerned. If no such agreement is reached within thirty (30) days after such written notice is received, either party to this Agreement may, within thirty (30) days thereafter, invoke Step Three of the grievance procedure provided in Article 15 hereof, or, if they mutually agree to waive Step Three, may proceed immediately to Step Four of the grievance procedure so provided. The rate or classification determined by such agreement or by any arbitration pursuant to Step Four of the grievance procedure shall be effective retroactive to the date upon which any employee commenced performing services in any such affected job, but no reduction in rate shall be retroactive.
- 7. Experimental Technological Changes: The provisions of subparagraphs 3., 4., 5. and 6. above shall not apply to any experimental technological change except that, if any such change becomes other than experimental and any increased rate for a job affected thereby is negotiated pursuant to subparagraph 6. above, such increased rate shall be retroactive to the date upon which an employee commenced performing the changed services in such affected job. As used herein, the term "experimental" technological change shall mean a technological change which is instituted by Producer for the primary purpose of determining, under operating conditions, the feasibility and adequacy of performance of any new or modified device or equipment; provided, however, that the change shall no longer be considered experimental after the date upon which its operation by persons under the jurisdiction of this Agreement is no longer subject to supervision by

the technicians or engineers concerned with its development. Nothing in this subparagraph shall be construed to deprive Union of jurisdiction over any job over which it otherwise has jurisdiction hereunder.

- 8. Disputes Concerning Retraining, Displacement Pay and Negotiation of New Rates: If a dispute arises between Union and Producer with respect to any determination required by subparagraphs 4., 5., 6. or 7. of this Article 4, Paragraph I., such dispute shall be subject to the grievance procedure set forth in Article 15 of this Agreement, but any award arising out of such grievance or arbitration shall be limited to the enforcement of the provisions of said subparagraphs hereof and shall not affect Producer's right to make technological changes.
- "Qualified Years:" As used herein, the term "qualified years," with respect to any employee, shall refer to the number of consecutive periods, of three hundred sixty-five (365) consecutive days each, calculated backward from the date of the employee's severance, in each of which the employee has been employed by Producer for two hundred (200) or more work days (including paid vacation days as work days), it being understood and agreed that if in any such three hundred sixty-five (365) day period such employee was employed for less than two hundred (200) work days by Producer, such three hundred sixty-five (365) day period shall not be counted as a qualified year, but shall be "bridged" for displacement pay purposes, with the result that any such three hundred sixty-five (365) day period or periods prior to such "bridged" year in which employee was employed by Producer for two hundred (200) or more work days shall be counted as qualified years; provided, however, that any three hundred sixty-five (365) day period in which employee received any authorized leave of absence without pay shall be extended by the length of such leave, and provided, further, that the computation of qualified years shall be subject to the following exceptions:
- a. If an employee is determined to have less than two (2) qualified years, the employee shall be credited with a qualified year only if, in addition to having been employed for at least two hundred (200) or more days in the three hundred sixty-five (365) days immediately preceding the date of displacement, the employee shall have been employed for at least one (1) day during the first six (6) months of the eighteen (18) month period immediately preceding the date of displacement, in which case the employee shall be credited with one (1) qualified year.
- b. Any period of two hundred seventy (270) consecutive days commencing prior to January 31, 1961 in which such employee was not actually employed by Producer will be deemed to

have broken the employment record of such employee and no period prior to the completion of such two hundred seventy (270) days shall be considered in determining qualified years of such employee.

- c. With respect to any severance of employment of an employee which occurred between February 1, 1961 and January 31, 1965, both dates inclusive, the passage of two hundred seventy (270) days following such severance in which such employee was not employed and did not receive an offer of comparable employment under the terms and conditions specified in the predecessor collective bargaining agreement or this Agreement shall result in the employee being a new employee for displacement pay purposes upon the completion of such two hundred seventy (270) day period.
- d. If an employee on the date of the displacement from employment under this Agreement after January 31, 1961, with Producer, would otherwise have had one (1), two (2), three (3), or four (4) consecutive "qualified years" with Producer, but had received full dismissal pay or displacement pay prior to February 1, 1965, then the employee shall be deemed to be a new employee for displacement pay purposes after being rehired and the applicable consecutive qualified years shall be based and computed only upon employment with Producer after the employee so became such a new employee.

ARTICLE 5. HOURS

Employees may be employed on a weekly or a daily basis as herein prescribed. The full payroll week shall be midnight Saturday through midnight Saturday.

A. Weekly Employment

1. Employees employed pursuant to this Paragraph A. shall be guaranteed a minimum of forty (40) hours in any five (5) workdays out of seven (7) consecutive days, with two (2) consecutive days off and shall be guaranteed a minimum of one (1) week's employment. A day off at the end of any workweek immediately followed by another day off at the beginning of the next workweek shall satisfy the two (2) consecutive days off requirement. A workday starting on one calendar day and running into the next calendar day shall be credited to the first calendar day.

All time worked in excess of eight (8) hours per day or forty (40) hours per week shall be paid at one and one-half ($1\frac{1}{2}$) times the hourly rate provided herein for such employee's classification.

2. Sixth and Seventh Days

- a. Time worked on the employee's sixth workday of the workweek shall be paid at one and one-half $(1\frac{1}{2})$ times the hourly rate provided herein for such employee's classification. Time worked on the employee's seventh workday of the workweek shall be paid at two (2) times the hourly rate provided herein for such employee's classification.
- b. Minimum call for the sixth and seventh days shall be four (4) hours.
- 3. Absences not to exceed eight (8) hours in any one regularly-scheduled workday occasioned by the following shall be included in determining whether or not overtime shall be paid under the applicable clause.
- a. Where absence is occasioned by the occurrence of a holiday on which no work is scheduled for the employee concerned.
- b. Where absence is occasioned by a certified illness for which the employee is paid sick leave, or by an accident on the job.
- c. Where the employee reported to work, or was ready and willing to report for work, but was laid off for the full day or part thereof due to lack of available work.
- d. Where the employee has been granted a leave of absence during the employee's normal working hours in order to conduct Union business.
- 4. Producer shall give notice of at least five (5) working days to employee of any change in that employee's regular weekly schedule, except when exigencies of production make such notice impractical or impossible. If an employee so notified of such change in the employee's regular weekly schedule requests that Producer delay the implementation of such schedule change due to the employee's unusual or emergency circumstances, the Producer shall not unreasonably or arbitrarily deny such request.

B. Daily Employment

1. Employees employed pursuant to this Paragraph B. shall be guaranteed a minimum of four (4) hours in any one day. All time worked up to eight (8) hours per day shall be paid at 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation

and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification. All time worked in excess of eight (8) hours per day shall be paid at one and one-half (1½) times the applicable hourly rate provided herein for such employee's classification.

- 2. Employees employed on a daily basis shall receive written confirmation from Producer prior to commencement of employment that employment is on a daily basis.
- 3. In the event that an employee's employment status is changed from daily to weekly or weekly to daily, written notice of such change shall be furnished to the affected employee at least seven (7) calendar days prior to the effect of such change, except when exigencies of production make such notice impractical or impossible.
- 4. A weekly employee shall not be changed to daily employment for the purpose of avoiding holiday pay pursuant to Article 6 ("HOLIDAYS") below.
- C. Overtime premiums payable under any provision of this Agreement shall not be compounded. When practicable, overtime shall be distributed equally.

D. Golden Hours Provision

All time worked in excess of fourteen (14) consecutive hours (including meal periods) from the time of reporting to work shall be Golden Hours and shall be paid at two (2) times the applicable hourly rate provided herein for such employee's classification.

E. Short Workweek

Weekly employees who are unable to work a full workweek, either at the studio or at home, shall apply to the Union for a waiver.

F. Flexible Scheduling of Freelance Work

Notwithstanding the foregoing provisions, Producer may guarantee a minimum of eight (8) hours of freelance work to be performed at the convenience of the employee with the approval of the Producer. This Article 5.F. shall not apply to an employee who works for the Producer as a regular, full-time employee.

ARTICLE 6. HOLIDAYS

- A. Prior to January 1, 2023, there shall be nine (9) paid holidays during the year: New Year's Day, Presidents' Day, Good Friday, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, the day after Thanksgiving, and Christmas Day. Effective January 1, 2023, there shall be ten (10) paid holidays during the year, with the addition of Martin Luther King Jr. Day to the foregoing list. Every employee shall receive straight time pay for each unworked holiday; double time shall be paid for all work done on said holidays.
- B. For holidays not worked, 3.719% of the employee's annual straight time earnings (4% effective January 1, 2023) shall be payable upon request of the employee after March 15 in the calendar year subsequent to the calendar year in which such earnings are accumulated. The total amount of salary paid in the period of a calendar year hereunder for recognized holidays not worked shall be offset against an amount equal to 3.719% (4% effective January 1, 2023) of such employee's accumulated earnings within the same period. The employee shall be paid the amount by which such 3.719% (4% effective January 1, 2023) computation exceeds the amount of holiday pay such employee has received for such period.
- C. Said holidays shall be counted as eight (8) hours of work in computing the forty (40) hour week.
- D. If any such holiday falls on the sixth day of an employee's workweek, then the fifth workday of such employee's workweek shall be considered as the paid holiday, unless another day off is mutually agreed upon by the Producer and the employee.
- E. If any such holiday falls on the seventh day of an employee's workweek, then the first workday of the following workweek shall be considered as the paid holiday, unless another day off is mutually agreed upon by the Producer and the employee.
- F. To make it possible for the employees to enjoy an extended holiday, the sixth day may be worked in any week in which a holiday falls in place of a regularly-scheduled work day, provided it is mutually agreeable between the Producer and the Union. If an employee has not worked forty (40) hours in any such workweek, the time worked on the sixth day shall be paid for at straight time.
- G. In the event a holiday should occur during the vacation period on a day the employee is normally scheduled to work, an

additional day's vacation shall be allowed an employee, or the Producer, at its discretion, may pay for such extra day in lieu thereof.

H. Procedure for Payment of Vacation and Holiday Pay

The following system shall be implemented regarding the payment of vacation and holiday pay:

- 1. Producers which currently pay for vacations and holidays on a weekly basis shall continue to adhere to their existing practice.
- 2. Producers which currently pay for vacations and holidays at the end of the calendar year shall comply with the following procedure:
- a. On or about March 15 of the year following the calendar year in which vacation and/or holiday pay was earned, employees and their Local Unions will be notified as to the amount of vacation and holiday pay earned in the preceding year. Employees on payroll may request vacation and holiday pay and schedule their vacations according to the Agreement. Employees on layoff may claim vacation and holiday pay pursuant to the provisions of the existing Agreement.
- b. In or about February of the second calendar year following the year in which vacation and/or holiday pay was earned ("the second calendar year"), employees who have not taken or claimed vacation or holiday pay, and their Local Union, will be notified that they must claim such pay by June 1 of that year. On or about May 15 of the second calendar year, the Local Union will be notified that, unless claimed by June 15, unclaimed vacation and holiday pay will be paid to the Motion Picture Industry Pension Plan. On or about June 15 of the second calendar year, unclaimed vacation and holiday pay will be contributed to the Motion Picture Industry Pension Plan and credited to the appropriate employee pension plan account.

ARTICLE 7. *SICK LEAVE*

A. California Sick Leave

1. <u>Accrual</u>. Commencing July 1, 2015, 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. (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 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, 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.)

- 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 (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 during each year of employment as defined by the Employer in advance.
- 3. 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 the employee's straight time hourly rate. For weekly employees (including "on call" employees), a day of sick leave pay shall be equal to one-fifth (1/5th) of the employee's weekly rate under the 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 the right to paid sick leave.
- 4. 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." Sick leave also may be taken by an employee who is a victim of domestic violence, sexual assault or stalking.

- 5. 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.
- 6. 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 eligibility periods and the cap on accrual set forth in Paragraph 2. 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 as provided in Paragraph 1. above. Producer also shall notify the Union of the name and contact information of the designated Producer representative.
- 7. Any Producer that 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, 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 the right to use paid sick leave.
- 8. Any dispute with respect to sick leave for employees covered under this Agreement shall be subject to the grievance and arbitration procedures provided in Article 15 of this Agreement.

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¹ "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.

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 (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 Chicago Paid Sick Leave Ordinance (Section 6-105-045 of the Municipal Code of Chicago); the Cook County Earned Sick Leave Ordinance (Chapter 42, Article I, Sec. 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 City of Los Angeles Emergency Order regarding Vaccine Paid Sick Leave Due to COVID-19; 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 Code); 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, Section 2-89, et seq. of the

Code of the Town of Morristown, New Jersey); the Newark Sick Leave for Private Employees Ordinance (Title XVI, 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, Paterson, New Jersey (Paterson Code Chapter 412); 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) 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.

ARTICLE 8. *VACATIONS*

All weekly employees covered by this Agreement shall be given vacations as follows:

- A. Employees who have had one (1) year of continuous employment with the Producer shall be entitled to two (2) weeks' paid vacation.
- B. Employees who have been with the Producer more than one (1) continuous year shall accumulate vacation at the rate of one (1) week for each six (6) months of employment.
- C. Employees who have less than one (1) year of continuous employment with the Producer whose services are terminated shall be paid vacation pay at the rate of four percent (4%) of straight time earnings.
- D. Vacation shall not be cumulative between calendar years and shall be taken at times approved by the Producer. As much notice as possible will be given to employee.
- E. An employee's sixth and seventh work days occurring during vacation periods are excluded as days granted.
- F. When any portion of the vacation period is less than a full payroll week, by mutual agreement between the Producer and the employee, the Producer may grant leave of absence without pay for the remaining fractional portion of the payroll week.

G. The Producer, at its election, may compute any payment of vacation pay on the employee's personal income tax earnings year, or the employee's anniversary year, or the studio's established fiscal vacation year. The Producer will notify the Union accordingly.

H. Additional Vacation Provisions

The following vacation provisions shall apply to employees who meet the necessary eligibility qualifications:

1. Eligibility Requirements

Eligible employees shall be entitled to one hundred twenty (120) hours of vacation after eight (8) years. Eligible employees are those who actually worked for Producer for eight (8) consecutive "eligible" years.

As used in this provision, the term "year" shall mean the employee's personal income tax earnings year (also hereinafter referred to as "tax year"). The Producer, at its election, may substitute for the tax year the employee's anniversary year or the studio's established fiscal vacation year; the term "eligible year" shall mean a tax year in which the employee worked one hundred (100) or more straight time days for Producer; the term "straight time days" shall be deemed to include the five (5) days of employment specified under the normal workweek.

Any tax year in which employee actually works less than one hundred (100) "straight time days" for Producer shall be excluded in computing the required eight (8) eligible tax years.

Employees who fail to work more than one hundred (100) straight time days for such Producer in each of any two (2) consecutive tax years shall, at the end of such second year, be considered a new employee hereunder with no previous employment credit with the Producer for the purpose of establishing the above eligibility requirements; provided, however, that in determining such two (2) consecutive years, no year shall be included (and the straight time days worked in such year shall not be counted for any eligibility purposes hereunder) in which the employee could not work one hundred (100) straight time days for Producer due to either or both of the following:

a. The period of recorded leaves of absence granted by the Producer;

b. The period during which the employee was absent and physically unable to work for Producer solely as a result of an "Industrial Accident" occurring to such employee while employed by the Producer.

2. Vacation Days and Pay

Such employees who become eligible as above provided shall, beginning with the date they so become eligible, earn with Producer fifty percent (50%) more in vacation time and money based upon the vacation schedule set forth above. Any such employee shall be limited to earning a maximum of one hundred twenty (120) hours vacation per year; provided that, for the remainder of any such tax year in which such an employee becomes eligible, the employee shall only earn additional vacation time and money, as above provided, based solely on the straight time days the employee worked for Producer after the employee so became eligible and within the remaining portion of such year; to be computed separate and apart at the rate of one-half (½) of the vacation benefit specified under the above vacation schedule.

3. Loss of Eligibility

Employees who become eligible, as above provided, but who thereafter either resign from employment with Producer or fail to work for Producer more than one hundred fifty (150) straight time days in any one (1) tax year shall, as of the last day of such tax year or, in the case of resignation, the date of such resignation, lose such eligibility and right to earn the additional vacation days and pay above provided; in such event, they shall thereupon be considered new employees hereunder with no previous employment credit with Producer for the purpose of subsequently establishing the above eligibility requirements.

In determining whether any employee loses eligibility for failure to work for Producer more than one hundred fifty (150) straight time days in a tax year as above provided, no such year shall be counted for this purpose in which the employee could not work at least one hundred fifty-one (151) straight time days for Producer due to either or both of the following:

- a. The period of recorded leaves of absence granted such employee by the Producer;
- b. The period during which such employee was absent and physically unable to work for Producer solely as a result of

an "Industrial Accident" occurring to the employee while employed by Producer.

4. Eligibility Credit

For the purposes of determining "eligible" years and "loss of eligibility" only, as above provided, employees who leave the employ of Producer to perform military service and who remain in the Armed Forces of the United States in accordance with the applicable National Selective Service Act (or other subsequently enacted comparable national legislation then in effect pertaining to such service) shall be credited as having worked for Producer the number of applicable days the employee would normally have been employed by Producer for straight time days in each workweek of the period of such service.

5. The method of payment of vacation and holiday pay shall be as set forth in Article 6 ("HOLIDAYS"), Paragraph H.

ARTICLE 9. *NON-DISCRIMINATION*

The parties agree to continue to comply with all applicable federal and state laws relating to non-discriminatory employment practices.

Claims alleging a violation of this "Non-Discrimination" provision are not subject to grievance nor arbitration, but are instead subject to non-binding mediation.

ARTICLE 10. *MILITARY SERVICE PROVISIONS*

In addition to abiding by all federal laws in regard to employees serving in the Armed Forces of the United States, the Producer agrees not to deduct any monies from the salary of any employee for time spent in being interviewed or examined by the Draft Board or any Medical Board prior to rejection from or induction into the Armed Forces. The Producer may require evidence of the necessity of such an interview from the Draft Board.

ARTICLE 11. *LOANING EMPLOYEES TO OTHER COMPANIES*

Employees loaned out by Producer shall continue to retain and to accumulate their seniority and shall receive at least the hourly rate provided herein for such employee's classification. Whenever an

employee so loaned out by Producer is actually subjected to any additional expense because of such loan out, then the employee shall be compensated therefor by the borrowing Producer.

ARTICLE 12. *SENIORITY*

Seniority shall be cumulative from the first day of employment with the Producer. Seniority shall be broken by discharge for cause, voluntary resignation (including refusal to accept any job assignment commensurate with the employee's experience at an hourly rate not less than such employee's then-current hourly rate; however, in no instance shall the rate exceed one hundred ten percent (110%) of the average hourly rate for bargaining unit work performed by such employee for Producer over the preceding one (1) year period), unauthorized leave of absence, layoff in excess of twelve (12) months, or an absence in excess of twelve (12) months due to illness or injury. In no event may the above conditions be combined to extend the applicable period.

In hiring, layoffs and recalls, the principle of seniority shall apply as set forth below, except that where the merit and ability of one individual is, in the sole discretion of the Producer, superior to that of another individual, Producer's judgment shall prevail unless the Union can demonstrate that Producer did not reach its decision fairly and reasonably and without illegal discrimination of any kind. The concept of merit and ability includes an employee's work performance in relationship to the Producer's reasonable production standards, qualitative or quantitative. The principle of promotions from within the organization is hereby acknowledged, but this principle or the seniority principle shall not prevent the Producer from obtaining new talent.

A. Hiring, Layoffs and Recalls

- 1. If additional personnel are required by the Producer in any classification covered by this Agreement, the Producer agrees to give first preference of employment to persons on layoff with seniority provided merit and ability are relatively equal in the sole discretion of the Producer pursuant to the above.
- 2. If Producer determines that there are no qualified available persons eligible for recall under Paragraph A.1. above, the Producer agrees to give preference of employment to all qualified available persons having six (6) months or more experience in the animated cartoon industry in any job classification set forth in this Agreement, provided the merit and ability of these applicants are equal to or greater than the merits and abilities of other applicants in the sole

discretion of the Producer. The Producer shall in all events exercise said discretion fairly and reasonably and without illegal discrimination of any kind.

In the event that Producer shall employ an individual pursuant to this Paragraph A.2., which individual has not had at least six (6) months' experience within Los Angeles County at the time of hire, then Producer shall furnish the Union with a summary of such employee's experience within ten (10) business days of such employee's commencement of employment. The Producer's decision in this regard shall be upheld unless the Union can demonstrate that such decision was arbitrary.

- 3. In the event there are insufficient available qualified persons under Paragraphs A.1. and A.2. above to meet the employment needs of the Producer in said classifications, the Producer may secure employees from any source.
- 4. If layoffs in personnel are effected, such layoffs shall be made in conformity with the principle of seniority provided merit and ability are relatively equal in the sole discretion of the Producer pursuant to the preamble of this Article 12. The Producer shall in all events exercise said discretion fairly and reasonably and without illegal discrimination of any kind.
- 5. Layoffs or reclassifications of personnel shall not result in placing unreasonable or abnormal duties or work upon any of the remaining employees.
- 6. If an employee is laid off, the Producer shall provide either five (5) days' notice or five (5) days' pay, provided that the layoff was not occasioned by an act of God or other occurrence beyond the Producer's control. Any weekly employee given notice as prescribed above may be laid off prior to the end of such employee's scheduled five (5) day workweek; in such event, such employee shall be paid on a *pro rata* basis for those days required to complete the assigned work, but in no event less than the number of days required to comply with the five (5) day notice requirement. Such notice may be given orally but must be confirmed in writing and given to the individual employee.

Without need for additional notice, Producer shall orally advise employee in the event such dismissal date is extended in order to complete an assignment. The foregoing does not affect the Producer's right to prorate payment for a partial workweek.

Any probationary employee, as defined in Article 16.A. of this Agreement, who is engaged for ninety (90) days or fewer and who is released from employment shall not be eligible for notice or payment in lieu of notice under the terms of this provision.

B. Any alleged violation of any provision contained in this Article 12 shall be arbitrable only by Expedited Arbitration as provided herein, except where the parties shall mutually agree otherwise in writing, in which event such alleged violation may be submitted to Regular Arbitration as provided herein. However, if such alleged violation is submitted to Regular Arbitration, the authority of the Arbitrator to award any damages or remedies to the parties shall nonetheless be governed by the provisions of Expedited Arbitration below.

ARTICLE 13 (none)

ARTICLE 14. *DISMISSAL PAY*

- A. Whenever an employee has been laid off by the Producer for more than one hundred ten (110) days and has not been offered employment by the Producer during that time and is eligible for Dismissal Pay, the employee shall be paid Dismissal Pay according to the provisions of this Article.
- B. Employees with three (3) months, but less than six (6) months, of continuous employment shall receive one and one-fourth $(1\frac{1}{4})$ days' pay.
- C. Employees with six (6) months, but less than one (1) year, of continuous employment shall receive one (1) week's pay.
- D. Employees with one (1) or more years of continuous employment shall receive two (2) weeks' pay.
- E. Employees earning between one hundred percent (100%) and one hundred fifty percent (150%) of the applicable minimum hourly rate on the date of layoff and otherwise entitled to Dismissal Pay shall receive Dismissal Pay calculated at the employee's contracted rate of pay in effect on the date of layoff. Employees earning more than one hundred fifty percent (150%) of the applicable minimum hourly rate on the date of layoff and otherwise entitled to Dismissal Pay shall receive Dismissal Pay calculated at one hundred fifty percent (150%) of the applicable minimum rate in effect on the date of layoff, unless a higher

rate has been previously negotiated and agreed upon between the employee and the Producer.

Neither interest, penalty nor additional payment of any kind shall be applicable in the event of non-timely payment of Dismissal Pay.

- F. Employees who are discharged for cause or who voluntarily resign (including failure to accept any job assignment commensurate with the employee's experience at an hourly rate not less than such employee's then-current hourly rate; however, in no instance shall the rate exceed one hundred ten percent (110%) of the average hourly rate for bargaining unit work performed by such employee for Producer over the preceding one (1) year period) or who are laid off as a result of physical incapacity, epidemic, fire, action of the elements, strikes, walkouts, labor disputes, governmental order, court order or order of any other legally constituted body, act of God, public enemy, war, riot, civil commotion, or for any other cause or causes beyond the control of the Producer, whether of the same or any other nature, shall not be entitled to the above Dismissal Pay.
- G. For purposes of this Article only, continuous employment shall begin from the employee's starting date. Continuous employment shall be broken by:
- 1. Voluntary resignation (including failure to accept any job assignment commensurate with the employee's experience at an hourly rate not less than such employee's then-current hourly rate; however, in no instance shall the rate exceed one hundred ten percent (110%) of the average hourly rate for bargaining unit work performed by such employee for Producer over the preceding one (1) year period);
 - 2. Discharge for cause;
 - 3. Layoff for more than one hundred ten (110) days;
- 4. Absence due to illness or injury in excess of twelve (12) months; or
 - 5. Unauthorized leave of absence.

An employee re-employed after continuous employment has been broken as stated above in Paragraph F.3. shall be considered a new employee with respect to Dismissal Pay, but this shall not affect the employee's seniority.

ARTICLE 15. *GRIEVANCE PROCEDURE*

In the event of any dispute between the Local Union or any of the persons subject to this Agreement and the Producer with regard to discipline (up to and including discharge), wages, hours or other conditions of employment or with regard to the interpretation of this Agreement, the procedure, unless otherwise specifically provided herein, shall be as set forth in this Article 15.

Failure to settle the dispute within ten (10) business days after the invocation of Step One entitles either party to proceed to Step Two; failure to settle the dispute within ten (10) business days after the invocation of Step Two entitles either party to proceed to Step Three, or to Regular Arbitration in the event of a written mutual agreement between the parties to waive the Step Three procedure, or to Expedited Arbitration in cases requiring such; failure to settle the dispute within ten (10) business days after the invocation of Step Three, or the written mutual agreement to proceed to Step Three in cases requiring Expedited Arbitration, entitles either party to proceed to Regular Arbitration, or to Expedited Arbitration in cases requiring such.

In the event the grieving party does not exercise its option to proceed to the next step by serving notice upon the other party as required hereunder within ten (10) business days of entitlement to do so as provided herein, then such grieving party shall be deemed to have waived such grievance unless the parties mutually stipulate otherwise in writing.

Each party agrees to provide, upon written request by the other party, non-proprietary information which is relevant and necessary to the processing of any grievance hereunder. Such information shall be provided to the requesting party in a timely manner.

STEP ONE - The representative of the Local Union and the Producer's representative shall immediately discuss the matter and the dispute shall be settled if at all possible. The decision, if any, of these representatives shall be final and binding upon the parties to the dispute.

STEP TWO - In the event of a failure to settle the dispute under Step One above, the grieving party shall present the grievance in written form to the representative of the other party. Such written notice shall contain the specific contract section(s) which are alleged to have been violated, the date(s) or approximate date(s) of the alleged violation(s), the specific facts and details or a summary of the alleged violation(s) on which the grievance is based, the name of the production (if any), the remedy sought and the name(s) of the individual(s) aggrieved, except for group claims for which the classification(s) of the individuals aggrieved shall be listed.

In the event the party receiving the Step Two notice does not feel that the written notice complies with the preceding, then the party receiving the Step Two notice shall notify the grieving party within five (5) working days of receipt of such Step Two notice. This response shall indicate those areas in which more specific information is required. The grieving party shall then have five (5) working days to provide such additional information. This procedure tolls the running of the time limitations otherwise applicable.

The Business Agent of the Local Union and the Labor Representative of the Producer will then meet in an attempt to settle the same; their decision, if any, shall be final and binding upon the parties to the dispute.

STEP THREE - In the event of a failure to settle the dispute under Steps One or Two above, the aggrieved party shall deliver to the other party a written notice of intent to proceed to Step Three. The grievance shall thereupon be presented to a Grievance Committee. Such Committee shall consist of an International Representative of the IATSE and a representative of the CSATF. Such Grievance Committee shall immediately discuss the matter and the dispute shall be settled if at all possible.

Upon written mutual agreement of the parties, this Step Three procedure may be waived and the aggrieved party may proceed directly to Step Four.

In any case where Expedited Arbitration is required pursuant to Article 12 ("SENIORITY") or Article 16 ("DISCIPLINE AND DISCHARGE") hereof, this Step Three process shall not apply unless the parties mutually agree otherwise in writing.

STEP FOUR

A. *REGULAR ARBITRATION*: In the event of a failure to settle the dispute under Steps One, Two or Three above, the aggrieved party may elect to proceed to Regular Arbitration by delivering or mailing to the other party a written demand for arbitration. In such event, an Arbitrator shall be mutually agreed upon by the parties to the dispute and such Arbitrator shall promptly proceed to hear the matter and settle the dispute. In the event the parties to the dispute cannot mutually agree upon said Arbitrator as aforesaid, then the aggrieved party may

immediately request the Federal Mediation and Conciliation Service ("FMCS") to submit a list of five (5) names of Arbitrators to the parties to the dispute for the purpose of selection of an Arbitrator; each party shall be entitled to strike two (2) names from the list of five (5) names submitted by the FMCS and the remaining name shall be the sole Arbitrator to hear and determine the matter. The selection of such Arbitrator shall be made within five (5) workdays, excluding Saturdays, Sundays and holidays, after receipt by the parties to the dispute of the names of the Arbitrators submitted by the FMCS. The Arbitrator selected shall notify the parties as to the time and place of the arbitration hearing if the parties cannot agree.

The subject of the arbitration shall be limited to the specific issues and facts set forth in the written notice required under Step Two above. The decision of the Arbitrator shall be binding upon the parties hereto and upon the persons subject to this Agreement. The Arbitrator shall have the power to interpret and apply the provisions of this Agreement, but shall not have power to amend or modify any of its provisions, nor shall the Arbitrator have power to effect a change in any of its provisions. The Arbitrator shall not have power to determine jurisdictional disputes between the Local Union and any other labor organization.

Fees and expenses of the arbitration shall be borne equally by the parties to the dispute.

B. *EXPEDITED ARBITRATION*: In cases involving any alleged violation of any provision of Article 12 ("SENIORITY") or Article 16 ("DISCIPLINE AND DISCHARGE"), in the event of a failure to settle the dispute under Steps One or Two or, if applicable, Step Three above, the aggrieved party may elect to proceed to Expedited Arbitration by delivering or mailing to the other party a written demand for Expedited Arbitration.

Cases that are submitted to Expedited Arbitration shall be heard within ten (10) business days after the party served receives the demand for Expedited Arbitration if the selected Arbitrator is available. If the Arbitrator is not available, the Arbitrator may hear the case as soon as mutually agreed by the parties. The method of selection of the Arbitrator shall be as prescribed under Paragraph A., Regular Arbitration, above. The parties, who may be represented by outside counsel, will not file post-hearing briefs nor will a stenographic record be made, but the parties may, prior to or during the hearing, present a written statement of the facts. The Arbitrator shall have authority to rule on all motions and decide the case. The writing of an opinion will be at the discretion of the Arbitrator. The decision of the Arbitrator, which

shall be issued orally at the conclusion of the hearing and confirmed in writing to both parties within three (3) days, or which shall be issued in writing within three (3) days from the conclusion of the hearing (the choice being at the sole discretion of the Arbitrator), shall be final and binding upon the parties and any employees concerned. The Arbitrator shall have the power to determine only the specific grievance or dispute and, where applicable, award wage payments, adjustments and/or damages consistent with this Agreement, but in no event shall the amount of any such award exceed fifteen thousand dollars (\$15,000.00). The Arbitrator shall not have power to amend, modify or effect a change in any of the provisions of this Agreement. The Arbitrator shall not have power to determine jurisdictional disputes between the Local Union and any other labor organization. The decision of the Arbitrator shall be non-precedential, and the Arbitrator's decision and/or opinion, if any, shall not be offered or admitted into evidence in any proceeding other than 1) a judicial act seeking confirmation, correction or vacation of such decision, or 2) a grievance or arbitration proceeding involving the Producer and Local Union.

Fees and expenses of the arbitration shall be borne equally by the parties to the dispute.

CLAIMS - Any grievance for the payment of wages not presented under Step Two within three hundred sixty-five (365) calendar days after the employee is entitled to such wages shall be deemed to be waived. Any grievance for the payment of Dismissal Pay not presented under Step Two within one hundred and twenty (120) calendar days after the date the employee is eligible under Article 14 for such Dismissal Pay shall be deemed to be waived. Any grievance arising from an alleged breach of any provision of Article 12 ("SENIORITY") or Article 16 ("DISCIPLINE AND DISCHARGE") hereof not presented under Step One within ten (10) business days after the occurrence of the subject matter of the grievance shall be deemed to be waived. Any other grievance not presented under Step Two within sixty (60) calendar days after the occurrence of the subject matter of the grievance shall be deemed to be waived.

Upon mutual agreement of the parties, the powers hereby granted to the Arbitrator may be deemed to include, among the other powers specifically granted by the terms hereof, such other and additional powers granted to an Arbitrator pursuant to the provision of Sections 1280 to 1292, inclusive, of the Code of Civil Procedures of the State of California; the parties hereto hereby agree that the Superior Court of the State of California in and for the County of Los Angeles, may, upon notice to both parties hereto, specifically enforce any decision or award made by said Arbitrator.

ARTICLE 16.

DISCIPLINE AND DISCHARGE

- A. The Producer shall have full rights to discipline or discharge for cause any employee subject to this Agreement provided that the rules set forth in this Article have been followed; provided that an employee, when hired by the Producer for the first time or rehired after a break in seniority, may be discharged or disciplined for any reason during the first ninety (90) days of employment ("Probation Period"). Employees who have completed the applicable Probation Period shall only be disciplined or discharged for cause.
- B. Before any employee subject to this Agreement shall be discharged for unsatisfactory work performance, including qualitative and quantitative work performance, at least two (2) written notices shall have been served upon the employee. If the employee cannot be contacted, the Producer shall so notify the Business Representative of the Local Union.
- C. The first notice shall clearly state in what manner the employee's work performance is considered to be unacceptable and shall clearly warn the employee of the possibility of discipline, including discharge, if the work performance does not improve.

The second notice may be served upon the employee no sooner than five (5) working days after the service of the first notice. The second notice, if final, shall set the date and time of termination of employment, which may be contemporaneous with such notice.

- D. Copies of all notices provided for in this Article shall be mailed or delivered to the Business Representative not more than two (2) working days after service of the notice to the employee.
- E. Failure of an employee to challenge a disciplinary warning notice shall not constitute an admission of guilt under that warning notice. Disciplinary memos issued to an employee are admissible evidence in a grievance and/or arbitration proceeding. However, such disciplinary memoranda issued more than one (1) year prior to the incident or event giving rise to said grievance shall not be admissible. The employee shall have the right to challenge such disciplinary memo under the grievance and arbitration procedure of this Agreement.
- F. An employee need not be warned prior to any possible disciplinary action based on dishonesty, alcohol or drug use, fighting, gross insubordination, recklessness resulting in serious accident while on

duty, gambling, or other offenses of a similar nature. The foregoing is not intended to affect the meaning of "cause."

G. Any alleged violation of any provision contained in this Article 16 shall be arbitrable only by Expedited Arbitration as provided herein, except where the parties shall mutually agree otherwise in writing, in which event such alleged violation may be submitted to Regular Arbitration as provided herein. However, if such alleged violation is submitted to Regular Arbitration, the authority of the Arbitrator to award any damages or remedies to the parties shall nonetheless be governed by the provisions of Expedited Arbitration.

ARTICLE 17. *LEAVE OF ABSENCE*

- A. The Producer may grant a leave of absence with or without pay to any employee for a period of up to six (6) months. Based on the operational needs of Producer, such leave may be extended by Producer in increments of up to thirty (30) days.
- B. An initial leave of absence of thirty (30) consecutive days or less shall not be deducted from the continuous employment record of employee.
- C. In a leave of absence of more than thirty (30) consecutive days, the number of days in excess of such thirty (30) days shall be deducted from the continuous employment record of the employee, except in case of jury duty. The Producer will notify the Local Union of any leave of absence in excess of thirty (30) days. Inadvertent failure to notify the Local Union shall not be considered a breach of this Agreement.

ARTICLE 18. *EMPLOYEE BENEFITS*

A. Pension Plan

The Producer shall, for the period commencing August 1, 2021 to and including July 31, 2024, make contributions to the Motion Picture Industry Pension Plan, through its Administrator, in accordance with the provisions of the 2021 I.A.T.S.E. and M.P.T.A.A.C. Basic Agreement, except as modified in the unit rates of The Animation Guild Wage Scales as set forth on pages 73 to 87 of this Agreement. "On call" weekly contributions shall be based upon a fifty-six (56) hour week (sixty (60) hour week effective July 10, 2022).

B. Individual Account Plan

Provisions of the Individual Account Plan shall be as provided in the I.A.T.S.E. and M.P.T.A.A.C. Basic Agreement of 2018. "On call" weekly contributions shall be based upon a fifty-six (56) hour week (sixty (60) hour week effective July 10, 2022).

C. Health Plan

Provisions of the Motion Picture Industry Health Plan shall be as provided in the I.A.T.S.E. & M.P.T.A.A.C. Basic Agreement of 2021, except as modified in the unit rates of The Animation Guild Wage Scales as set forth on pages 73 to 87 of this Agreement. "On call" weekly contributions shall be based upon a fifty-six (56) hour week (sixty (60) hour week effective July 10, 2022).

D. Retired Employees Fund

Provisions of the Retired Employees Fund shall be as provided in Article XIV of the I.A.T.S.E. and M.P.T.A.A.C. Basic Agreement of 2021. "On call" weekly contributions shall be based upon a fifty-six (56) hour week (sixty (60) hour week effective July 10, 2022).

E. Supplemental Markets

The Supplemental Markets provisions shall apply to animated features as provided in the I.A.T.S.E. and M.P.T.A.A.C. Basic Agreement of 2021.

F. The Animation Guild 401(k) Plan (No Matching Contributions)

Subject to satisfaction of the following conditions, the Producer shall allow eligible employees, after ninety (90) days of employment with the Producer, to participate in The Animation Guild 401(k) Plan (the "401(k) Plan") under the terms of the Trust Agreement. The Producer 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 Producer as the employee's salary deferral election under the 401(k) Plan. The Producer 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 Producer contributions to the 401(k) Plan.
- 2. The Producer shall have no responsibility for any management or administrative costs of the 401(k) Plan.
- 3. The Producers and the Union will take such measures, particularly with respect to design of the Plan, as are required to limit the liability of the Producers.
- 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 Producers that it will timely discharge its duties and responsibilities so as to avoid any liability for the Producers.
- 5. The Producer'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.

ARTICLE 19. *PRODUCER'S RIGHTS*

Except as expressly limited by the specific provisions of this Agreement, the Producer retains, among other rights, the sole and exclusive prerogative to determine the types of production to be made, locations, schedules of productions, methods, processes and means of production, the size of its workforce and facilities and workshifts, starting and stopping times, to hire, promote, discharge or discipline for cause, including unsatisfactory work standards, qualitative or quantitative, to increase wages above the rates set forth in this Agreement for excellent work performance, qualitative or quantitative, to maintain discipline and efficiency of employees, to subcontract out work, to assign personnel special work requirements and overtime, and to do all things necessary and lawful to run its business. The foregoing list of rights reserved to Producer shall not be construed as complete or exhaustive. Accordingly, any rights not expressly limited by the specific provisions of this Agreement are reserved by, and shall be exclusive to, Producer. Such rights shall not be used directly or indirectly to illegally discriminate against any employee.

ARTICLE 20. STUDIO PASS

The duly authorized Business Representative of the Local Union shall be furnished a pass to the studio and shall be permitted to visit any portion of the Studio necessary for the proper conduct of the business of the Local Union during working hours provided that any such visits shall not unreasonably interrupt production.

ARTICLE 21. *GENERAL PROVISIONS*

A. Posting of Notices

The Union shall be accorded the privilege of posting official bulletins or Union notices on the regular bulletin boards on the premises in which its members are employed. It shall not post notices of a political nature.

B. Screen Credit

Screen credit shall be required to be given only to the classifications of animation, story, background and layout in theatrical pictures and in television pictures of one-half (½) hour or longer network shows which are now non-segments. Credits shall be given on a per-picture or per-show basis for work performed.

In any screen credit dispute under this section, the parties will refer any unresolved disputes to the President of the I.A.T.S.E. (or the President's designee) and the Head of the Labor Relations Department of the affected studio for adjudication. The decision of the adjudicators is final and is not subject to grievance and arbitration procedures.

C. New Classifications

In the event any classifications of employment are created during the life of this Agreement, the wage scale for employees in such new or additional classifications shall be negotiated by the Local Union and the Producer and shall thereupon become a part of this Agreement.

D. Safety

1. It is agreed by the parties that too great an emphasis cannot be placed on the need to provide a safe working environment. In that context, it shall be incumbent on Producer to furnish employment and a place of employment which are safe and healthful for the

employees therein; to furnish and use safety devices and safeguards, and adopt and use practices, means, methods, operations, and processes which are reasonably adequate to render such employment and place of employment safe and healthful; to do every other thing reasonably necessary to protect the life, safety and health of employees. Correspondingly, Producer shall not require or permit any employee to go or be in any employment or place of employment which is not safe and healthful. In addition, Producer and every employee shall comply with occupational safety and health standards and all rules, regulations and orders pursuant to applicable laws which are applicable to the employee's own actions and conduct; no person (employer or employee) shall remove, displace, damage, destroy or carry off any safety device, safeguard or notice of warning furnished for the use in any employment or place of employment; no person (employer or employee) shall interfere with the use of any method or process adopted for the employee's protection, or for the protection of any other employee, in such employment or place of employment.

- 2. Rigid observance of safety regulations must be adhered to and willful failure of any employee to follow safety rules and regulations can lead to disciplinary action including discharge; however, no employee shall be discharged or otherwise disciplined for refusing to work on a job that exposes the individual to a clear and present danger to life or limb. No set of safety regulations, however, can comprehensively cover all possible unsafe practices of working. The Producer and the Union therefore undertake to promote in every way possible the realization of the responsibility of the individual employee with regard to preventing accidents to that employee or other employees.
- 3. It is also agreed that, when unresolved or continuing disputes exist regarding Safety and Health compliance, non-compliance or interpretation therein of Title 8, Chapter 4, Subchapter 7, General Industry Safety Orders, said disputes shall be referred to the Alliance of Motion Picture and Television Producers and CSATF-administered Labor Management Safety Committee for review, investigation, interpretation and advisory recommendations to the Producer. It is understood that it is not the responsibility of the Safety Committee, or any member of the Committee, the IATSE or its Local Unions, the Basic Crafts, CSATF or the AMPTP to implement or comply with any such recommendations.
- 4. The Labor-Management Safety Committee shall meet at least once a month.
- 5. The cost of the Labor-Management Safety Committee will be borne by the Contract Services Administration Trust Fund.

- 6. A separate bulletin shall be issued by the AMPTP to provide the following:
- a. The Producer reaffirms its commitment to regularly inspect the studio working areas and to establish preventive maintenance procedures to assure safe working conditions.
- b. Complaints of unsafe conditions will be promptly investigated by the Producer and appropriate action will be taken if the Producer finds that an unsafe condition does exist.
- c. Each Producer will designate an individual as the responsible safety officer for its respective studio, facility, laboratory or location site. Except on location, each safety officer will have a well-publicized "hot-line" phone number which employees can anonymously call to alert management to any existing safety problems which may require correction.
- d. The Producer will provide access to all working areas to the Safety Director of CSATF so that the Safety Director will periodically inspect same.
- e. Communications regarding safety policy will be made available to all affected employees directly or by posting on bulletin boards.
- 7. An employee's failure to successfully complete required safety training courses shall be grounds for disciplinary action.

E. Subcontracting

1. Within Los Angeles County

The Producer retains the right to purchase or rent stock art work and/or stock film of any kind or nature.

The Producer shall not, by independent contract or subletting, utilize the services of any individual, firm, partnership or corporation to perform work in Los Angeles County, California which would otherwise be performed by available and qualified persons subject to this Agreement unless such work is performed at wages and conditions no less favorable than those provided herein.

However, before any such work is subcontracted or sublet, the Producer agrees to discuss the matter with the Business Representative of the Union.

2. Outside Los Angeles County

Producer agrees that, fourteen (14) days prior to the commencement of a production outside the County of Los Angeles, Producer shall give written notice to the Local Union of the name of the production and the general nature and approximate length of production work to be performed. Notwithstanding the foregoing, if Producer itself has less than twenty-one (21) days' advance notice, it shall provide such written notice to the Local Union as soon as reasonably possible. All information shall be held by the Local Union in strictest confidence.

F. Stewards

The Business Representative of the Union may appoint a reasonable number of stewards to inspect all working conditions affecting the term of this Agreement. Any member so appointed shall be permitted to perform these duties provided that such duties do not interfere with the member's work or with production activities. The Union shall discuss the matter with the Producer before making such an appointment.

G. Supervisory Employees

Notwithstanding anything contained in the Constitution and By-laws of the Union, or in the obligation taken by a person upon becoming a member of the Union, or otherwise, which directly, indirectly or by implication places upon a supervisory employee within the meaning of that term as set forth in the Labor Management Relations Act of 1947, as amended, the duty or obligation to accord an unlawful employment preference to members of the Union, such supervisory employee shall not give or recommend any unlawful employment preference, and the Union shall not in any manner discipline or threaten with discipline any such supervisory employee for failing or refusing to give or recommend any such unlawful employment preference.

H. Quarterly Reports

Producer agrees to provide the Union with a quarterly report of the name, earnings and hours worked of each employee subject to this Agreement.

I. Personal Service Contracts

1. The Producer agrees that any personal service contract entered into between the Producer and the employee for work performed under the jurisdiction of the Local Union shall provide that all of the

applicable provisions of this Agreement between the Producer and the Local Union shall be deemed by reference to be incorporated and made a part of the personal service contract.

- 2. If any such work at the Producer's discretion is to be performed away from the studio premises, such agreement shall be reduced to writing and a copy furnished to the Local Union within seven (7) working days.
- 3. The Producer agrees to provide each newly-hired employee with a written confirmation of employment, such as a personal services contract or an offer letter or email, which specifies the employee's job title, occupation code and wage scale classification. The Producer also agrees to provide any employee who moves to a new classification (whether promotion or transfer) with written confirmation of the employee's new job title, occupation code and wage scale classification.

There shall be no penalty for inadvertent failure to comply with this provision.

J. No Strike - No Lockout

The Union agrees during the existence of this Agreement, unless the Producer fails to comply with an arbitration award, not to strike against, picket or boycott the Producer for any reason whatsoever, and to order its members to perform their obligations to the Producer hereunder and to use its best efforts to get the employees to perform such obligations. The Producer agrees not to engage in any lockout unless the Union fails to comply with an arbitration award. However, the Producer's or Union's properly-served notice to the other party of its intention to attempt to set aside an arbitration award in a court of competent jurisdiction (including continuation through the appropriate appeals procedure) shall not constitute failure to comply with said award.

The Producer will not discipline any employee covered by this Agreement because of the employee's refusal as an individual to cross an I.A.T.S.E. picket line, provided that such picket line has been sanctioned by the I.A.T.S.E.

No employee covered by this Agreement shall be required by the Producer to go through any picket line where there is an actual and imminent danger of bodily harm to the employee.

K. Computer As A Tool

The parties to this agreement recognize that the computer can be one of the many tools utilized by artists performing animation duties traditionally covered under this Agreement. The sole fact that an artist performs such traditional animation duties on a computer will not serve to remove such artist from coverage under this Agreement.

L. Co-Operative Committee

A Co-Operative Committee will meet on an *ad hoc* basis to explore mechanisms to increase employment opportunities under the collective bargaining agreement.

M. Project Information

For animated productions commencing on or after January 1, 2019, Producer shall provide written notice to Local 839 with the following information, if known (or may submit the information, if known, in the form of a Project Information Sheet, attached as Exhibit "B" to this Agreement), for each theatrical motion picture, television motion picture and covered New Media production on which employees are employed under this Agreement no later than two (2) weeks after a Line Producer or another person in an equivalent role commences services for such motion picture or production.

Such notice shall contain at least the following information, if known:

- 1. Project/Working Title;
- 2. Project Type (feature, television or New Media);
- 3. Applicable "High Budget SVOD" budget tier and subscriber tier for a "High Budget SVOD" Program covered by Sideletter N re: Productions Made for New Media, if relevant;
 - 4. Production office address and phone number;
- 5. Line Producer, UPM or Labor Relations contact(s) with phone number(s) and email address(es);
 - 6. Name of payroll service, if applicable.

For episodic series, it is understood and agreed that the Producer need only provide a notice (or Project Information Sheet) at the commencement of production of the first season of such episodic series.

There shall be no penalty for inadvertent failure to comply with this provision.

ARTICLE 22.

CONTRACT SERVICES ADMINISTRATION TRUST FUND

- A. The Producer shall pay to Contract Services Administration Trust Fund ("CSATF") ten cents (\$0.10) per hour for each hour worked or guaranteed hereunder.
- B. The Producer will establish a procedure whereby any interested party may contact CSATF to obtain information relative to the past employment of an individual on a specific motion picture. In response to such an inquiry, CSATF will make a good faith effort to contact the involved Producer and secure such information on behalf of the interested party. The Producer on its part will make a good faith effort to respond to such inquiries by CSATF.

C. Harassment Prevention Training

- 1. Employees will be required to complete harassment prevention training by a date scheduled by CSATF. Should an employee fail to successfully complete the training, the Producer shall not be obligated to call or continue to employ such employee.
- 2. Each employee in the bargaining unit covered by this Agreement who attends required harassment prevention training administered by CSATF shall be paid a stipend of \$20.00 per hour for each hour the employee attends such training during non-working time.

ARTICLE 23. *TERM OF AGREEMENT*

- A. Except as noted in this Article, the term of the Agreement shall be for a period of three (3) years commencing August 1, 2021 and continuing to and including July 31, 2024.
- B. Without affecting the status of the International Union as bargaining agent for the employees covered hereby, this Agreement authorizes Local Union 839 to conduct the bargaining for such employees on matters relating to wages, hours, conditions and the term of the Local Agreement, except that the International Union will do the bargaining relating to pension, Individual Account Plan, health and welfare and CSATF.
- C. Either party may, by written notice to the other, served on or before May 1, 2024, request renegotiations of the "Wage Scales, Hours of Employment and Working Conditions" of this Agreement. Such notice shall set forth in detail the proposals or recommendations of the

party serving said notice of request for renegotiations. If such notice is served, the parties agree to commence negotiations within thirty (30) days after May 1, 2024 concerning the proposals or recommendations set forth in such notice and to continue negotiations diligently and in good faith on such proposals and on counterproposals relating to the above said subject matter which are submitted in such negotiations.

D. Retroactive Terms and Effective Dates

The terms and conditions of this Agreement shall be effective on July 10, 2022, except to the extent that a different date is specified.

ARTICLE 24.TALENT DEVELOPMENT PROGRAM

A Talent Development Program has been established by Producer. Trainees shall be added to or deleted from the Talent Development Program, at the discretion of Producer, on a non-discriminatory basis. Producer shall notify the Local Union of the name and date of hire of each Trainee.

The normal period of enrollment in the Talent Development Program shall be eighteen (18) months. At the discretion of Producer, a Trainee may be placed in an appropriate classification and paid as set forth in the current Agreement between Producer and the Local Union before the end of the eighteen (18) months or allowed additional time to complete the program where extenuating circumstances exist. In addition, the Producer may request one six (6) month extension from the Local Union, and the Local Union agrees that approval of such extension shall not be unreasonably denied.

Trainees who have not completed the Talent Development Program shall not receive Seniority and the dismissal of a Trainee from the Program and/or employment shall not be subject to the grievance procedure.

Each and every Trainee shall be and remain a member in good standing of the Union on and after the ninetieth day following the beginning of employment with Producer. Any Trainee who is a member of the Union at the time of entry into the Program will be required to remain a member in good standing. It is not the intent of Producer to utilize this Program to perform work which would otherwise be performed by available and qualified persons subject to this Agreement. After the initial thirty (30) days of training, Trainees may perform production services within the scope of this Agreement as long as a full

complement of non-Trainees is maintained in accordance with Producer's past practice of staffing.

The wage scales and hours of employment shall be as set forth on page 70 of this Agreement for a Trainee (21-222).

The provisions of this Agreement shall be applicable except where modified by this Article or where it may not be practical to apply certain provisions of this Agreement to the Talent Development Program.

ARTICLE 25. *MISCELLANEOUS*

The parties acknowledge that, during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understandings and agreements arrived at by the parties, after the exercise of that right and opportunity, are set forth in this Agreement. Therefore, the Producer and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waives the right and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter referred to or covered in this Agreement or with respect to any subject or matter not specifically referred to or covered by this Agreement.

All provisions of this Agreement shall be subject to and superseded by the laws, rules, regulations, requirements and orders which may be imposed by the Government of the United States and/or the State of California.

ARTICLE 26. LOAN-OUTS

The Producer may utilize the services of an employee on a loanout basis for work covered by this Agreement under the following conditions:

- A. All provisions of the collective bargaining agreement shall be fully applicable.
- B. Producer shall provide at least the minimum compensation and conditions under this Agreement to the loan-out company, but shall not be responsible for payment by the loan-out company to its employee.

- C. Any claims or disputes between the employee on loan-out and the Producer regarding salaries or terms and conditions of employment that would be covered by the grievance and arbitration provisions of this Agreement if the employee had been hired directly by the Producer shall be subject to such grievance and arbitration provisions with the right of The Animation Guild to file grievances on behalf of employee on loan-out.
- D. With respect to pension and health and contract services administration, during such time as an employee is engaged by a borrowing Producer through the employee's loan-out company, the borrowing Producer shall make pension and health and CSATF contributions directly to the Motion Picture Industry Health Plan and the Motion Picture Industry Pension Plan on behalf of the employee so employed based upon hours worked or guaranteed, whichever is greater. Contributions may not be made by loan-out companies.

"Loan-out company" for purposes of this Article is defined as a company controlled by the loaned-out employee, who is the only employee of the loan-out company who performs work covered by this Agreement.

ARTICLE 27. *FAMILY AND MEDICAL LEAVE*

An employee employed under a personal service contract that guarantees at least twenty-six (26) weeks of employment, or under an "all episodes produced" or "run of season" guarantee that is anticipated to produce at least twenty-six (26) weeks of employment, other than an employee employed under a unit rate, shall be entitled to up to a total of eight (8) weeks within a one year period of unpaid leave for the birth of a child or to care for a newborn child, newly adopted child or newly placed foster child, to care for a family member² with a serious health condition or a serious health condition that makes the employee unable to perform the essential functions of the employee's employment. If an employee requests leave under this Article, then the employee must use all eight (8) weeks within a year of the start of the employee's initial leave. No more than eight (8) weeks of leave may be used within any twelve (12) month period. When parental leave is requested, the leave must be taken within one year of the birth, adoption or placement of the employee's child. An employee shall request leave under this Article at

² "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.

least thirty (30) days in advance of the start of the leave, unless such notice is impracticable, in which case the employee shall make the request within a reasonable time in advance of the leave. An employee is not required to use the eight (8) weeks of leave under this Article consecutively and, with the Producer's approval, may use the leave intermittently, provided that the employee requests the leave as provided under this Article. Scheduling of the leave provided in this Article must be done with the Producer's approval when practicable.

- B. Any employee who takes a leave of absence hereunder shall be entitled to be reinstated to the employee's original position upon conclusion of the leave, provided that such position continues to exist at the end of the leave. The employee shall have no greater employment right than if the employee had been continuously employed during the leave of absence.
- C. The leave provided for hereunder shall run concurrently with any other leave entitlement. Producer may require that an employee first use vacation during a leave period under this Article prior to taking unpaid leave which, in the aggregate, shall be no more than eight (8) weeks. Producer reserves the right to request verification (*e.g.* a doctor's note) to confirm the need for leave.

ARTICLE 28. LABOR-MANAGEMENT COOPERATIVE COMMITTEE

A Labor-Management Cooperative Committee, consisting of no more than four (4) representatives from a Producer and four (4) representatives appointed by the Union, shall meet, upon the request of the Union, to exchange ideas and discuss matters of mutual interest that are specific to that Producer. The meetings shall take place at least twice per year at mutually-agreed upon dates and times.

At the time of its request for a meeting, the Union will provide the Producer with a written agenda of proposed topic(s) for the meeting. As soon as reasonably practicable after being informed of the Union's proposed topic(s), the Producer will propose any additional topics that it wishes to discuss at the meeting. The Producer and the Union must mutually agree upon the agenda prior to the meeting.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective on the day and year first herein written.

FOR THE ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS ON BEHALF OF THE COMPANIES LISTED ON EXHIBIT "A" ATTACHED HERETO

By:	Camell La	Date: Much 21 2024
	Carol A. Lombardini	/ /
	President	

FOR THE ANIMATION GUILD AND AFFILIATED OPTICAL ELECTRONIC AND GRAPHIC ARTS, LOCAL 839, IATSE

Bv:	She for	Date:	MARCH	8, 2024
	Steve Kaplan			1
	Business Representative			

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

Date: 3

Matthew D. Loeb

International President

EXHIBIT "A"

Companies Represented by the AMPTP in the 2021 Local 839 Negotiations

4th Floor Productions, Inc.

ABC Signature, LLC fka
Touchstone Television
Productions, LLC
Adelaide Productions, Inc.
Air Raid Productions, LLC
Alien Animation, LLC
American Animation Institute,
Inc.

Animal Head Animation, LLC Animated Productions Inc. Applause Productions, LLC Apple Studios LLC

Bento Box Animation, LLC Big Indie Pictures, Inc. Bird City, LLC

Cartoon Network Studios, Inc.
Corporate Management
Solutions, Inc. dba
CMS Productions
Chuck Productions, Inc.
Cranetown Media LLC
CRD Productions, Inc.

Disney Television Animation
Doniley, LLC
DreamWorks Animation L.L.C.
DreamWorks Animation
Television, LLC

Eye Animation Productions Inc.

Fox Animation Los Angeles, Inc. Fox Sidecar Animation, LLC Fox Television Animation, Inc.

Good Dreams, LLC

Kapital Productions, LLC Katy Mac Session Productions, Inc. LD Productions, LLC
Legendary Features Productions
US, LLC
Legendary Pictures Productions
LLC
Legendary Television
Animation, LLC

Marvel Film Productions, LLC
Metro-Goldwyn-Mayer
Animation Inc.
Minim Productions, Inc.
Muddy Water Entertainment,
Inc.

Netflix Animation, LLC Next Step Productions LLC

Obelisk Productions, Inc. Odd Planet, LLC

Partricks Road Productions II, Inc. Petey Productions, LLC

Robin Red Breast, Inc.
Rough Draft Studios, Inc.
Rutherford Bench Productions,
Inc.

Shawndan Animation, Inc. Solar Opposites LLC STX Animation, LLC

Tomorrow Friends LLC Turner 1050 Productions, Inc.

Universal Animation Studios LLC Universal City Studios LLC Walt Disney Pictures
Warner Bros. Animation Inc.
Warner Specialty Productions
Inc.

Williams Street Productions, LLC Woodridge Productions LLC

PROJECT INFORMATION SHEET FOR LOCAL #839 AGREEMENT

Please complete the following, if known, for each project employing employees covered by the Local #839 Agreement.

Please send completed form to notices@tag839.org.

				DATE:	
	LATIONS/LINE PRODUC			-	
	Tel: ION OFFICE INFO:	Email:			
A	Address: Citv:	State / Province:	Postal Code:	Country:	
T	Геl:				
PAYROLL S	_				
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on or after August 1, 1	r August 1, 2022 (in the 2022, and in the case o	e case of a series, the fir	f a license agreement, which com rst episode of which commenced c part of which commenced produ media programs.)	production animation on o	or after
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[Animated High Bu	dget SVOD Program:			
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	\$500,000 or	\$1,750,000 or	☐ \$3,000,000 or more	\$3,000,000 or more	
	more	more	\$4,000,000 or more	\$4,500,000 (plus \$2,2	50,000 for
	□\$1,688,264 or more [\$1,738,912 or	\$3,800,000 or more	One-Time HB SVOD Program (other than a pilot)	each additional 35 minute portion thereof) or more	-
	more effective 7/30/23]		that is 85-95 minutes in length and budgeted at \$30,000,000 or more [\$30,900,000 eff. 7/30/23]	One-Time HB SVOD Progr than a pilot) budgeted at:	
				\$30,000,000 or more [\$30,900,000 or more eff. but less than the box imm below	
				more than \$50,647,89 than \$52,167,333 eff. 7/3	-
	Check the annronriat	e hax helaw anly if the	SVOD platform has <u>fewer</u> than 2	O million domestic subscri	ihers:
_	20-35 Minutes ¹		36-65 Minutes	66 Minutes or More	
_	\$500,000 or more		☐ \$1,750,000 or more	☐ \$3,000,000 or more	
	_	e [\$1,738,912 or more	_	Parts of a mini-series:	
	effective 7/30/23]		☐ \$3,800,000 or more	budgeted at more	than
	Episodes of a series \$4,000,000 or more [\$	s budgeted at 4,120,000 eff. 7/30/23]	☐ Episodes of a series budgeted at \$8,000,000 or more [\$8,240,000 eff. 7/30/23]	\$6,000,000 [\$6,180,00 7/30/23] or	
	Parts of a mini-series:		Parts of a mini-series:	budgeted at \$9,50	
	budgeted at \$8,000 [\$8,240,000 eff. 7/30/2	·	☐ budgeted at \$8,000,000 or more [<i>\$8,240,000 eff. 7/30/23</i>]	more [\$9,785,000 eff.	
	budgeted at less the [\$8,240,000 eff. 7/30/2		budgeted at less than \$8,000,000 [\$8,240,000 eff. 7/30/23]	☐ One-Time HB SVOD Pr (other than a pilot) budge \$30,000,000 or more [\$30 eff. 7/30/23]	ted at

(Note that for series or mini-series, the budget thresholds refer to the budget per episode or part.)

 $^{^{1}}$ Includes two (2) eleven (11) minute segments produced for and initially exhibited as a unit. Check the appropriate box if the combined budget of the two segments meets the threshold.

PROJECT INFORMATION SHEET FOR 2021 LOCAL #839 AGREEMENT (Continued)

Complete the below for any covered new media program subject to a license agreement entered into prior to August 1, 2022, or in absence of a license agreement, which commenced production animation prior to August 1, 2022 (in the case of a series, the first episode of which commenced production animation prior to August 1, 2022, and in the case of a miniseries, the first part of which commenced production animation prior to August 1, 2022):

series, the first part of which commenced production animation p	prior to August 1, 2	022):		
Covered New Media Production (other than an An	imated High Budge	et SVOD Program):	
BUDGET: \square \$25,000 or less per minute \underline{OR} \square more than \$25,000 per minute				
Animated High Budget SVOD Program				
Check the appropriate box below only if the SVOD platform has 20) million or more do	mestic subscriber	s:	
20-35 Minutes*	36-65 Minutes	66-95 Minutes	96 Minutes or More	
□ \$1,639,091 or more for Programs or episodes of series [\$1,688,264 or more effective July 31, 2022 and \$1,738,912 or more effective July 30, 2023] □ \$2,100,000 or more for Programs or episodes of series that commenced prior to January 1, 2019** or are subject to a license agreement entered into prior to January 1, 2019	□\$3,800,000 or more	□ \$4,000,000 or more	□ \$4,500,000 (plus \$2,250,000 for each additional 35 minutes or portion thereof) or more □ More than \$49,172,715 [more than \$50,647,896 effective July 31, 2022 and more than \$52,167,333 effective July 30, 2023]	
* Includes two (2) eleven (11) minute segments produced for an initially exhibited as a unit. Check the "\$550,000 or more				

^{**} For series, production animation of the first episode must have commenced prior to January 1, 2019.

20-35 Minutes*	36-65 Minutes	66-95 Minutes	96 Minutes or More
\$583,495 or more for Programs or episodes of series [\$601,000 or more eff. July 31, 2022 and \$629,030 or more eff. July 30, 2023]	□ \$2,500,000 or more	□ \$3,000,000 or more	□ \$3,000,000 or more
☐ \$1,300,000 or more for Programs or episodes of series that commenced prior to January 1, 2019** or are subject to a license agreement entered into prior to January 1, 2019			

^{*} Includes two (2) eleven (11) minute segments produced for an initially exhibited as a unit. Check the "\$550,000 or more box" if the combined budget of the two segments meets the threshold.

^{*} Includes two (2) eleven (11) minute segments produced for an initially exhibited as a unit. Check the "\$550,000 or more box" if the combined budget of the two segments meets the threshold.

^{**} For series, production animation of the first episode must have commenced prior to January 1, 2019.

ANIMATION**

21-012 Animator**

21-032 Background**

21-042 Layout**

21-052 Model Designer**

21-022 Animation Story Person**

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$50.11	\$2,004.40
2 nd 6 months	\$51.24	\$2,049.60
Journey	\$53.15	\$2,126.00

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$51.61	\$2,064.40
2 nd 6 months	\$52.78	\$2,111.20
Journey	\$54.74	\$2,189.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$53.16	\$2,126.40
2 nd 6 months	\$54.36	\$2,174.40
Journey	\$56.38	\$2,255.20

(Subject to right of Producer to request one six-month extension which Union shall not unreasonably deny.)

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^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

^{**} An Animator, Background or Layout person designated by the Producer to be responsible for and supervise the work of others in the same classification shall be paid the key rate of 15% above the minimum Journey rate for the classification during such an assignment. Effective July 10, 2022, an Animation Story Person designated by the Producer to be responsible for and supervise the work of others in the same classification shall be paid the key rate of 15% above the minimum Journey rate for the classification during such an assignment.

ANIMATION (continued)

21-027 Production Board**

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$57.61	\$2,304.40
2 nd 6 months	\$58.92	\$2,356.80
Journey	\$61.12	\$2,444.80

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$59.34	\$2,373.60
2 nd 6 months	\$60.69	\$2,427.60
Journey	\$62.95	\$2,518.00

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$61.12	\$2,444.80
2 nd 6 months	\$62.51	\$2,500.40
Journey	\$64.84	\$2,593.60

(Subject to right of Producer to request one six-month extension which Union shall not unreasonably deny.)

21-801 Staff Comic Strip Story Person and/or Artist

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$50.11	\$2,004.40
2 nd 6 months	\$51.24	\$2,049.60
Journey	\$53.15	\$2,126.00

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$51.61	\$2,064.40
2 nd 6 months	\$52.78	\$2,111.20
Journey	\$54.74	\$2,189.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$53.16	\$2,126.40
2 nd 6 months	\$54.36	\$2,174.40
Journey	\$56.38	\$2,255.20

(Subject to right of Producer to request one six-month extension which Union shall not unreasonably deny.)

** Effective July 10, 2022, when designated by Producer to be responsible for and supervise the work of others in the same classification, the employee shall be paid the key rate of 15% above the minimum Journey rate for the classification during such an assignment.

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

ANIMATION (continued)

21-112 Key Assistant Animator

	Hourly	Weekly
8/1/21 - 7/30/22	\$50.93	\$2,037.20
7/31/22 - 7/29/23	\$52.46	\$2,098.40
7/30/23 - 7/31/24	\$54.03	\$2,161.20

- 21-102 Assistant Animator / Storyboard Revisionist
- 21-122 Assistant Background / Assistant Layout
- 21-132 Assistant Model Designer
- 21-802 Assistant Staff Comic Strip Story Person and/or Artist

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$42.43	\$1,697.20
2 nd 6 months	\$43.48	\$1,739.20
Journey	\$45.48	\$1,819.20

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$43.70	\$1,748.00
2 nd 6 months	\$44.78	\$1,791.20
Journey	\$46.84	\$1,873.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$45.01	\$1,800.40
2 nd 6 months	\$46.12	\$1,844.80
Journey	\$48.25	\$1,930.00

(Subject to right of Producer to request one six-month extension which Union shall not unreasonably deny.)

21-142 Breakdown

 8/1/21 - 7/30/22
 Hourly
 Weekly

 1st year
 \$38.89
 \$1,555.60

 Journey
 \$39.94
 \$1,597.60

7/31/22 - 7/29/23	Hourly	Weekly
1 st year	\$40.06	\$1,602.40
Journey	\$41.14	\$1,645.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st year	\$41.26	\$1,650.40
Journey	\$42.37	\$1,694.80

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

<u>ANIMATION</u> (continued)

21-152 Inbetweener

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$36.05	\$1,442.00
2 nd 6 months	\$37.09	\$1,483.60
Journey	\$38.47	\$1,538.80

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$37.13	\$1,485.20
2 nd 6 months	\$38.20	\$1,528.00
Journey	\$39.62	\$1,584.80

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$38.24	\$1,529.60
2 nd 6 months	\$39.35	\$1,574.00
Journey	\$40.81	\$1,632.40

21-202 Apprentice Layout, Model Designer, Background and Production **Board (6 months)**

	Hourly	Weekly
8/1/21 - 7/30/22	\$38.85	\$1,554.00
7/31/22 - 7/29/23	\$40.02	\$1,600.80
7/30/23 - 7/31/24	\$41.22	\$1,648.80

(Subject to right of Producer to request one six-month extension which Union shall not unreasonably deny.)

21-232 Blue Sketch

1st year

8/1/21 - 7/30/22 **Hourly** Weekly \$1,524.40 \$38.11 Journey \$39.17 \$1,566.80

7/31/22 - 7/29/23	Hourly	Weekly
1 st year	\$39.25	\$1,570.00
Journey	\$40.35	\$1,614.00

7/30/23 - 7/31/24	Hourly	Weekly
1 st year	\$40.43	\$1,617.20
Journey	\$41.56	\$1,662.40

Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

ANIMATION (continued)

21-312 Story Sketch

8/1/21 - 7/30/22	Hourly	Weekly
1 st year	\$47.03	\$1,881.20
Journey	\$47.75	\$1,910.00

7/31/22 - 7/29/23	Hourly	Weekly
1 st year	\$48.44	\$1,937.60
Journey	\$49.18	\$1,967.20

7/30/23 - 7/31/24	Hourly	Weekly
1 st year	\$49.89	\$1,995.60
Journey	\$50.66	\$2,026.40

21-322 Apprentice Animation Story Person and/or Apprentice Story Sketch

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$38.94	\$1,557.60
2 nd 6 months	\$40.65	\$1,626.00

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$40.11	\$1,604.40
2 nd 6 months	\$41.87	\$1,674.80

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$41.31	\$1,652.40
2 nd 6 months	\$43.13	\$1,725.20

(Subject to right of Producer to request one six-month extension which Union shall not unreasonably deny.)

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

ANIMATION (continued)

21-332 Assistant Director

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$40.46	\$1,618.40
2 nd 6 months	\$44.14	\$1,765.60
3 rd 6 months	\$47.80	\$1,912.00
Journey	\$49.93	\$1,997.20

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$41.67	\$1,666.80
2 nd 6 months	\$45.46	\$1,818.40
3 rd 6 months	\$49.23	\$1,969.20
Journey	\$51.43	\$2,057.20

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$42.92	\$1,716.80
2 nd 6 months	\$46.82	\$1,872.80
3 rd 6 months	\$50.71	\$2,028.40
Journey	\$52.97	\$2,118.80

21-335 Sheet Timer (discontinued as of July 10, 2022)

8/1/21 - 7/9/22	Hourly	Weekly
1 st 6 months	\$40.46	\$1,618.40
2 nd 6 months	\$44.14	\$1,765.60
3 rd 6 months	\$47.80	\$1,912.00
Journey	\$49.93	\$1,997.20

21-335 Animation Timer (effective July 10, 2022)

 7/10/22 - 7/30/22
 Hourly
 Weekly

 1st 6 months
 \$40.46
 \$1,618.40

 2nd 6 months
 \$44.14
 \$1,765.60

 3rd 6 months
 \$47.80
 \$1,912.00

 Journey
 \$49.93
 \$1,997.20

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$41.67	\$1,666.80
2 nd 6 months	\$45.46	\$1,818.40
3 rd 6 months	\$49.23	\$1,969.20
Journey	\$51.43	\$2,057.20

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

ANIMATION (continued)

21-335

Animation Timer (effective July 10, 2022) (continued)

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$42.92	\$1,716.80
2 nd 6 months	\$46.82	\$1,872.80
3 rd 6 months	\$50.71	\$2,028.40
Journey	\$52.97	\$2,118.80

21-613 Apprentice Timer (6 months)

	Hourly	Weekly
8/1/21 - 7/30/22	\$34.80	\$1,392.00
7/31/22 - 7/29/23	\$35.84	\$1,433.60
7/30/23 - 7/31/24	\$36.92	\$1,476.80

(Subject to right of Producer to request one six-month extension which Union shall not unreasonably deny.)

21-242 Scene Planner (discontinued as of July 10, 2022)

8/1/21 - 7/9/22	Hourly	Weekly
1 st year	\$45.36	\$1,814.40
Journey	\$47.26	\$1,890.40

21-252 Animation Checker

8/1/21 - 7/30/22 Hourly Weekly 1st 3 months \$38.11 \$1,524.40 **Next 9 months** \$39.17 \$1,566.80 **Next 6 months** \$42.43 \$1,697.20 **Next 6 months** \$43.56 \$1,724.40 \$45.48 \$1,819.20 **Journey**

7/31/22 - 7/29/23	Hourly	Weekly
1 st 3 months	\$39.25	\$1,570.00
Next 9 months	\$40.35	\$1,614.00
Next 6 months	\$43.70	\$1,748.00
Next 6 months	\$44.87	\$1,794.80
Journey	\$46.84	\$1,873.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 3 months	\$40.43	\$1,617.20
Next 9 months	\$41.56	\$1,662.40
Next 6 months	\$45.01	\$1,800.40
Next 6 months	\$46.22	\$1,848.80
Journey	\$48.25	\$1,930.00

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

ANIMATION WRITER

21-022 Animation Writer (applicable to employees employed before July 10, 2022 until satisfactory completion of the employee's level of progression as of July 10, 2022)

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 Months	\$50.11	\$2,004.40
2 nd 6 Months	\$51.24	\$2,049.60

7/31/22 - 7/29/23	Hourly	Weekly
1st 6 Months	\$51.61	\$2,064.40
2 nd 6 Months	\$52.78	\$2,111.20

(Subject to right of Producer to request one six-month extension which Union shall not unreasonably deny.)

21-850 Associate Animation Writer (in the absence of a Talent Development Program under Article 24) (effective July 10, 2022)

7/10/22 - 7/30/22	Hourly	Weekly
1 st 6 Months	\$38.94	\$1,557.60
2 nd 6 Months	\$44.53	\$1,781.20

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 Months	\$40.11	\$1,604.40
2 nd 6 Months	\$45.87	\$1,834.80

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 Months	\$41.31	\$1,652.40
2 nd 6 Months	\$47.25	\$1,890.00

(Subject to right of Producer to request one six-month extension which the Union shall not unreasonably deny.)

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^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

ANIMATION WRITER (continued)

The following wage scales are effective July 10, 2022 for new hires and are also applicable to employees employed on or before July 10, 2022 after satisfactory completion of the employee's level of progression as of July 10, 2022:

21-851 Animation Writer (effective July 10, 2022)

7/10/22 - 7/30/22	Hourly	Weekly
1 st 6 Months	\$50.11	\$2,004.40
Journey	\$55.27	\$2,210.80

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 Months	\$51.61	\$2,064.40
Journey	\$56.93	\$2,277.20

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 Months	\$53.16	\$2,126.40
Journey	\$58.64	\$2,345.60

(Subject to right of Producer to request one six-month extension which the Union shall not unreasonably deny.)

21-853 Supervising Animation Writer** (effective July 10, 2022)

	Hourly	Weekly
7/10/22 - 7/30/22	\$63.56	\$2,542.40
7/31/22 - 7/29-23	\$65.47	\$2,618.80
7/30/23 - 7/31/24	\$67.44	\$2,697.60

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

^{**} This classification applies to an Animation Writer designated by the Producer to be responsible for and supervise the work of other writers.

ANIMATION WRITER (continued)

The following wage scales apply to employees employed on animated programs subject to a license agreement entered into on or after August 1, 2022 (or, in the absence of a license agreement, on animated programs which commence production animation on or after August 1, 2022; in the case of a series or miniseries, production animation of the first episode or part must commence on or after August 1, 2022):

21-851 Animation Writer Level 1

8/1/22 - 7/29/23	Hourly	Weekly
1 st 6 Months	\$51.61	\$2,064.40
Journey	\$56.93	\$2,277.20

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 Months	\$53.16	\$2,126.40
Journey	\$58.64	\$2,345.60

(Subject to right of Producer to request one six-month extension which the Union shall not unreasonably deny.)

21-852 Animation Writer Level 2

	Hourly	Weekly
8/1/22 - 7/29/23	\$63.00	\$2,520.00
7/30/23 - 7/31/24	\$64.89	\$2,595.60

21-853 Supervising Animation Writer**

 Hourly
 Weekly

 8/1/22 - 7/29/23
 \$72.50
 \$2,900.00

 7/30/23 - 7/31/24
 \$74.68
 \$2,987.20

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

^{**} This classification applies to an Animation Writer designated by the Producer to be responsible for and supervise the work of other writers.

COLOR DESIGN

21-501 Color Designer**

8/1/21 - 7/9/22	Hourly	Weekly
1 st 6 months	\$39.17	\$1,566.80
2 nd 6 months	\$43.00	\$1,720.00
Journey	\$45.48	\$1,819.20
7/10/22 - 7/30/22	Hourly	Weekly
1 st 6 months	\$43.57	\$1,742.94
2 nd 6 months	\$44.56	\$1,782.34
Journey	\$50.00	\$2,000.00
7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$44.88	\$1,795.20
2 nd 6 months	\$45.90	\$1,836.00
Journey	\$50.00	\$2,000.00
7/30/23 - 7/31/24	Hourly	Weekly

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$46.23	\$1,849.20
Next 6 months	\$47.28	\$1,891.20
Journey	\$51.50	\$2,060.00

(Effective July 10, 2022, the Color Designer (21-501) classification shall not apply to background painting. In the event that an employee employed as a Color Designer believes that background painting has been assigned to the employee, the employee should promptly bring the matter to the attention of the Producer. Should the Color Designer perform background painting at the request of a Producer, the Color Designer should be paid the minimum scale of a Background Artist (21-032) for such work.)

herein for such employee's classification.

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided

^{**} Effective July 10, 2022, a Color Designer designated by the Producer to be responsible for and supervise the work of others in the same classification shall be paid the key rate of 15% above the minimum Journey rate for the classification during such an assignment.

INK AND PAINT (Inking, Special Effects, Painters)

Assistant Supervisor (Ink and Paint, Xerox, Color Model or Paint Lab)

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$39.02	\$1,560.80
2 nd 6 months	\$39.97	\$1,598.80
Journey	\$41.32	\$1,652.80

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$40.19	\$1,607.60
2 nd 6 months	\$41.17	\$1,646.80
Journey	\$42.56	\$1,702.40

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$41.40	\$1,656.00
2 nd 6 months	\$42.41	\$1,696.40
Journey	\$43.84	\$1,753.60

21-422 Inker

8/1/21 - 7/30/22 Hourly Weekly 1st month \$33.94 \$1,357.60 **Next 6 months** \$35.78 \$1,431.20 **Next 6 months** \$36.76 \$1,470.40 \$1,522.00 **Journey** \$38.05

7/31/22 - 7/29/23	Hourly	Weekly
1 st month	\$34.96	\$1,398.40
Next 6 months	\$36.85	\$1,474.00
Next 6 months	\$37.86	\$1,514.40
Journey	\$39.19	\$1,567.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st month	\$36.01	\$1,440.40
Next 6 months	\$37.96	\$1,518.40
Next 6 months	\$39.00	\$1,560.00
Journey	\$40.37	\$1,614.80

herein for such employee's classification.

Minimum scale for daily employees shall be 117.719% (118.00% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided

INK AND PAINT (Inking, Special Effects, Painters) (continued)

21-442 Ink Checker

8/1/21 - 7/30/22	Hourly	Weekly
1 st year	\$38.65	\$1,546.00
Journey	\$39.36	\$1,574.40

7/31/22 - 7/29/23	Hourly	Weekly
1 st year	\$39.81	\$1,592.40
Journey	\$40.54	\$1,621.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st year	\$41.00	\$1,640.00
Journey	\$41.76	\$1,670.40

21-452 Special Effects

8/1/21 - 7/30/22	Hourly	Weekly
1 st year	\$38.65	\$1,546.00
Journey	\$39.36	\$1,574.40

7/31/22 - 7/29/23	Hourly	Weekly
1 st year	\$39.81	\$1,592.40
Journey	\$40.54	\$1,621.60
7/30/23 - 7/31/24	Hourly	Weekly

7/30/23 - 7/31/24	Hourly	Weekly
1 st year	\$41.00	\$1,640.00
Journey	\$41.76	\$1,670.40

21-453 Head Special Effects

	Hourly	Weekly
8/1/21 - 7/30/22	\$40.46	\$1,618.40
7/31/22 - 7/29/23	\$41.67	\$1,666.80
7/30/23 - 7/31/24	\$42.92	\$1,716.80

21-500 Color Modelist

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$37.14	\$1,485.60
2 nd 6 months	\$38.15	\$1,526.00
Journey	\$39.54	\$1,581.60

(continued)

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^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

INK AND PAINT (Inking, Special Effects, Painters) (continued)

21-500 Color Modelist (continued)

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$38.25	\$1,530.00
2 nd 6 months	\$39.29	\$1,571.60
Journey	\$40.73	\$1,629.20

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$39.40	\$1,576.00
2 nd 6 months	\$40.47	\$1,618.80
Journey	\$41.95	\$1,678.00

21-522 Painter

 8/1/21 - 7/30/22
 Hourly
 Weekly

 1st month
 \$33.94
 \$1,357.60

 Next 6 months
 \$35.29
 \$1,411.60

 Next 6 months
 \$36.31
 \$1,452.40

 Journey
 \$37.79
 \$1,511.60

7/31/22 - 7/29/23	Hourly	Weekly
1 st month	\$34.96	\$1,398.40
Next 6 months	\$36.35	\$1,454.00
Next 6 months	\$37.40	\$1,496.00
Journey	\$38.92	\$1,556.80

7/30/23 - 7/31/24	Hourly	Weekly
1 st month	\$36.01	\$1,440.40
Next 6 months	\$37.44	\$1,497.60
Next 6 months	\$38.52	\$1,540.80
Journey	\$40.09	\$1,603.60

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

INK AND PAINT (Inking, Special Effects, Painters) (continued)

21-542 Xerox Processor

8/1/21 - 7/30/22	Hourly	Weekly
1 st 3 Months	\$33.94	\$1,357.60
2 nd 12 Months	\$36.92	\$1,476.80
Journey	\$37.79	\$1,511.60

7/31/22 - 7/29/23	Hourly	Weekly
1 st 3 Months	\$34.96	\$1,398.40
2 nd 12 Months	\$38.03	\$1,521.20
Journey	\$38.92	\$1,556.80

7/30/23 - 7/31/24	Hourly	Weekly
1 st 3 Months	\$36.01	\$1,440.40
2 nd 12 Months	\$39.17	\$1,566.80
Journey	\$40.09	\$1,603.60

21-552 Key Xerox Processor

	Hourly	Weekly
8/1/21 - 7/30/22	\$38.25	\$1,530.00
7/31/22 - 7/29/23	\$39.40	\$1,576.00
7/30/23 - 7/31/24	\$40.58	\$1,623.20

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

CHECKERS

21-562 Xerox Checker

8/1/21 - 7/30/22	Hourly	Weekly
1 st Year	\$38.65	\$1,546.00
Journey	\$39.36	\$1,574.40

7/31/22 - 7/29/23	Hourly	Weekly
1 st Year	\$39.81	\$1,592.40
Journey	\$40.54	\$1,621.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st Year	\$41.00	\$1,640.00
Journey	\$41.76	\$1,670.40

21-572 Animation Stock Librarian

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 Months	\$36.99	\$1,479.60
2 nd 6 Months	\$37.89	\$1,515.60
Journey	\$39.36	\$1,574.40

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 Months	\$38.10	\$1,524.00
2 nd 6 Months	\$39.03	\$1,561.20
Journey	\$40.54	\$1,621.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 Months	\$39.24	\$1,569.60
2 nd 6 Months	\$40.20	\$1,608.00
Journey	\$41.76	\$1,670.40

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

CHECKERS (continued)

21-632 Production Final Checker/Mark-Up

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 Months	\$36.99	\$1,479.60
2 nd 6 Months	\$37.89	\$1,515.60
Journey	\$39.36	\$1,574.40

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 Months	\$38.10	\$1,524.00
2 nd 6 Months	\$39.03	\$1,561.20
Journey	\$40.54	\$1,621.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 Months	\$39.24	\$1,569.60
2 nd 6 Months	\$40.20	\$1,608.00
Journey	\$41.76	\$1,670.40

21-633 Head Final Checker

	Hourly	Weekly
8/1/21 - 7/30/22	\$40.46	\$1,618.40
7/31/22 - 7/29/23	\$41.67	\$1,666.80
7/30/23 - 7/31/24	\$42.92	\$1,716.80

21-652 Paint Checker

 8/1/21 - 7/30/22
 Hourly
 Weekly

 1st 6 Months
 \$36.05
 \$1,442.00

 2nd 6 Months
 \$37.09
 \$1,483.60

 Journey
 \$38.47
 \$1,538.80

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 Months	\$37.13	\$1,485.20
2 nd 6 Months	\$38.20	\$1,528.00
Journey	\$39.62	\$1,584.80

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 Months	\$38.24	\$1,529.60
2 nd 6 Months	\$39.35	\$1,574.00
Journey	\$40.81	\$1,632.40

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

CHECKERS (continued)

21-672 Picture Set-Up

8/1/21 - 7/30/22	Hourly	Weekly
1 st Year	\$38.11	\$1,524.40
Journey	\$39.30	\$1,572.00

7/31/22 - 7/29/23	Hourly	Weekly
1 st Year	\$39.25	\$1,570.00
Journey	\$40.48	\$1,619.20

7/30/23 - 7/31/24	Hourly	Weekly
1 st Year	\$40.43	\$1,617.20
Journey	\$41.69	\$1,667.60

21-682 Scan Checker

8/1/21 - 7/30/22 Hourly Weekly 1st 6 months \$35.11 \$1,404.40 2nd 6 months \$1,443.20 \$36.08 **Journey** \$37.40 \$1,496.00 7/31/22 - 7/29/23 Hourly Weekly 1st 6 months \$1,446.40 \$36.16 2nd 6 months \$37.16 \$1,486.40 \$38.52 \$1,540.80 **Journey**

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$37.24	\$1,489.60
2 nd 6 months	\$38.27	\$1,530.80
Journey	\$39.68	\$1,587.20

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

CHECKERS (continued)

21-692 Cel Service

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$34.95	\$1,398.00
2 nd 6 months	\$35.85	\$1,434.00
Journey	\$37.02	\$1,480.80

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$36.00	\$1,440.00
2 nd 6 months	\$36.93	\$1,477.20
Journey	\$38.13	\$1,525.20

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$37.08	\$1,483.20
2 nd 6 months	\$38.04	\$1,521.60
Journey	\$39.27	\$1,570.80

21-722 Mix and Match

8/1/21 - 7/30/22	Hourly	Weekly
1 st Year	\$36.47	\$1,458.80
Journey	\$37.91	\$1,516.40

7/31/22 - 7/29/23	Hourly	Weekly
1 st Year	\$37.56	\$1,502.40
Journey	\$39.05	\$1,562.00

7/30/23 - 7/31/24	Hourly	Weekly
1 st Year	\$38.69	\$1,547.60
Journey	\$40.22	\$1,608.80

21-742 Paint Technician

 8/1/21 - 7/30/22
 Hourly
 Weekly

 1st Year
 \$39.39
 \$1,575.60

 Journey
 \$40.76
 \$1,630.40

7/31/22 - 7/29/23	Hourly	Weekly
1st Year	\$40.57	\$1,622.80
Journey	\$41.98	\$1,679.20

(continued)

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

CHECKERS (continued)

21-742 Paint Technician (continued)

7/30/23 - 7/31/24	Hourly	Weekly
1st Year	\$41.79	\$1,671.60
Journey	\$43.24	\$1,729.60

21-792 Letter Artist

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$42.43	\$1,697.20
2 nd 6 months	\$43.56	\$1,742.40
Journey	\$45.48	\$1,819.20

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$43.70	\$1,748.00
2 nd 6 months	\$44.87	\$1,794.80
Journey	\$46.84	\$1,873.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$45.01	\$1,800.40
2 nd 6 months	\$46.22	\$1,848.80
Journey	\$48.25	\$1,930.00

21-222 Trainee

 8/1/21 - 7/30/22
 Hourly
 Weekly

 1st 6 months
 \$34.40
 \$1,376.00

 2nd 6 months
 \$36.06
 \$1,442.40

 Journey
 \$37.73
 \$1,509.20

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$35.43	\$1,417.20
2 nd 6 months	\$37.14	\$1,485.60
Journey	\$38.86	\$1,554.40

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$36.49	\$1,459.60
2 nd 6 months	\$38.25	\$1,530.00
Journey	\$40.03	\$1,601.20

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^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

COMIC STRIP (Work presently assigned)

21-812 Class I (Story Person or Artist doing two Sunday pages or six daily strips per week)

8/1/21 - 7/30/22	Hourly	Weekly
1 st Year	\$48.91	\$1,956.40
After 1 year in		
classification	\$51.06	\$2,042.40
7/31/22 - 7/29/23	Hourly	Weekly
1 st Year	\$50.38	\$2,015.20
After 1 year in		
classification	\$52.59	\$2,103.60
7/30/23 - 7/31/24	Hourly	Weekly
1st Year	\$51.89	\$2,075.60
After 1 year in		
classification	\$54.17	\$2,166.80

21-822 Class II (Writes or draws one Sunday page per week)

8/1/21 - 7/30/22	Hourly	Weekly
1 st Year	\$44.26	\$1,770.40
After 1 year in		
classification	\$46.02	\$1,840.80
7/31/22 - 7/29/23	Hourly	Weekly
1 st Year	\$45.59	\$1,823.60
After 1 year in		
classification	\$47.40	\$1,896.00
1		,
7/30/23 - 7/31/24	Hourly	Weekly

7/30/23 - 7/31/24	Hourly	Weekly
1 st Year	\$46.96	\$1,878.40
After 1 year in		
classification	\$48.82	\$1,952.80

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^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

<u>COMIC STRIP (Work presently assigned)</u> (continued)

21-832 Staff Assistant

8/1/21 - 7/30/22	Hourly	Weekly
1 st year	\$34.25	\$1,370.00
2 nd year	\$35.71	\$1,428.40
3 rd year	\$37.65	\$1,506.00
Journey	\$38.34	\$1,533.60

7/31/22 - 7/29/23	Hourly	Weekly
1 st year	\$35.28	\$1,411.20
2 nd year	\$36.78	\$1,471.20
3 rd year	\$38.78	\$1,551.20
Journey	\$39.49	\$1,579.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st year	\$36.34	\$1,453.60
2 nd year	\$37.88	\$1,515.20
3 rd year	\$39.94	\$1,597.60
Journey	\$40.67	\$1,626.80

COMIC STRIP (New work)

21-842 Six Panels (Writes and draws)

8/1/21 - 7/30/22	Hourly	Weekly
1 st Year	\$39.83	\$1,593.20
After 1 year in		
classification	\$41.56	\$1,662.40

7/31/22 - 7/29/23	Hourly	Weekly
1 st Year	\$41.02	\$1,640.80
After 1 year in		
classification	\$42.81	\$1,712.40

7/30/23 - 7/31/24	Hourly	Weekly
1 st Year	\$42.25	\$1,690.00
After 1 year in		
classification	\$44.09	\$1,763.60

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^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

COMIC STRIP (New work) (continued)

21-852 Six Strips (Writes and draws)

8/1/21 - 7/30/22	Hourly	Weekly
1 st Year	\$44.26	\$1,770.40
After 1 year in		
classification	\$46.02	\$1,840.80
7/31/22 - 7/29/23	Hourly	Weekly
1 st Year	\$45.59	\$1,823.60
After 1 year in		
classification	\$47.40	\$1,896.00
7/30/23 - 7/31/24	Hourly	Weekly
1 st Year	\$46.96	\$1,878.40
After 1 year in		
classification	\$48.82	\$1,952.80

21-862 One Sunday Page (Writes and draws)

8/1/21 - 7/30/22	Hourly	Weekly
1 st Year	\$39.83	\$1,593.20
After 1 year in		
classification	\$41.56	\$1,662.40

7/31/22 - 7/29/23	Hourly	Weekly
1 st Year	\$41.02	\$1,640.80
After 1 year in		
classification	\$42.81	\$1,712.40

7/30/23 - 7/31/24	Hourly	Weekly
1 st Year	\$42.25	\$1,690.00
After 1 year in		
classification	\$44.09	\$1,763.60

herein for such employee's classification.

Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided

PROMOTION AND PUBLICITY ARTISTS

21-872 Class I (Responsible)

8/1/21 - 7/30/22	Hourly	Weekly
1 st Year	\$48.91	\$1,956.40
After 1 year in		
classification	\$51.16	\$2,046.40
7/31/22 - 7/29/23	Hourly	Weekly
1 st Year	\$50.38	\$2,015.20
After 1 year in		
classification	\$52.69	\$2,107.60
7/30/23 - 7/31/24	Hourly	Weekly
1 st Year	\$51.89	\$2,075.60
After 1 year in		
classification	\$54.27	\$2,170.80

21-882 Class II (Assistant)

classification

8/1/21 - 7/30/22	Hourly	Weekly
1st Year	\$44.26	\$1,770.40
After 1 year in		
classification	\$46.02	\$1,840.80
7/31/22 - 7/29/23	Hourly	Weekly
1 st Year	\$45.59	\$1,823.60
After 1 year in		
classification	\$47.40	\$1,896.00
7/30/23 - 7/31/24	Hourly	Weekly
1st Year	\$46.96	\$1,878.40
After 1 year in		

\$48.82

\$1,952.80

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^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

STORYBOARD CLASSIFICATION UNIT RATES

The following Storyboard classification unit rates apply to employees employed on animated programs subject to a license agreement entered into prior to August 1, 2022 (or, in the absence of a license agreement, on animated programs which commence production animation prior to August 1, 2022; in the case of a series or mini-series, production animation of the first episode or part must commence prior to August 1, 2022):

Short Subjects - Less than 4 Minutes (TV or Theatrical)

Storyboard Only	Rate	H&W and Pension Hours
8/1/21 - 7/31/24	Per individual negotiation	63

Short Subjects - 4 to 7 Minutes (TV or Theatrical)

Storyboard Only	Rate	H&W and Pension Hours
8/1/21 - 7/30/22	\$1,603.90	
7/31/22 - 7/29/23	\$1,652.02	63
7/30/23 - 7/31/24	\$1,701.58	

Short Subjects - Over 7 to 15 Minutes (TV or Theatrical)

Storyboard Only	Rate	H&W and Pension Hours
8/1/21 - 7/30/22	\$1,942.26	
7/31/22 - 7/29/23	\$2,000.53	80
7/30/23 - 7/31/24	\$2,060.55	

Half-Hour Subjects (TV or Theatrical)

Storyboard Only	Rate	H&W and Pension Hours
8/1/21 - 7/30/22	\$3,688.29	
7/31/22 - 7/29/23	\$3,798.94	148
7/30/23 - 7/31/24	\$3,912.91	

Subjects One Hour or More (TV)

		H&W and
Storyboard Only	Rate	Pension Hours
8/1/21 - 7/30/22	\$5,501.32	
7/31/22 - 7/29/23	\$5,666.36	222
7/30/23 - 7/31/24	\$5,836.35	

STORYBOARD CLASSIFICATION UNIT RATES (continued)

The following Storyboard classification unit rates apply to employees employed on animated programs subject to a license agreement entered into <u>on or after August 1, 2022</u> (or, in the absence of a license agreement, on animated programs which commence production animation on or after August 1, 2022; in the case of a series or mini-series, production animation of the first episode or part must commence on or after August 1, 2022):

Short Subjects - Less than 4 Minutes (TV or Theatrical)

Storyboard Only	Rate	H&W and Pension Hours
8/1/22 - 7/31/24	Per individual negotiation	63

Short Subjects - 4 to 7 Minutes (TV or Theatrical)

Storyboard Only	Rate	H&W and Pension Hours
8/1/22 - 7/29/23	\$1,652.02	62
7/30/23 - 7/31/24	\$1,701.58	63

Short Subjects - Over 7 to 15 Minutes (TV or Theatrical)

Storyboard Only	Rate	H&W and Pension Hours
8/1/22 - 7/29/23	\$2,080.55	100
7/30/23 - 7/31/24	\$2,142.97	100

Half-Hour Subjects (TV or Theatrical)

Storyboard Only	Rate	H&W and Pension Hours
8/1/22 - 7/29/23	\$3,950.88	240
7/30/23 - 7/31/24	\$4,069.41	240

Subjects One Hour or More (TV)

Storyboard Only	Rate	H&W and Pension Hours
8/1/22 - 7/29/23	\$5,893.01	220
7/30/23 - 7/31/24	\$6,069.80	320

STORYBOARD CLASSIFICATION UNIT RATES (continued)

Effective for contracts entered into prior to August 1, 2022:

Subjects One Hour or More (Theatrical)

Storyboard Only	Rate	H&W and Pension Hours
8/1/21-7/30/22	\$5,501.01	
7/31/22 - 7/29/23	\$5,666.36	222
7/30/23 - 7/31/24	\$5,836.35	222

Effective for contracts entered into on or after August 1, 2022:

Subjects One Hour or More But Less than 75 Minutes (Theatrical)

Storyboard Only	Rate	H&W and Pension Hours
8/1/22 - 7/29/23	\$5,893.01	220
7/30/23 - 7/31/24	\$6,069.80	320

Subjects 75 Minutes or More (Theatrical)

Storyboard Only	Rate	H&W and Pension Hours
8/1/22 - 7/29/23	\$7,932.92	425
7/30/23 - 7/31/24	\$8,170.91	425

In reference to the Storyboard Classification Unit rates on pages 75-77, the Employer may require two re-works after the presentation by the Story Person without additional compensation. If an additional re-work is required by the Employer, an additional 20% of the original Storyboard Classification Unit maximum shall be paid for each re-work. Any amount negotiated in excess of the above minimums may be applied against any additional compensation for re-work when due.

ANIMATION WRITER CLASSIFICATION UNIT RATES

The following Animation Writer classification unit rates apply to employees employed on animated programs subject to a license agreement entered into prior to August 1, 2022 (or, in the absence of a license agreement, on animated programs which commence production animation prior to August 1, 2022; in the case of a series or mini-series, production animation of the first episode or part must commence prior to August 1, 2022):

Short Subjects - Less than 4 Minutes (TV or Theatrical)

8/1/21 - 7/31/24	Rate	H&W and Pension Hours
Synopsis and Outline	Per individual	33
Teleplay or Screenplay	negotiation	67

Short Subjects - 4 to 7 Minutes (TV or Theatrical)

8/1/21 - 7/30/22	Rate	H&W and Pension Hours
Synopsis and Outline	\$1,156.60	33
Teleplay or Screenplay	\$2,763.04	67

7/31/22 - 7/29/23	Rate	H&W and Pension Hours
Synopsis and Outline	\$1,191.30	33
Teleplay or Screenplay	\$2,845.93	67

7/30/23 - 7/31/24	Rate	H&W and Pension Hours
Synopsis and Outline	\$1,227.04	33
Teleplay or Screenplay	\$2,931.31	67

Short Subjects - Over 7 to 15 Minutes (TV or Theatrical)

8/1/21 - 7/30/22	Rate	H&W and Pension Hours
Synopsis and Outline	\$1,167.07	47
Teleplay or Screenplay	\$3,806.62	153

7/31/22 - 7/29/23	Rate	H&W and Pension Hours
Synopsis and Outline	\$1,202.08	47
Teleplay or Screenplay	\$3,920.82	153

7/30/23 - 7/31/24	Rate	H&W and Pension Hours
Synopsis and Outline	\$1,238.14	47
Teleplay or Screenplay	\$4,038.44	153

ANIMATION WRITER CLASSIFICATION UNIT RATES (continued)

The following Animation Writer classification unit rates apply to employees employed on animated programs subject to a license agreement entered into prior to August 1, 2022 (or, in the absence of a license agreement, on animated programs which commence production animation prior to August 1, 2022; in the case of a series or mini-series, production animation of the first episode or part must commence prior to August 1, 2022):

Half-Hour Subjects (TV or Theatrical)

8/1/21 - 7/30/22	Rate	H&W and Pension Hours
Synopsis and Outline	\$2,076.18	91
Teleplay or Screenplay	\$7,295.91	309

7/31/22 - 7/29/23	Rate	H&W and Pension Hours
Synopsis and Outline	\$2,138.47	91
Teleplay or Screenplay	\$7,514.79	309

7/30/23 - 7/31/24	Rate	H&W and Pension Hours
Synopsis and Outline	\$2,202.62	91
Teleplay or Screenplay	\$7,740.23	309

Half-Hour Subjects (TV or Theatrical) "New Animation Writers"* (Not applicable to contracts entered into on or after July 10, 2022)

8/1/21 - 7/30/24	Rate	H&W and Pension Hours
Synopsis and Outline	\$1,857.52	91
Teleplay or Screenplay	\$6,527.51	309

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^{*} In the event a script written by such a writer is produced, said Animation Writer shall be paid the difference between the applicable New Animation Writer rate and the Journey-person Animation Writer rate.

ANIMATION WRITER CLASSIFICATION UNIT RATES (continued)

The following Animation Writer classification unit rates apply to employees employed on animated programs subject to a license agreement entered into prior to August 1, 2022 (or, in the absence of a license agreement, on animated programs which commence production animation prior to August 1, 2022; in the case of a series or mini-series, production animation of the first episode or part must commence prior to August 1, 2022):

Subjects One Hour or More But Less than 75 Minutes (TV)

8/1/21 - 7/30/22	Rate	H&W and Pension Hours
Synopsis and Outline	\$3,089.76	93
Teleplay	\$10,975.20	307

7/31/22 - 7/29/23	Rate	H&W and Pension Hours
Synopsis and Outline	\$3,182.45	93
Teleplay	\$11,304.46	307

7/30/23 - 7/31/24	Rate	H&W and Pension Hours
Synopsis and Outline	\$3,277.92	93
Teleplay	\$11,643.59	307

Subjects 75 Minutes or More (TV)

8/1/21 - 7/30/22	Rate	H&W and Pension Hours
Synopsis and Outline	\$3,089.76	100
Teleplay	\$10,975.20	325

7/31/22 - 7/29/23	Rate	H&W and Pension Hours
Synopsis and Outline	\$3,182.45	100
Teleplay	\$11,304.46	325

7/30/23 - 7/31/24	Rate	H&W and Pension Hours
Synopsis and Outline	\$3,277.92	100
Teleplay	\$11,643.59	325

ANIMATION WRITER CLASSIFICATION UNIT RATES (continued)

The following Animation Writer classification unit rates apply to employees employed on animated programs subject to a license agreement entered into prior to August 1, 2022 (or, in the absence of a license agreement, on animated programs which commence production animation prior to August 1, 2022; in the case of a series or mini-series, production animation of the first episode or part must commence prior to August 1, 2022):

One Hour or More Subjects (TV) - "New Animation Writers"* (Not applicable to contracts entered into on or after July 10, 2022)

8/1/21 - 7/30/24	Rate	H&W and Pension Hours
Synopsis and Outline	\$2,750.83	93
Teleplay	\$9,771.36	307

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^{*} In the event a script written by such a writer is producer, said Animation Writer shall be paid the difference between the applicable New Animation Writer rate and the Journey-person rate.

ANIMATION WRITER CLASSIFICATION UNIT RATES (continued)

The following Animation Writer classification unit rates apply to employees employed on animated programs subject to a license agreement entered into <u>on or after August 1, 2022</u> (or, in the absence of a license agreement, on animated programs which commence production animation commences on or after August 1, 2022; in the case of a series or mini-series, production animation of the first episode or part must commence on or after August 1, 2022):

Short Subjects - Less than 4 Minutes (TV or Theatrical)

8/1/22 - 7/31/24	Rate	H&W and Pension Hours
Synopsis and Outline	Per individual	33
Teleplay or Screenplay	negotiation	67

Short Subjects - 4 to 7 Minutes (TV or Theatrical)

8/1/22 - 7/29/23	Rate	H&W and Pension Hours
Synopsis and Outline	\$1,191.30	33
Teleplay or Screenplay	\$2,845.93	67

7/30/23 - 7/31/24	Rate	H&W and Pension Hours
Synopsis and Outline	\$1,227.04	33
Teleplay or Screenplay	\$2,931.31	67

Short Subjects - Over 7 to 15 Minutes (TV or Theatrical)

8/1/22 - 7/29/23	Rate	H&W and Pension Hours
Synopsis and Outline	\$1,262.18	47
Teleplay or Screenplay	\$4,116.87	153

7/30/23 - 7/31/24	Rate	H&W and Pension Hours
Synopsis and Outline	\$1,300.05	47
Teleplay or Screenplay	\$4,240.38	153

Half-Hour Subjects (TV or Theatrical)

8/1/22 - 7/29/23	Rate	H&W and Pension Hours
Synopsis and Outline	\$2,318.07	91
Teleplay or Screenplay	\$8,145.92	309

7/30/23 - 7/31/24	Rate	H&W and Pension Hours
Synopsis and Outline	\$2,387.61	91
Teleplay or Screenplay	\$8,390.30	309

ANIMATION WRITER CLASSIFICATION UNIT RATES (continued)

The following Animation Writer classification unit rates apply to employees employed on animated programs subject to a license agreement entered into on or after August 1, 2022 (or, in the absence of a license agreement, on animated programs which commence production animation on or after August 1, 2022; in the case of a series or mini-series, production animation of the first episode or part must commence on or after August 1, 2022):

Subjects One Hour or More But Less than 75 Minutes (TV)

	_	H&W and
8/1/22 - 7/29/23	Rate	Pension Hours
Synopsis and Outline	\$3,405.22	100
Teleplay	\$12,095.76	325

7/30/23 - 7/31/24	Rate	H&W and Pension Hours
Synopsis and Outline	\$3,507.38	100
Teleplay	\$12,458.63	325

Subjects 75 Minutes or More (TV)

8/1/22 - 7/29/23	Rate	H&W and Pension Hours
Synopsis and Outline	\$3,405.22	150
Teleplay	\$12,095.76	350

7/30/23 - 7/31/24	Rate	H&W and Pension Hours
Synopsis and Outline	\$3,507.38	150
Teleplay	\$12,458.63	350

<u>ANIMATION WRITER CLASSIFICATION UNIT RATES</u> (continued)

Effective for contracts entered into prior to August 1, 2022:

Subjects One Hour or More But Less than 75 Minutes (Theatrical)

8/1/21 - 7/30/22	Rate	H&W and Pension Hours
Synopsis and Outline	\$3,089.76	93
Screenplay	\$10,975.20	307

7/31/22 - 7/29/23	Rate	H&W and Pension Hours
Synopsis and Outline	\$3,182.45	93
Screenplay	\$11,304.46	307

7/30/23 - 7/31/24	Rate	H&W and Pension Hours
Synopsis and Outline	\$3,277.92	93
Screenplay	\$11,643.59	307

Subjects 75 Minutes or More (Theatrical)

8/1/21 - 7/30/22	Rate	H&W and Pension Hours
Synopsis and Outline	\$3,089.76	100
Screenplay	\$10,975.20	325

F/21/22 F/20/22	D-4-	H&W and
7/31/22 - 7/29/23	Rate	Pension Hours
Synopsis and Outline	\$3,182.45	100
Screenplay	\$11,304.46	325

7/30/23 - 7/31/24	Rate	H&W and Pension Hours
Synopsis and Outline	\$3,277.92	100
Screenplay	\$11,643.59	325

ANIMATION WRITER CLASSIFICATION UNIT RATES (continued)

Not applicable to contracts entered into on or after July 10, 2022:

One Hour or More Subjects (Theatrical) - "New Animation Writers"*

8/1/21 - 7/30/24	Rate	H&W and Pension Hours
Synopsis and Outline	\$2,750.83	93
Screenplay	\$9,771.36	307

^{*} In the event a script written by such a writer is producer, said Animation Writer shall be paid the difference between the applicable New Animation Writer rate and the Journey-person rate.

<u>ANIMATION WRITER CLASSIFICATION UNIT RATES</u> (continued)

Effective for contracts entered into on or after August 1, 2022:

Subjects One Hour or More But Less than 75 Minutes (Theatrical)

8/1/22 - 7/29/23	Rate	H&W and Pension Hours
Synopsis and Outline	\$3,405.22	100
Screenplay	\$12,095.76	325

7/30/23 - 7/31/24	Rate	H&W and Pension Hours
Synopsis and Outline	\$3,507.38	100
Screenplay	\$12,458.63	325

Subjects 75 Minutes or More (Theatrical)

8/1/22 - 7/29/23	Rate	H&W and Pension Hours
Synopsis and Outline	\$4,455.44	150
Screenplay	\$15,826.23	560

7/30/23 - 7/31/24	Rate	H&W and Pension Hours
Synopsis and Outline	\$4,589.10	150
Screenplay	\$16,301.02	560

ANIMATION WRITER CLASSIFICATION UNIT RATES (continued)

Bible^{††}

8/1/21 - 7/31/24	Rate	H&W and Pension Hours
Pitch Bible		33 (40 for contracts entered into on or after 8/7/22)
Mini-Bible	Per individual negotiation	100 (115 for contracts entered into on or after 8/7/22)
Full Bible		250 (300 for contracts entered into on or after 8/7/22)

In reference to the Animation Writer Classification Unit rates on pages 78 to 87, the Employer may require two re-writes or re-works after the presentation by the Animation Writer without additional compensation. If an additional re-write or rework is required by the Employer, an additional 20% of the original Animation Writer Classification Unit maximum shall be paid for each re-write or re-work. Any amount negotiated in excess of the above minimums may be applied against any additional compensation for re-write or re-work when due.

Pitch Bible: "Synopsis and Outline" rate for Short Subjects - 4 to 7 Minutes.

Mini-Bible: Applicable "Synopsis and Outline" rate, based on the length of the project that is the subject of the Mini-Bible.

Full Bible: Applicable "Teleplay or Screenplay" rate, based on the length of the project that is the subject of the Full Bible.

 $^{^{\}dagger\dagger}$ IAP contributions shall be calculated based on the employee's negotiated rate, up to the following maximums:

ANIMATION WRITER CLASSIFICATION UNIT RATES (continued)

PILOT DEVELOPMENT RATES (TV)

The following Pilot Development rates apply to contracts entered into <u>on or after August 7, 2022</u> when an Animation Writer is engaged for a Synopsis and Outline, and Teleplay including two re-writes or re-works on a pilot:*

		H&W and
8/7/22 - 7/29/23	Rate	Pension Hours
Over 7 to 15 Minutes	\$6,725.00	250
Half-Hour Subjects	\$13,080.00	425
Subjects One-Hour or More	\$19,500.00	530

		H&W and
7/30/23 - 7/31/24	Rate	Pension Hours
Over 7 to 15 Minutes	\$6,926.75	250
Half-Hour Subjects	\$13,472.40	425
Subjects One Hour or More	\$20,085.00	530

^{*} If an additional re-write or re-work is required by the Employer, an additional 20% of the applicable Teleplay Unit rate shall be paid for each re-write or re-work. Any amount negotiated in excess of the above minimums may be applied against any additional compensation for re-write or re-work when due.

SHEET TIMER (discontinued effective July 10, 2022)

		H&W and
	Rate	Pension Hours
8/1/21 -7/9/22	\$3.98/foot	8 hours/100 feet
		(contributions may
		be made on a <i>pro</i>
		rata basis)

ANIMATION TIMER (effective July 10, 2022)

		H&W and
	Rate	Pension Hours
7/10/22 -7/8/23	\$4.20/foot	
		8 hours/70 feet
7/9/23 - 12/31/23	\$4.41/foot	(contributions may
		be made on a <i>pro</i>
1/1/24 - 7/31/24	\$4.63/foot	rata basis)

SIDELETTER A Walt Disney Pictures Compositor Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

Compositor

8/1/21 - 7/30/22	Hourly	Weekly
1 st month	\$33.94	\$1,357.60
Next 6 months	\$35.29	\$1,411.60
Next 6 months	\$36.31	\$1,452.40
Journey	\$37.79	\$1,511.60

7/31/22 - 7/29/23	Hourly	Weekly
1 st month	\$34.96	\$1,398.40
Next 6 months	\$36.35	\$1,454.00
Next 6 months	\$37.40	\$1,496.00
Journey	\$38.92	\$1,556.80

7/30/23 - 7/31/24	Hourly	Weekly
1 st month	\$36.01	\$1,440.40
Next 6 months	\$37.44	\$1,497.60
Next 6 months	\$38.52	\$1,540.80
Journey	\$40.09	\$1,603.60

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

[†] During the 2021 negotiations, the Union confirmed that other Producers may use a Sideletter designated for use by another company when the Producer has requested and obtained the permission of the Union to do so. The Union's denial of a Producer's request to use a Sideletter is grievable by the Producer under Article 15.

SIDELETTER B

Warner Bros. Animation Inc. Visual Development Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

Visual Development

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$50.11	\$2,004.40
2 nd 6 months	\$51.24	\$2,049.60
Journey	\$53.15	\$2,126.00

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$51.61	\$2,064.40
2 nd 6 months	\$52.78	\$2,111.20
Journey	\$54.74	\$2,189.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$53.16	\$2,126.40
2 nd 6 months	\$54.36	\$2,174.40
Journey	\$56.38	\$2,255.20

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

[†] During the 2021 negotiations, the Union confirmed that other Producers may use a Sideletter designated for use by another company when the Producer has requested and obtained the permission of the Union to do so. The Union's denial of a Producer's request to use a Sideletter is grievable by the Producer under Article 15.

SIDELETTER C Walt Disney Pictures CGI Animator/Modeler Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

CGI Animator/Modeler

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$50.11	\$2,004.40
2 nd 6 months	\$51.24	\$2,049.60
Journey	\$53.15	\$2,126.00

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$51.61	\$2,064.40
2 nd 6 months	\$52.78	\$2,111.20
Journey	\$54.74	\$2,189.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$53.16	\$2,126.40
2 nd 6 months	\$54.36	\$2,174.40
Journey	\$56.38	\$2,255.20

Key Assistant CGI Animator/Modeler

	Hourly	Weekly
8/1/21 - 7/30/22	\$50.93	\$2,037.20
7/31/22 - 7/29/23	\$52.46	\$2,098.40
7/30/23 - 7/31/24	\$54.03	\$2,161.20

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

[†] During the 2021 negotiations, the Union confirmed that other Producers may use a Sideletter designated for use by another company when the Producer has requested and obtained the permission of the Union to do so. The Union's denial of a Producer's request to use a Sideletter is grievable by the Producer under Article 15.

SIDELETTER C Walt Disney Pictures CGI Animator/Modeler Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

Assistant CGI Animator/Modeler I

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$42.43	\$1,697.20
2 nd 6 months	\$43.48	\$1,739.20
Journey	\$45.48	\$1,819.20
	¥	
7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$43.70	\$1,748.00
2 nd 6 months	\$44.78	\$1,791.20
Journey	\$46.84	\$1,873.60
•		
7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$45.01	\$1,800.40
2 nd 6 months	\$46.12	\$1,844.80
Journey	\$48.25	\$1,930.00

Assistant CGI Animator/Modeler II

herein for such employee's classification.

8/1/21 - 7/30/22	Hourly	Weekly
1 st year	\$38.89	\$1,555.60
Journey	\$39.94	\$1,597.60

7/31/22 - 7/29/23	Hourly	Weekly
1 st year	\$40.06	\$1,602.40
Journey	\$41.14	\$1,645.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st year	\$41.26	\$1,650.40
Journey	\$42.37	\$1,694.80

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided

[†] During the 2021 negotiations, the Union confirmed that other Producers may use a Sideletter designated for use by another company when the Producer has requested and obtained the permission of the Union to do so. The Union's denial of a Producer's request to use a Sideletter is grievable by the Producer under Article 15.

SIDELETTER C Walt Disney Pictures CGI Animator/Modeler Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

Assistant CGI Animator/Modeler III

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$36.05	\$1,442.00
2 nd 6 months	\$37.09	\$1,483.60
Journey	\$38.47	\$1,538.80

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$37.13	\$1,485.20
2 nd 6 months	\$38.20	\$1,528.00
Journey	\$39.62	\$1,584.80

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$38.24	\$1,529.60
2 nd 6 months	\$39.35	\$1,574.00
Journey	\$40.81	\$1,632.40

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

[†] During the 2021 negotiations, the Union confirmed that other Producers may use a Sideletter designated for use by another company when the Producer has requested and obtained the permission of the Union to do so. The Union's denial of a Producer's request to use a Sideletter is grievable by the Producer under Article 15.

SIDELETTER D Walt Disney Pictures Production Technical Director Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

Production Technical Director I

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$50.11	\$2,004.40
2 nd 6 months	\$51.24	\$2,049.60
Journey	\$53.15	\$2,126.00

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$51.61	\$2,064.40
2 nd 6 months	\$52.78	\$2,111.20
Journey	\$54.74	\$2,189.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$53.16	\$2,126.40
2 nd 6 months	\$54.36	\$2,174.40
Journey	\$56.38	\$2,255.20

Production Technical Director II

	Hourly	Weekly
8/1/21 - 7/30/22	\$50.93	\$2,037.20
7/31/22 - 7/29/23	\$52.46	\$2,098.40
7/30/23 - 7/31/24	\$54.03	\$2,161.20

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^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

[†] During the 2021 negotiations, the Union confirmed that other Producers may use a Sideletter designated for use by another company when the Producer has requested and obtained the permission of the Union to do so. The Union's denial of a Producer's request to use a Sideletter is grievable by the Producer under Article 15.

SIDELETTER D

Walt Disney Pictures Production Technical Director Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

Production Technical Director III

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$42.43	\$1,697.20
2 nd 6 months	\$43.48	\$1,739.20
Journey	\$45.48	\$1,819.20

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$43.70	\$1,748.00
2 nd 6 months	\$44.78	\$1,791.20
Journey	\$46.84	\$1,873.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$45.01	\$1,800.40
2 nd 6 months	\$46.12	\$1,844.80
Journey	\$48.25	\$1,930.00

Production Technical Director IV

8/1/21 - 7/30/22	Hourly	Weekly
1 st year	\$38.89	\$1,555.60
Journey	\$39.94	\$1,597.60

7/31/22 - 7/29/23	Hourly	Weekly
1 st year	\$40.06	\$1,602.40
Journey	\$41.14	\$1,645.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st year	\$41.26	\$1,650.40
Journey	\$42.37	\$1,694.80

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

[†] During the 2021 negotiations, the Union confirmed that other Producers may use a Sideletter designated for use by another company when the Producer has requested and obtained the permission of the Union to do so. The Union's denial of a Producer's request to use a Sideletter is grievable by the Producer under Article 15.

SIDELETTER D

Walt Disney Pictures Production Technical Director Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

Production Technical Director V

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$36.05	\$1,442.00
2 nd 6 months	\$37.09	\$1,483.60
Journey	\$38.47	\$1,538.80

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$37.13	\$1,485.20
2 nd 6 months	\$38.20	\$1,528.00
Journey	\$39.62	\$1,584.80

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$38.24	\$1,529.60
2 nd 6 months	\$39.35	\$1,574.00
Journey	\$40.81	\$1,632.40

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

[†] During the 2021 negotiations, the Union confirmed that other Producers may use a Sideletter designated for use by another company when the Producer has requested and obtained the permission of the Union to do so. The Union's denial of a Producer's request to use a Sideletter is grievable by the Producer under Article 15.

SIDELETTER E⁺

DreamWorks Animation L.L.C., DreamWorks Animation Television, LLC, Warner Bros. Animation Inc. and Warner Specialty Productions Inc. (Effective July 10, 2022, Sideletter E also applies to Producers listed on Exhibit "A")

Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

Effective August 1, 2021 until the later of either August 6, 2022 or the employee's satisfactory completion of the "1st 18 months" level of progression:

CGI Animator/Modeler 1

8/1/21 - 7/30/22	Hourly	Weekly
1 st 18 months	\$50.65	\$2,026.00
Journey	\$53.15	\$2,126.00

7/31/22 - 7/29/23	Hourly	Weekly
1 st 18 months	\$52.17	\$2,086.80
Journey	\$54.74	\$2,189.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 18 months	\$53.74	\$2,149.60
Journey	\$56.38	\$2,255.20

CGI Animator/Modeler 2

 8/1/21 - 7/30/22
 Hourly
 Weekly

 1st 18 months
 \$48.65
 \$1,946.00

 Journey
 \$50.93
 \$2,037.20

7/31/22 - 7/29/23	Hourly	Weekly
1 st 18 months	\$50.11	\$2,004.40
Journey	\$52.46	\$2,098.40

7/30/23 - 7/31/24	Hourly	Weekly
1 st 18 months	\$51.61	\$2,064.40
Journey	\$54.03	\$2,161.20

⁺ DreamWorks Animation disavows any practice of moving artists up to a higher job classification based on time, rather than on function and skill set. The Producer and Local 839 confirm that journey-person classification levels are based upon artist function and skill set required for an assignment.

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

[†] During the 2021 negotiations, the Union confirmed that other Producers may use a Sideletter designated for use by another company when the Producer has requested and obtained the permission of the Union to do so. The Union's denial of a Producer's request to use a Sideletter is grievable by the Producer under Article 15.

SIDELETTER E+

DreamWorks Animation L.L.C., DreamWorks Animation Television, LLC, Warner Bros. Animation Inc. and Warner Specialty Productions Inc. (Effective July 10, 2022, Sideletter E also applies to Producers listed on Exhibit "A")

Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

Effective August 1, 2021 until the later of either August 6, 2022 or the employee's satisfactory completion of the "1st 18 months" level of progression:

CGI Animator/Modeler 3

8/1/21 - 7/30/22	Hourly	Weekly
1 st 18 months	\$42.94	\$1,717.60
Journey	\$45.48	\$1,819.20

7/31/22 - 7/29/23	Hourly	Weekly
1 st 18 months	\$44.23	\$1,769.20
Journey	\$46.84	\$1,873.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 18 months	\$45.56	\$1,822.40
Journey	\$48.25	\$1,930.00

CGI Animator/Modeler 4

 8/1/21 - 7/30/22
 Hourly
 Weekly

 1st 18 months
 \$38.89
 \$1,555.60

 Journey
 \$39.94
 \$1,597.60

7/31/22 - 7/29/23	Hourly	Weekly
1 st 18 months	\$40.06	\$1,602.40
Journey	\$41.14	\$1,645.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 18 months	\$41.26	\$1,650.40
Journey	\$42.37	\$1,694.80

⁺ DreamWorks Animation disavows any practice of moving artists up to a higher job classification based on time, rather than on function and skill set. The Producer and Local 839 confirm that journey-person classification levels are based upon artist function and skill set required for an assignment.

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

[†] During the 2021 negotiations, the Union confirmed that other Producers may use a Sideletter designated for use by another company when the Producer has requested and obtained the permission of the Union to do so. The Union's denial of a Producer's request to use a Sideletter is grievable by the Producer under Article 15.

SIDELETTER E+

DreamWorks Animation L.L.C., DreamWorks Animation Television, LLC, Warner Bros. Animation Inc. and Warner Specialty Productions Inc. (Effective July 10, 2022, Sideletter E also applies to Producers listed on Exhibit "A")

Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

Effective August 1, 2021 until the later of either August 6, 2022 or the employee's satisfactory completion of the "1st 18 months" level of progression:

CGI Animator/Modeler 5

8/1/21 - 7/30/22	Hourly	Weekly
1 st 18 months	\$36.55	\$1,462.00
Journey	\$38.47	\$1,538.80

7/31/22 - 7/29/23	Hourly	Weekly
1 st 18 months	\$37.65	\$1,506.00
Journey	\$39.62	\$1,584.80

7/30/23 - 7/31/24	Hourly	Weekly
1 st 18 months	\$38.78	\$1,551.20
Journey	\$40.81	\$1,632.40

⁺ DreamWorks Animation disavows any practice of moving artists up to a higher job classification based on time, rather than on function and skill set. The Producer and Local 839 confirm that journey-person classification levels are based upon artist function and skill set required for an assignment.

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

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SIDELETTER E+

DreamWorks Animation L.L.C., DreamWorks Animation Television, LLC, Warner Bros. Animation Inc. and Warner Specialty Productions Inc. (Effective July 10, 2022, Sideletter E also applies to Producers listed on Exhibit "A")

Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

Effective August 7, 2022 for new hires and for employees employed before August 7, 2022 once they have satisfactorily completed the "1st 18 months" level of progression:

CGI Animator/Modeler 1

8/7/22 - 7/29/23	Hourly	Weekly
Journey	\$54.74	\$2,189.60
7/30/23 - 7/31/24	Hourly	Weekly
Journey	\$56.38	\$2,255.20

CGI Animator/Modeler 2

8/7/22 - 7/29/23	Hourly	Weekly
Journey	\$52.46	\$2,098.40
7/30/23 - 7/31/24	Hourly	Weekly

\$54.03

\$2,161.20

CGI Animator/Modeler 3

Journey

8/7/22 - 7/29/23	Hourly	Weekly
1 st 18 months	\$44.23	\$1,769.20
Journey	\$46.84	\$1,873.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 18 months	\$45.56	\$1,822.40
Journey	\$48.25	\$1,930.00

⁺ DreamWorks Animation disavows any practice of moving artists up to a higher job classification based on time, rather than on function and skill set. The Producer and Local 839 confirm that journey-person classification levels are based upon artist function and skill set required for an assignment.

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

[†] During the 2021 negotiations, the Union confirmed that other Producers may use a Sideletter designated for use by another company when the Producer has requested and obtained the permission of the Union to do so. The Union's denial of a Producer's request to use a Sideletter is grievable by the Producer under Article 15.

SIDELETTER E⁺

DreamWorks Animation L.L.C., DreamWorks Animation Television, LLC, Warner Bros. Animation Inc. and Warner Specialty Productions Inc. (Effective July 10, 2022, Sideletter E also applies to Producers listed on Exhibit "A")

Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

Effective August 7, 2022 for new hires and for employees employed before August 7, 2022 once they have satisfactorily completed the "1st 18 months" level of progression:

CGI Animator/Modeler 4

8/7/22 - 7/29/23	Hourly	Weekly
1 st 18 months	\$37.65	\$1,506.00
Journey	\$39.62	\$1,584.80

7/30/23 - 7/31/24	Hourly	Weekly
1 st 18 months	\$38.78	\$1,551.20
Journey	\$40.81	\$1,632.40

⁺ DreamWorks Animation disavows any practice of moving artists up to a higher job classification based on time, rather than on function and skill set. The Producer and Local 839 confirm that journey-person classification levels are based upon artist function and skill set required for an assignment.

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

[†] During the 2021 negotiations, the Union confirmed that other Producers may use a Sideletter designated for use by another company when the Producer has requested and obtained the permission of the Union to do so. The Union's denial of a Producer's request to use a Sideletter is grievable by the Producer under Article 15.

SIDELETTER E⁺

DreamWorks Animation L.L.C., DreamWorks Animation Television, LLC, Warner Bros. Animation Inc. and Warner Specialty Productions Inc. (Effective July 10, 2022, Sideletter E also applies to Producers listed on Exhibit "A")

Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

Digital Scene Planning

8/1/21 - 7/30/22	Hourly	Weekly
1 st 18 months	\$45.36	\$1,814.40
Journey	\$47.26	\$1,890.40
7/31/22 - 7/29/23	Hourly	Weekly
1 st 18 months	\$46.72	\$1,868.80

7/30/23 - 7/31/24	Hourly	Weekly
1 st 18 months	\$48.12	\$1,924.80
Journey	\$50.14	\$2,005,60

\$48.68

\$1,947.20

Scan Checker

Journey

 8/1/21 - 7/30/22
 Hourly
 Weekly

 1st 18 months
 \$35.60
 \$1,424.00

 Journey
 \$37.95
 \$1,518.00

7/31/22 - 7/29/23	Hourly	Weekly
1 st 18 months	\$36.67	\$1,466.80
Journey	\$39.09	\$1,563.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 18 months	\$37.77	\$1,510.80
Journey	\$40.26	\$1,610.40

⁺ DreamWorks Animation disavows any practice of moving artists up to a higher job classification based on time, rather than on function and skill set. The Producer and Local 839 confirm that journey-person classification levels are based upon artist function and skill set required for an assignment.

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

[†] During the 2021 negotiations, the Union confirmed that other Producers may use a Sideletter designated for use by another company when the Producer has requested and obtained the permission of the Union to do so. The Union's denial of a Producer's request to use a Sideletter is grievable by the Producer under Article 15.

SIDELETTER E+

DreamWorks Animation L.L.C., DreamWorks Animation Television, LLC, Warner Bros. Animation Inc. and Warner Specialty Productions Inc. (Effective July 10, 2022, Sideletter E also applies to Producers listed on Exhibit "A")

Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

Digital Check

8/1/21 - 7/30/22 **Hourly** Weekly 1st 3 months \$38.11 \$1,524.40 **Next 9 months** \$39.17 \$1,566.80 Next 6 months \$42.43 \$1,697.20 **Next 6 months** \$43.56 \$1,742.40 Journey \$45.48 \$1,819.20

7/31/22 - 7/29/23	Hourly	Weekly
1 st 3 months	\$39.25	\$1,570.00
Next 9 months	\$40.35	\$1,614.00
Next 6 months	\$43.70	\$1,748.00
Next 6 months	\$44.87	\$1,794.80
Journey	\$46.84	\$1,873.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 3 months	\$40.43	\$1,617.20
Next 9 months	\$41.56	\$1,662.40
Next 6 months	\$45.01	\$1,800.40
Next 6 months	\$46.22	\$1,848.80
Journey	\$48.25	\$1,930.00

⁺ DreamWorks Animation disavows any practice of moving artists up to a higher job classification based on time, rather than on function and skill set. The Producer and Local 839 confirm that journey-person classification levels are based upon artist function and skill set required for an assignment.

Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

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SIDELETTER E+

DreamWorks Animation L.L.C., DreamWorks Animation Television, LLC, Warner Bros. Animation Inc. and Warner Specialty Productions Inc. (Effective July 10, 2022, Sideletter E also applies to Producers listed on Exhibit "A")

Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

Effective August 1, 2021 until the later of either August 6, 2022 or the employee's satisfactory completion of the "1st 18 months" level of progression:

Production Technical Director 1

	Weekly
\$50.65	\$2,026.00
\$53.15	\$2,126.00
	·

7/31/22 - 7/29/23	Hourly	Weekly
1 st 18 months	\$52.17	\$2,086.80
Journey	\$54.74	\$2,189.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 18 months	\$53.74	\$2,149.60
Journey	\$56.38	\$2,255.20

Production Technical Director 2

8/1/21 - 7/30/22	Hourly	Weekly
1 st 18 months	\$47.68	\$1,907.20
Journey	\$49.73	\$1,989.20

7/31/22 - 7/29/23	Hourly	Weekly
1 st 18 months	\$49.11	\$1,964.40
Journey	\$51.22	\$2,048.80

7/30/23 - 7/31/24	Hourly	Weekly
1 st 18 months	\$50.58	\$2,023.20
Journey	\$52.76	\$2,110.40

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^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

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SIDELETTER E+

DreamWorks Animation L.L.C., DreamWorks Animation Television, LLC, Warner Bros. Animation Inc. and Warner Specialty Productions Inc. (Effective July 10, 2022, Sideletter E also applies to Producers listed on Exhibit "A")

Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

Effective August 1, 2021 until the later of either August 6, 2022 or the employee's satisfactory completion of the "1st 18 months" level of progression:

Production Technical Director 3

8/1/21 - 7/30/22	Hourly	Weekly
1 st 18 months	\$42.94	\$1,717.60
Journey	\$45.48	\$1,819.20

7/31/22 - 7/29/23	Hourly	Weekly
1 st 18 months	\$44.23	\$1,769.20
Journey	\$46.84	\$1,873.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 18 months	\$45.56	\$1,822.40
Journey	\$48.25	\$1,930.00

Production Technical Director 4

8/1/21 - 7/30/22	Hourly	Weekly
1 st 18 months	\$38.89	\$1,555.60
Journey	\$39.94	\$1,597.60

7/31/22 - 7/29/23	Hourly	Weekly
1 st 18 months	\$40.06	\$1,602.40
Journey	\$41.14	\$1,645.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 18 months	\$41.26	\$1,650.40
Journey	\$42.37	\$1,694.80

⁺ DreamWorks Animation disavows any practice of moving artists up to a higher job classification based on time, rather than on function and skill set. The Producer and Local 839 confirm that journey-person classification levels are based upon artist function and skill set required for an assignment.

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

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SIDELETTER E+

DreamWorks Animation L.L.C., DreamWorks Animation Television, LLC, Warner Bros. Animation Inc. and Warner Specialty Productions Inc. (Effective July 10, 2022, Sideletter E also applies to Producers listed on Exhibit "A")

Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

Effective August 1, 2021 until the later of either August 6, 2022 or the employee's satisfactory completion of the "1st 18 months" level of progression:

Production Technical Director 5 -

8/1/21 - 7/30/22	Hourly	Weekly
1 st 18 months	\$36.55	\$1,462.00
Journey	\$38.47	\$1,538.80

7/31/22 - 7/29/23	Hourly	Weekly
1 st 18 months	\$37.65	\$1,506.00
Journey	\$39.62	\$1,584.80

7/30/23 - 7/31/24	Hourly	Weekly
1 st 18 months	\$38.78	\$1,551.20
Journey	\$40.81	\$1,632.40

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SIDELETTER E+

DreamWorks Animation L.L.C., DreamWorks Animation Television, LLC, Warner Bros. Animation Inc. and Warner Specialty Productions Inc. (Effective July 10, 2022, Sideletter E also applies to Producers listed on Exhibit "A")

Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

Effective August 7, 2022 for new hires and for employees employed before August 7, 2022 once they have satisfactorily completed the "1st 18 months" level of progression:

Production Technical Director 1

8/7/22 - 7/29/23	Hourly	Weekly
Journey	\$54.74	\$2,189.60
7/30/23 - 7/31/24	Hourly	Weekly
Journey	\$56.38	\$2,255.20

Production Technical Director 2

8/7/22 - 7/29/23	Hourly	Weekly
Journey	\$52.46	\$2,098.40
7/30/23 - 7/31/24	Hourly	Weekly
Journey	\$54.03	\$2,161.20

Production Technical Director 3

Journey

8/7/22 - 7/29/23	Hourly	Weekly
1 st 18 months	\$44.23	\$1,769.20
Journey	\$46.84	\$1,873.60
7/30/23 - 7/31/24	Hourly	Weekly
1 st 18 months	\$45.56	\$1,822.40

\$48.25

\$1,930.00

⁺ DreamWorks Animation disavows any practice of moving artists up to a higher job classification based on time, rather than on function and skill set. The Producer and Local 839 confirm that journey-person classification levels are based upon artist function and skill set required for an assignment.

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

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SIDELETTER E⁺

DreamWorks Animation L.L.C., DreamWorks Animation Television, LLC, Warner Bros. Animation Inc. and Warner Specialty Productions Inc. (Effective July 10, 2022, Sideletter E also applies to Producers listed on Exhibit "A")

Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

Effective August 7, 2022 for new hires and for employees employed before August 7, 2022 once they have satisfactorily completed the "1st 18 months" level of progression:

Production Technical Director 4

8/7/22 - 7/29/23	Hourly	Weekly
1 st 18 months	\$37.65	\$1,506.00
Journey	\$39.62	\$1,584.80

7/30/23 - 7/31/24	Hourly	Weekly
1 st 18 months	\$38.78	\$1,551.20
Journey	\$40.81	\$1,632.40

⁺ DreamWorks Animation disavows any practice of moving artists up to a higher job classification based on time, rather than on function and skill set. The Producer and Local 839 confirm that journey-person classification levels are based upon artist function and skill set required for an assignment.

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

[†] During the 2020 negotiations, the Union confirmed that other Producers may use a Sideletter designated for use by another company when the Producer has requested and obtained the permission of the Union to do so. The Union's denial of a Producer's request to use a Sideletter is grievable by the Producer under Article 15.

SIDELETTER E+

DreamWorks Animation L.L.C., DreamWorks Animation Television, LLC, Warner Bros. Animation Inc. and Warner Specialty Productions Inc. (Effective July 10, 2022, Sideletter E also applies to Producers listed on Exhibit "A")

Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

Digital Painter

 8/1/21 - 7/30/22
 Hourly
 Weekly

 1st month
 \$33.94
 \$1,357.60

 Next 6 months
 \$35.29
 \$1,411.60

 Next 6 months
 \$36.31
 \$1,452.40

 Journey
 \$37.79
 \$1,511.60

7/31/22 - 7/29/23	Hourly	Weekly
1 st month	\$34.96	\$1,398.40
Next 6 months	\$36.35	\$1,454.00
Next 6 months	\$37.40	\$1,496.00
Journey	\$38.92	\$1,556.80

7/30/23 - 7/31/24	Hourly	Weekly
1 st month	\$36.01	\$1,440.40
Next 6 months	\$37.44	\$1,497.60
Next 6 months	\$38.52	\$1,540.80
Journey	\$40.09	\$1,603.60

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^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

[†] During the 2021 negotiations, the Union confirmed that other Producers may use a Sideletter designated for use by another company when the Producer has requested and obtained the permission of the Union to do so. The Union's denial of a Producer's request to use a Sideletter is grievable by the Producer under Article 15.

SIDELETTER E+

DreamWorks Animation L.L.C., DreamWorks Animation Television, LLC, Warner Bros. Animation Inc. and Warner Specialty Productions Inc. (Effective July 10, 2022, Sideletter E also applies to Producers listed on Exhibit "A")

Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

Trainee

 8/1/21 - 7/30/22
 Hourly
 Weekly

 1st 6 months
 \$31.08
 \$1,243.20

 2nd 6 months
 \$34.39
 \$1,375.60

 3rd 6 months
 \$35.84
 \$1,433.60

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$32.01	\$1,280.40
2 nd 6 months	\$35.42	\$1,416.80
3 rd 6 months	\$36.92	\$1,476.80

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$32.97	\$1,318.80
2 nd 6 months	\$36.48	\$1,459.20
3 rd 6 months	\$38.03	\$1,521.20

(Subject to the right of Producer to request one six-month extension which Union shall not unreasonably deny.)

⁺ DreamWorks Animation disavows any practice of moving artists up to a higher job classification based on time, rather than on function and skill set. The Producer and Local 839 confirm that journey-person classification levels are based upon artist function and skill set required for an assignment.

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

[†] During the 2021 negotiations, the Union confirmed that other Producers may use a Sideletter designated for use by another company when the Producer has requested and obtained the permission of the Union to do so. The Union's denial of a Producer's request to use a Sideletter is grievable by the Producer under Article 15.

SIDELETTER F

Walt Disney Pictures and Warner Bros. Animation Inc. Animation/Timing Directors Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

Animation Director

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$58.51	\$2,340.40
2 nd 6 months	\$59.85	\$2,394.00
Journey	\$62.13	\$2,485.20

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$60.27	\$2,410.80
2 nd 6 months	\$61.65	\$2,466.00
Journey	\$63.99	\$2,559.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$62.08	\$2,483.20
2 nd 6 months	\$63.50	\$2,540.00
Journey	\$65.91	\$2,636.40

Timing Director

 8/1/21 - 7/30/22
 Hourly
 Weekly

 1st 6 months
 \$56.12
 \$2,244.80

 2nd 6 months
 \$57.40
 \$2,296.00

 Journey
 \$59.55
 \$2,382.00

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$57.80	\$2,312.00
2 nd 6 months	\$59.12	\$2,364.80
Journey	\$61.34	\$2,453.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$59.53	\$2,381.20
2 nd 6 months	\$60.89	\$2,435.60
Journey	\$63.18	\$2,527.20

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

[†] During the 2021 negotiations, the Union confirmed that other Producers may use a Sideletter designated for use by another company when the Producer has requested and obtained the permission of the Union to do so. The Union's denial of a Producer's request to use a Sideletter is grievable by the Producer under Article 15.

SIDELETTER G Walt Disney Pictures 3D Compositors Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

CGI 3D Compositor I

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$47.56	\$1,902.40
7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$48.99	\$1,959.60
7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$50.46	\$2,018.40

CGI 3D Compositor II

8/1/21 - 7/30/22	Hourly	Weekly
1 st 3 months	\$38.11	\$1,524.40
Next 9 months	\$39.17	\$1,566.80
Next 6 months	\$42.43	\$1,697.20
Next 6 months	\$43.56	\$1,742.40
Journey	\$45.48	\$1,819.20

7/31/22 - 7/29/23	Hourly	Weekly
1 st 3 months	\$39.25	\$1,570.00
Next 9 months	\$40.35	\$1,614.00
Next 6 months	\$43.70	\$1,748.00
Next 6 months	\$44.87	\$1,794.80
Journey	\$46.84	\$1,873.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 3 months	\$40.43	\$1,617.20
Next 9 months	\$41.56	\$1,662.40
Next 6 months	\$45.01	\$1,800.40
Next 6 months	\$46.22	\$1,848.80
Journey	\$48.25	\$1,930.00

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

[†] During the 2021 negotiations, the Union confirmed that other Producers may use a Sideletter designated for use by another company when the Producer has requested and obtained the permission of the Union to do so. The Union's denial of a Producer's request to use a Sideletter is grievable by the Producer under Article 15.

SIDELETTER H

Warner Bros. Animation Inc. Animation Processors Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

21-162 Animation Processor

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$36.05	\$1,442.00
2 nd 6 months	\$37.09	\$1,483.60
Journey	\$38.47	\$1,538.80

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$37.13	\$1,485.20
2 nd 6 months	\$38.20	\$1,528.00
Journey	\$39.62	\$1,584.80

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$38.24	\$1,529.60
2 nd 6 months	\$39.35	\$1,574.00
Journey	\$40.81	\$1,632.40

The job of Animation Processor shall entail animatics work (the synching of production board images to soundtrack), cataloguing and storing black and white and color images from overseas studios which are used to repair or to change images that also came back from overseas. Further, they shall be doing scanning work and line repair.

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

[†] During the 2021 negotiations, the Union confirmed that other Producers may use a Sideletter designated for use by another company when the Producer has requested and obtained the permission of the Union to do so. The Union's denial of a Producer's request to use a Sideletter is grievable by the Producer under Article 15.

SIDELETTER I

Cartoon Network Studios, Inc. and Warner Bros. Animation Inc. 2D Digital Animator Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

21-951 Digital Animator I

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$50.11	\$2,004.40
2 nd 6 months	\$51.24	\$2,049.60
Journey	\$53.15	\$2,126.00

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$51.61	\$2,064.20
2 nd 6 months	\$52.78	\$2,111.20
Journey	\$54.74	\$2,189.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$53.16	\$2,126.40
2 nd 6 months	\$54.36	\$2,174.40
Journey	\$56.38	\$2,255.20

21-952 Digital Animator II

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$42.43	\$1,697.20
2 nd 6 months	\$43.48	\$1,739.20
Journey	\$45.48	\$1,819.20

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$43.70	\$1,748.00
2 nd 6 months	\$44.78	\$1,791.20
Journey	\$46.84	\$1,873.60

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$45.01	\$1,800.40
2 nd 6 months	\$46.12	\$1,844.80
Journey	\$48.25	\$1,930.00

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

[†] During the 2021 negotiations, the Union confirmed that other Producers may use a Sideletter designated for use by another company when the Producer has requested and obtained the permission of the Union to do so. The Union's denial of a Producer's request to use a Sideletter is grievable by the Producer under Article 15.

SIDELETTER I

Cartoon Network Studios, Inc. and Warner Bros. Animation Inc. 2D Digital Animator Wage Scales for August 1, 2021 - July 31, 2024

Weekly Employment*

21-953 Digital Animator Trainee

8/1/21 - 7/30/22	Hourly	Weekly
1 st 6 months	\$34.40	\$1,376.00
2 nd 6 months	\$36.06	\$1,442.40
3 rd 6 months	\$37.73	\$1,509.20

7/31/22 - 7/29/23	Hourly	Weekly
1 st 6 months	\$35.43	\$1,417.20
2 nd 6 months	\$37.14	\$1,485.60
3 rd 6 months	\$38.86	\$1,554.40

7/30/23 - 7/31/24	Hourly	Weekly
1 st 6 months	\$36.49	\$1,459.60
2 nd 6 months	\$38.25	\$1,530.00
3 rd 6 months	\$40.03	\$1,601.20

^{*} Minimum scale for daily employees shall be 117.719% (118% effective January 1, 2023) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate provided herein for such employee's classification.

[†] During the 2021 negotiations, the Union confirmed that other Producers may use a Sideletter designated for use by another company when the Producer has requested and obtained the permission of the Union to do so. The Union's denial of a Producer's request to use a Sideletter is grievable by the Producer under Article 15.

SIDELETTER J SKILL EVALUATIONS

During the negotiations between the Producers and IATSE Local 839, the bargaining parties discussed the concern raised by IATSE Local 839 that skill evaluations or "tests" administered by the Producers in making hiring, promotion, and/or assignment decisions were excessive. The bargaining parties agreed that such evaluations should require only a reasonable amount of work to complete, that a reasonable amount of time should be provided to complete the evaluation and the evaluation should be related to the hiring, promotion and/or assignment decision. Evaluations which do not meet these criteria should be discontinued or redesigned. In addition, the bargaining parties agreed that as a matter of courtesy, Producers should endeavor to provide a response to those who submitted evaluations within a reasonable time after the hiring, promotion and/or assignment decision has been made. Concerns or questions about the propriety of such tests should be directed to Labor Relations and/or raised with the Labor Management Committee.

The parties further agree to form an abuse review committee, which shall meet upon request for the purpose of addressing alleged abuses of this sideletter.

SIDELETTER K CLASSIFICATION STUDY

During the course of negotiations, the parties agreed to form a joint committee to review job classifications covered under the collective bargaining agreement.

The study will initially be conducted on a Producer-by-Producer basis to identify obsolete classifications and identify working titles unique to each Producer. The Committee will then attempt to standardize such classifications for inclusion in the Master Collective Bargaining Agreement. The parties also agree that the availability of Sideletter B to all Producers may be a topic for discussion as part of the classification study.

The Union shall designate an individual to meet with representatives from each Producer. The Committee shall commence meeting within ninety (90) days from ratification.

SIDELETTER L JURY DUTY

During the course of negotiations, the parties agreed that each of the Producers would provide the Union with a copy of its written jury duty reimbursement policies, if any, applicable to Local 839-represented employees. Those Producers without a written policy shall respond in writing to the Union's request setting forth their jury duty policy/practice.

SIDELETTER M DISTANT LOCATION WORKING CONDITIONS

The producers agree to discuss on a Company-by-Company basis the conditions for the performance of covered work on distant location.

SIDELETTER N PRODUCTIONS MADE FOR NEW MEDIA

This Sideletter confirms the understanding of the International Alliance of Theatrical Stage Employees (hereinafter "the IATSE"), on behalf of itself and The Animation Guild and Affiliated Optical Electronic and Graphic Arts, Local 839, on the one hand, and the Producers signatory to the successor agreement to the 2015 Agreement between Producer and The Animation Guild and Affiliated Optical Electronic and Graphic Arts, Local 839 (collectively "the parties"), on the other hand, concerning the terms and conditions applicable to the production of entertainment motion pictures of the type that have traditionally been covered under the Local 839 Agreement (hereinafter "the Local 839 Agreement"), that are made for the Internet, mobile devices, or any other new media platform in existence as of August 1, 2009 (hereinafter collectively referred to as "New Media") With respect to such productions intended for initial use in new media, the parties agree as follows:

When the parties entered into the 2015 negotiations, they mutually understood that the economics of New Media production were uncertain and that greater flexibility in terms and conditions of employment was therefore mutually beneficial. The parties understood that if one or more business models developed such that New Media production became an economically viable medium, then the parties would mutually recognize that fact in future agreements.

During the 2018 negotiations, in recognition of emerging subscription video-on-demand services exhibiting high budget animated dramatic productions, the parties agreed to modify the terms and conditions for "high budget" animated dramatic productions made for

¹ This Sideletter applies to the production of certain types of programs intended for initial use in New Media and does not cover work involved in the selection of content for, design or management of any website or any other New Media platform on which productions made for New Media appear.

subscription video-on-demand consumer pay New Media platforms as provided in Paragraph F. below.

A. Recognition

The Producer recognizes the IATSE as the exclusive bargaining representative of employees employed within the classifications covered by the Local 839 Agreement on entertainment motion pictures of the type traditionally covered under said Agreement which are intended for initial exhibition in New Media, but excluding news, sports, documentaries and "Experimental New Media Productions," as that term is defined below, within the geographic scope covered by the Local 839 Agreement for the classifications covered by that Agreement.

B. Coverage

Coverage shall be at the Producer's option with respect to "Experimental New Media Productions." Should the Producer elect to cover an Experimental New Media Production, the terms and conditions applicable to employment on Original New Media Productions, as set forth in Paragraph D. below, shall apply.

An "Experimental New Media Production" is defined as any Original New Media Production: (1) for which the actual cost of production does not exceed: (a) \$15,000 per minute of program material as exhibited, and (b) \$300,000 per single production as exhibited, and (c) \$500,000 per series of programs produced for a single order; and (2) on which any combination totaling fewer than four (4) employees as hereinafter described are working in job classifications covered by the Local 839 Agreement within the geographic scope of that Agreement. Such employees shall include any person having six (6) months or more experience in the animated cartoon industry in any job classification covered by the Local 839 Agreement.

The actual cost of the "Experimental New Media Production" shall consist of all direct costs actually incurred in connection with the Production. The only costs excluded in determining the actual cost of production shall be development costs, overhead charges, financing costs (*i.e.*, loan origination fees, gap fees, legal fees and interest), contingency of up to ten percent (10%), essential elements insurance costs, the cost of the completion bond, marketing expenses, contingent payments to talent or other parties which are based on the proceeds derived from the exploitation of the Production and received after recoupment of the negative cost, and delivery items required by sales agents, distributors or sub-distributors (*i.e.*, delivery materials beyond the answer print, NTSC Video Master if the Production is delivered on

videotape, or the digital equivalent if the Production is delivered in a digital format).

If the Producer began production of an "Experimental New Media Production" which the Producer elected not to cover under the terms of this Sideletter, but subsequently employs four (4) or more employees on the production in classifications covered by the Local 839 Agreement, which employees meet the description in the second sentence of the first paragraph of this Paragraph B., then said production shall automatically be deemed covered hereunder, starting from the first day on which at least four (4) or more such employees are so employed on the production and continuing until the production is finished.

Producer shall use reasonable efforts to notify the IATSE that it intends to cover an "Experimental New Media Production" as of the date of commencement of layout or animation, as applicable.

C. Terms and Conditions of Employment on Derivative New Media Productions (Other Than an "Animated High Budget" New Media Production Made for Initial Exhibition on a Subscription Video-On-Demand Consumer Pay Platform ("Animated High Budget SVOD Program"))

A "Derivative New Media Production" is a production for New Media based on an existing television motion picture covered by the Local 839 Agreement that was produced for "traditional" media -- *e.g.*, a free television, basic cable or pay television motion picture ("the source production") -- and is otherwise included among the types of motion pictures traditionally covered by the Local 839 Agreement.

Employees may be employed by a Producer and assigned to a "Derivative New Media Production" as part of their regular workday on the source production. The work for the Derivative Production shall be considered part of the workday for the Employees on the source production and shall trigger overtime if work on the Derivative Production extends the workday on the source production past the point at which overtime would normally be triggered on the source production. All other terms and conditions, including benefits, shall continue as if the employee were continuing to work on the source production.

In all other situations, terms and conditions of employment are freely negotiable between the Employee and the Producer, except as provided in the following paragraph, and except for those provisions identified in Paragraph E. below.

The minimum rate payable to an employee employed on a "Derivative New Media Production" which is subject to a license agreement entered into on or after August 1, 2022, is made for a subscription video-on-demand consumer pay platform, is at least eleven (11) minutes in length and is budgeted at more than \$25,000 per minute shall be the applicable minimum rate set forth in the Local 839 Agreement for a television motion picture, reduced by fifteen percent (15%). When the Derivative New Media Production meets the foregoing requirements, but there is no license agreement, this provision shall apply provided that production animation commences on or after August 1, 2022. In the case of a series, production animation of the first episode must commence on or after August 1, 2022.

D. Terms and Conditions of Employment on Original New Media Productions (Other Than an "Animated High Budget SVOD Program")

Terms and conditions of employment on Original New Media Productions (other than an "Animated High Budget SVOD Program" as defined in Paragraph F. below) are freely negotiable between the Employee and the Producer, except as provided in the following paragraph, and except for those provisions identified in Paragraph E. below.

The minimum rate payable to an employee employed on an Original New Media Production (other than an "Animated High Budget SVOD Program" as defined in Paragraph F. below) which is subject to a license agreement entered into on or after August 1, 2022, is made for a subscription video-on-demand consumer pay platform, is at least eleven (11) minutes in length and is budgeted at more than \$25,000 per minute shall be the applicable minimum rate set forth in the Local 839 Agreement for a television motion picture, reduced by fifteen percent (15%). When the Original New Media Production meets the foregoing requirements, but there is no license agreement, this provision shall apply provided that the production animation commences on or after

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If the licensee orders additional programs or episodes of a "Derivative New Media Production," the production animation of which will commence on or after August 1, 2022, pursuant to a license agreement entered into prior to August 1, 2022, and the Producer has the right to negotiate with respect to the material terms and conditions of the license for the additional programs or episodes, then the programs or episodes shall be subject to the applicable minimum rates set forth in the Local 839 Agreement for a television motion picture, reduced by 15%, under the fourth paragraph of Paragraph C. of this Sideletter. In the event that Producer asserts that a "Derivative New Media Production" does not fall within the preceding sentence, a limited number of representatives of the IATSE, subject to the execution of a confidentiality agreement satisfactory in form to Producer, may inspect those portions of the license agreement that are relevant to determine whether the Producer had the right to renegotiate with respect to the material terms and conditions of the license for the additional programs or episodes. All information received or reviewed by representatives of the IATSE shall be kept confidential, and neither the IATSE nor its representatives shall disclose any such information, except as necessary to enforce its rights under this Agreement.

August 1, 2022. In the case of a series, production animation of the first episode must commence on or after August 1, 2022.³

E. Other Provisions (For Other Than an "Animated High Budget SVOD Program")

(1) Union Security

The provisions of Article II, "Union Security," of the Basic Agreement shall apply to New Media Productions, except that the requirement to become a member in good standing of the Union shall not apply until an individual has been employed for at least thirty (30) workdays on New Media Productions covered under this Sideletter, or for a combined total of thirty (30) workdays on New Media Productions covered under this Sideletter and on motion pictures of the type traditionally covered under the Local 839 Agreement. In addition, all references in Article II to "West Coast Studio Locals" shall be replaced with "Local 839" for purposes of this Sideletter.

The Union acknowledges and agrees that the obligations set forth in subparagraph (c) of Article II apply only to newly-hired employees who are not members of the IATSE or of Local 839.

(2) Pension, Health and Individual Account Plans

On covered New Media Productions budgeted at \$25,000 or less per minute (using the same cost elements as described in the second paragraph of Paragraph B. above), Producer's only obligation hereunder shall be to make contributions to the Active Health Fund, as required by Article XII of the Basic Agreement, and to the Retired Employees Fund, as required by Article XIV of the Basic Agreement, on behalf of each Employee employed under the terms of this Sideletter.

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³ If the licensee orders additional programs or episodes of an Original New Media Production (other than an "Animated High Budget SVOD Program" as defined in Paragraph F. below), the production animation of which will commence on or after August 1, 2022, pursuant to a license agreement entered into prior to August 1, 2022, and the Producer has the right to negotiate with respect to the material terms and conditions of the license for the additional programs or episodes, then the programs or episodes shall be subject to the applicable minimum rates set forth in the Local 839 Agreement for a television motion picture, reduced by 15%, under the second paragraph of Paragraph D. of this Sideletter. In the event that Producer asserts that an Original New Media Production (other than an "Animated High Budget SVOD Program" as defined in Paragraph F. below) does not fall within the preceding sentence, a limited number of representatives of the IATSE, subject to the execution of a confidentiality agreement satisfactory in form to Producer, may inspect those portions of the license agreement that are relevant to determine whether the Producer had the right to renegotiate with respect to the material terms and conditions of the license for the additional programs or episodes. All information received or reviewed by representatives of the IATSE shall be kept confidential, and neither the IATSE nor its representatives shall disclose any such information, except as necessary to enforce its right under this Agreement.

On New Media Productions budgeted at more than \$25,000 per minute (using the same cost elements as described in the second paragraph of Paragraph B. above), or when Employees are assigned by the Producer to a Derivative New Media Production as part of their regular workday on the source production, Producer shall be obligated to make pension, health and Individual Account Plan contributions in accordance with the provisions of Articles XII, XIII, XIIIA and XIV of the Basic Agreement.

(3) Seniority

There shall be no preference of employment of any kind or nature in the employment of Employees on New Media Productions hereunder. The provisions of Article 12, "Seniority," of the Local 839 Agreement shall not be applicable to New Media Productions.

(4) *Grievance and Arbitration*

Any dispute with regard to wages, hours of employment or working conditions concerning an Employee employed by Producer under the terms of this Sideletter shall be resolved in accordance with the grievance and arbitration procedure set forth in Article XXXII of the Basic Agreement, except that references therein to "the Local Union" shall be replaced with "the IATSE" and the provisions with respect to the Step Two Conciliation Committee shall be deleted. In addition, the reference in Article XXXII to "West Coast Studio Locals" shall be replaced with "Local 839."

(5) Staffing

It is expressly understood and agreed that there shall be no staffing requirements on Productions made for New Media and that there will be full interchange of job functions among Employees, so that a single Employee may be required to perform the functions of multiple job classifications covered hereunder.

(6) No Strike, No Lockout

During the term of this Agreement, the Union agrees not to engage in any strike, sympathy strike or work stoppage against the Producer. The Producer agrees not to engage in any lockout of its Employees employed hereunder during the term of this Agreement.

(7) Family and Medical Leave

Article 27 shall apply.

(8) No Other Terms Applicable

Except as expressly provided in this Sideletter, no other terms and conditions shall be applicable to Employees employed on New Media Productions.

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

(1) Prospective Application

- (a) The terms and conditions set forth in this Paragraph F. shall not apply to the following:
- (i) Any program or series that continues in production on or after August 1, 2021 and was grandfathered, and remains grandfathered, pursuant to Paragraph F.(1)(a) or (b) of Sideletter N to the 2015 Local 839 Agreement.
- (ii) Any program or series that continues in production on or after August 1, 2021 and was grandfathered, and remains grandfathered, pursuant to Paragraph F.(1)(b) or (c) of Sideletter N to the 2018 Local 839 Agreement. Paragraph F. of Sideletter N to the 2015 Local 839 Agreement shall apply instead, except that minimum wage and fringe rates shall be subject to the general increases negotiated during the 2021 negotiations.
- (b) Subject to the final paragraph of this subparagraph (b), the terms and conditions set forth in this Paragraph F. shall not apply to:
- (i) Any program or series other than those described in subparagraph (a) above that would otherwise qualify as an "Animated High Budget SVOD Program" within the meaning of this Sideletter which commences production animation prior to August 1, 2022 (in the case of a series, production animation of the first episode must commence prior to August 1, 2022). Paragraph F. of Sideletter N to the 2018 Local 839 Agreement shall apply instead, except that minimum wage and fringe rates shall be subject to the general increases negotiated during the 2021 negotiations.
- (ii) Any Animated High Budget SVOD Program or episode of an Animated High Budget SVOD series, the production animation of which commences on or after August 1, 2022 pursuant to a

license agreement entered into prior to August 1, 2022.⁴ Paragraph F. of Sideletter N to the 2018 Local 839 Agreement shall apply instead, except that minimum wage and fringe rates shall be subject to the increases negotiated during the 2021 negotiations.

Grandfathering is eliminated for any new season of an Animated High Budget SVOD series, commencing production animation of the first episode on or after August 1, 2023. All episodes of that season and any subsequent season of the series shall be subject to the terms and conditions applicable during the contract year in which the episode is produced. Examples of "grandfathering" scenarios are set forth below:

Example 1:

A license for an Animated High Budget SVOD series is first entered into on August 1, 2016.

- Season 1 is produced between August 1, 2016 and July 31, 2017;
- Season 2 is produced between August 1, 2017 and July 31, 2018;
- Season 3 is produced between August 1, 2018 and July 31, 2019;
- Season 4 is produced between August 1, 2019 and July 31, 2020;
- Season 5 is produced between August 1, 2020 and July 31, 2021;
- Season 6 is produced between August 1, 2021 and July 31, 2022;
- Season 7 is produced between August 1, 2022 and July 31, 2023;

In this example, the entire Animated High Budget SVOD series would remain grandfathered and subject to the terms of Sideletter N, "Productions Made for New Media" of the 2015 Local 839 Agreement, and not subject to Sideletter N, "Productions Made for New Media" of the 2021 Local 839 Agreement, except that the minimum wage and fringe rates shall be subject to the general increases negotiated during the 2021 negotiations.

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⁴ If the licensee orders additional Animated High Budget SVOD Programs or episodes of an Animated High Budget SVOD series which commences production animation on or after August 1, 2022 pursuant to a license agreement entered into prior to August 1, 2022, and the Producer has the right to negotiate with respect to the material terms and conditions of the license for the additional programs or episodes, then the Animated High Budget SVOD Program or episodes of the Animated High Budget SVOD series shall be subject to the terms of Sideletter N to the 2021 Local 839 Agreement. In the event that Producer asserts that an Animated High Budget SVOD Program is grandfathered under the provisions of Paragraph F.(1)(b)(ii) above, a limited number of representatives of the IATSE, subject to the execution of a confidentiality agreement satisfactory in form to Producer, may inspect those portions of the license agreement that are relevant to determine whether the Producer had the right to renegotiate with respect to the material terms and conditions of the license for the additional programs or episodes. All information received or reviewed by representatives of the IATSE shall be kept confidential, and neither the IATSE nor its representatives shall disclose any such information, except as necessary to enforce its rights under this Agreement.

Example 2:

A license for an Animated High Budget SVOD series is first entered into on May 1, 2022.

- Season 1 is produced between August 1, 2022 and July 31, 2023;
- Season 2 is produced between August 1, 2023 and July 31, 2024;

Season 1 of the Animated High Budget SVOD series would be grandfathered and would be subject to the terms of Sideletter N, "Productions Made for New Media" of the 2018 Local 839 Agreement, except that the minimum wage and fringe rates shall be subject to the general increases negotiated during the 2021 negotiations.

Season 2 of the Animated High Budget SVOD series would not be grandfathered and would be subject to the changes reflected in Paragraph (4) below of this Agreement.

Example 3:

A license for an Animated High Budget SVOD series is first entered into on August 1, 2022.

- Season 1 is produced between August 1, 2022 and July 31, 2023;
- Season 2 is produced between August 1, 2023 and July 31, 2024;

Both seasons 1 and 2 of the Animated High Budget SVOD series would be subject to the changes reflected in Paragraph (4) below of this Agreement.

(2) "Animated High Budget SVOD Programs" Defined

The terms and conditions set forth in Paragraph F. of this Sideletter shall be applicable only to animated original and derivative dramatic new media productions made for initial exhibition on a subscription video-on-demand consumer pay platform which meet the following "high budget" criteria (hereinafter "*Animated High Budget SVOD Programs*"):

Length of	"High Budget" Threshold		
Program as			
Initially			
Exhibited*			
20-35 Minutes**	\$500,000*** (to be increased by the general		
	wage increases in each year of the		
	Agreement) (\$583,495 ⁵) and above		
36-65 Minutes	\$1,750,000*** (\$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 Sideletter, regardless of their budgets.

**It is understood that two (2) eleven (11) minute segments produced for and initially exhibited as a unit qualify as an Animated High Budget SVOD Program, provided that the combined budget of the segments meets the "high budget" threshold.

***The "high" budget" thresholds of \$500,000 and \$1,750,000 are effective for animated programs 20-35 minutes in length and 36-65 minutes in length, respectively, subject to a license agreement entered into on or after August 1, 2022 (or, in the absence of a license agreement, to a program that commences production animation on or after August 1, 2022; in the case of a series or mini-series, production animation of the first episode or part must commence on or after August 1, 2022).

Any program or series budgeted at less than \$583,495 for a 20-35 minute program or less than \$2,500,000 for a 36-65 minute program as of August 1, 2022 that would otherwise qualify as an "Animated High Budget SVOD Program" under this Sideletter shall be subject to Paragraph C. of this Sideletter if a "Derivative New Media Production" (other than an "Animated High Budget SVOD Program") or to Paragraph D. of this Sideletter if an "Original New Media Production" (other than an "Animated High Budget SVOD Program") of this Sideletter, provided that:

(1) production animation of the program, or the first episode in the case of a series, commences prior to August 1, 2022; or

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⁵ The \$583,495 budget threshold increases to \$601,000 effective July 31, 2022 and to \$629,030 effective July 30, 2023. These increases do not apply to a program subject to a license agreement entered into on or after August 1, 2022 (or, in the absence of a license agreement, to a program that commences production animation on or after August 1, 2022; in the case of a series or miniseries, production animation of the first episode or part must commence on or after August 1, 2022).

(2) production animation of the program, or the first episode in the case of a series, commences on or after August 1, 2022 pursuant to a license agreement entered into prior to August 1, 2022.⁶

(3) "Tier 1" and "Tier 2" Defined

For purposes of Paragraph F.(4) below, Tier 1 and Tier 2 shall be defined as follows:

Program Length	Budget Tier
20-35 Minutes	Tier 1: \$1,639,091 (to be increased by the wage increases in each year of the Agreement) ⁷ or more Tier 2: \$500,000 *** (see page 127) (\$583,495 to be increased by the wage increases in each year of the Agreement) ⁸ or more but less than \$1,639,091 (to be increased by the wage increases in each year of the Agreement) ⁹

If the licensee orders additional programs or episodes of the series which commence production animation on or after August 1, 2022 pursuant to a license agreement entered into prior to August 1, 2022, and the Producer has the right to negotiate with respect to the material terms and conditions of the license for the additional programs or episodes, then the program or episodes of the series shall be subject to the terms of Paragraph F. of Sideletter N to the 2021 Local 839 Agreement. In the event that Producer asserts that a program or series is grandfathered under this provision, a limited number of representatives of the IATSE, subject to the execution of a confidentiality agreement satisfactory in form to Producer, may inspect those portions of the license agreement that are relevant to determine whether the Producer had the right to renegotiate with respect to the material terms and conditions of the license for the additional programs or episodes. All information received or reviewed by representatives of the IATSE shall be kept confidential, and neither the IATSE nor its representatives shall disclose any such information, except as necessary to enforce its rights under this Agreement.

⁷ The \$1,639,091 Tier 1 budget threshold increases to \$1,688,264 or more effective July 31, 2022 and to \$1,738,912 or more effective July 30, 2023.

⁸ The \$583,495 Tier 2 budget threshold increases to \$601,000 effective July 31, 2022 and to \$619,030 effective July 30, 2023. These increases do not apply to a program subject to a license agreement entered into on or after August 1, 2022 (or, in the absence of a license agreement, to a program that commences production animation on or after August 1, 2022; in the case of a series or mini-series, production animation of the first episode or part commence on or after August 1, 2022).

⁹ The \$1,639,091 Tier 1 budget threshold increases to \$1,688,264 or more effective July 31, 2022 and to \$1,738,912 or more effective July 30, 2023.

Program Length	Budget Tier		
	Tier 1: \$3,800,000 or more		
36-65 Minutes	Tier 2: \$1,750,000 *** (see page 127) (\$2,500,000 as provided on page 127 above) or more but less than \$3,800,000		
66.05	Tier 1: \$4,000,000 or more		
66-95 Minutes	Tier 2: \$3,000,000 or more but less than \$4,000,000		
96 Minutes	Tier 1: \$4,500,000 (plus \$2,250,000 for each additional 35 minutes or portion thereof) or more		
or more	Tier 2: \$3,000,000 or more but less than \$4,500,000 (plus \$2,250,000 for each additional 35 minutes or portion thereof)		

(4) Terms and Conditions

The terms and conditions applicable to an Animated High Budget SVOD Program, as defined in subparagraph (3) above, are set forth below. Unless otherwise indicated, an Animated High Budget SVOD Program between 20-35 minutes in length shall be treated as a half-hour program, and an Animated High Budget SVOD Program 36 minutes or more in length shall be treated as a one hour or more program.

(a) One-time Animated High Budget SVOD Program (Other than a Pilot) (see chart starting on page 140 of this Agreement)

(i) Subject to the exceptions set forth in subparagraphs (ii)-(iv) below, the terms and conditions for a one-time Animated High Budget SVOD Program (Other than a Pilot) shall be as follows:

(A) The minimum rates shall be the applicable minimum rates set forth in the Local 839 Agreement for a television motion picture, reduced by 15%.¹⁰

(B) Producer shall not be required to make any payment for holidays which are not worked.

¹⁰ The minimum scale for daily employees, which is ordinarily 117.719% (118% beginning on January 1, 2023) of the minimum basic hourly rate provided for weekly employees, inclusive of vacation and holiday pay, shall instead be 93.5% of the applicable minimum basic hourly rate for weekly employees, in order to account for the modifications in vacation and holiday pay provided in subparagraphs (B) and (C) below.

(C) Producer shall not be required to pay the percentage of salaries as vacation pay.

(ii) For a Tier 1 one-time Animated High Budget SVOD Program (other than a pilot) that is fewer than 66 minutes in length and made for initial exhibition on a subscription video-on-demand consumer pay platform with 20 million or more subscribers in the United States and Canada, the minimum rates for the period immediately preceding the period in question shall apply (*e.g.*, during the period July 31, 2022 to July 29, 2023, the wage rates for the period August 1, 2021 to July 30, 2022 shall apply). Subparagraphs (i)(B) and (C) above apply.

(iii) For a Tier 1 one-time Animated High Budget SVOD Program (other than a pilot) subject to a license agreement entered into on or after January 1, 2019 (or, in the absence of a license agreement, the production animation of which commences on or after January 1, 2019) that is 96 minutes or more in length, budgeted at over \$49,172,715¹¹ [budget threshold to be increased by the general wage increases in each year of the Agreement]¹² and made for initial exhibition on a subscription video-on-demand consumer pay platform with 20 million or more subscribers in the United States and Canada, the terms and conditions shall be those that apply to a theatrical motion picture of the same length.

(iv) For a one-time Animated High Budget SVOD Program (other than a pilot) subject to a license agreement entered into on or after August 1, 2022 (or, in the absence of a license agreement, the production animation of which commences on or after August 1, 2022) that is budgeted at \$30,000,000¹³ or more [budget threshold to be increased by the general wage increases in each year of the Agreement], the minimum rates for the period two periods prior to the period in question shall apply (e.g., during the period July 31, 2022 to July 29, 2023, the wage rates for the period August 2, 2020 to July 31, 2021 shall apply). Subparagraphs (i)(B) and (C) above apply.

 $^{^{11}}$ The \$49,172,715 budget threshold increases to more than \$50,647,896 effective July 31, 2022 and to more than \$52,167,333 effective July 30, 2023.

The budget shall be determined by the production costs, including the "above" and "below the line" costs and "pre-production" and "post-production" costs. Production costs shall not include: (a) the costs of the premium for a completion bond; (b) a contingency fund not to exceed ten percent (10%) of the budget; (c) costs reimbursed by insurance; and (d) overages caused by a *force majeure* event or governmental action. Employer shall provide the IATSE, upon request, with a report of the actual expenditures of the production ("Final Expenditure Report") and such other relevant materials as the IATSE may require which show the actual cost of the production. All information received or reviewed by professionals shall be confidential and neither the IATSE nor its representatives or retained professionals shall disclose any such information except as necessary to enforce their rights under the Agreement.

¹³ The \$30,000,000 budget threshold increases to \$30,900,000 or more effective July 30, 2023.

- (b) <u>Animated High Budget SVOD Pilots and Series</u>
 (Other than Mini-Series) (see chart starting on page 142 of this
 Agreement)
- (i) The terms and conditions applicable to a television motion picture shall apply to Tier 1 Animated High Budget SVOD Pilots and Tier 1 Animated High Budget SVOD Series that are fewer than 66 minutes in length and made for initial exhibition on a subscription video-on-demand consumer pay platform with 20 million or more subscribers in the United States and Canada, except that:

(A) On such pilots and series during the first season of such series:

1) The minimum rates for the period immediately preceding the period in question shall apply (*e.g.*, during the period July 31, 2022 to July 29, 2023, the wage rates for the period August 1, 2021 to July 30, 2022 shall apply).

2) Producer shall not be required to make any payment for holidays which are not worked.

3) Producer shall not be required to pay the percentage of salaries as vacation pay.

(B) During the second season:

- 1) The minimum rates for the period immediately preceding the period in question shall apply (*e.g.*, during the period July 31, 2022 to July 29, 2023, the wage rates for the period August 1, 2021 to July 30, 2022 shall apply).
- 2) Unworked holiday pay will be payable at one-half of the amount due under Article 6 of the Local 839 Agreement.
- 3) Vacation will be payable at one-half of the applicable percentage in Article 8 of the Local 839 Agreement.
- (ii) The terms and conditions applicable to a television motion picture shall apply to Tier 2 Animated High Budget SVOD Pilots and Tier 2 Animated High Budget SVOD Series that are fewer than 66 minutes in length and made for initial exhibition on a subscription video-on-demand consumer pay platform with 20 million or more subscribers in the United States and Canada, except that:

(A) On such pilots and during the first season of such series:

1) The minimum rates shall be the applicable minimum rates set forth in the Local 839 Agreement for a television motion picture, reduced by 15%, ¹⁴ except:

For those series subject to a license agreement entered into on or after August 1, 2022 (or, in the absence of a license agreement, the production animation of which commences on or after August 1, 2022), the minimum rates for the period two periods prior to the period in question shall apply (*e.g.*, during the period July 31, 2022 to July 29, 2023, the wage rates for the period August 2, 2020 to July 31, 2021 shall apply).

2) Producer shall not be required to make any payment for holidays which are not worked.

3) Producer shall not be required to pay the percentage of salaries as vacation pay.

(B) During the second season:

1) The minimum rates for the period immediately preceding the period in question shall apply (*e.g.*, during the period July 31, 2022 to July 29, 2023, the wage rates for the period August 1, 2021 to July 30, 2022 shall apply).

2) Producer shall not be required to make any payment for holidays which are not worked.

3) Producer shall not be required to pay the percentage of salaries as vacation pay.

(C) During the third season:

1) The minimum rates for the period immediately preceding the period in question shall apply (*e.g.*, during the period July 31, 2022 to July 29, 2023, the wage rates for the period August 1, 2021 to July 30, 2022 shall apply).

¹⁴ The minimum scale for daily employees, which is ordinarily 117.719% (118% beginning on January 1, 2023) of the minimum basic hourly rate provided for weekly employees, inclusive of vacation and holiday pay, shall instead be 93.5% of the applicable minimum basic hourly rate for weekly employees in order to account for the modifications in vacation and holiday pay provided in subparagraphs (B) and (C) below.

2) Unworked holiday pay will be payable at one-half of the amount due under Article 6 of the Local 839 Agreement.

3) Vacation will be payable at one-half of the applicable percentage in Article 8 of the Local 839 Agreement.

(iii) The terms and conditions applicable to a television motion picture shall apply to an Animated High Budget SVOD Series made for initial exhibition on a subscription video-on-demand consumer pay platform with fewer than 20 million or more subscribers in the United States and Canada, except that:

(A) During the first season:

The minimum rates shall be the applicable minimum rates set forth in the Local 839 Agreement for a television motion picture, reduced by 15%, 15 except:

For those series subject to a license agreement entered into on or after August 1, 2022 (or, in the absence of a license agreement, the production animation of which commences on or after August 1, 2022) and budgeted at \$1,639,091¹⁶ or more [budget threshold to be increased by the general wage increases in each year of the Agreement] but less than \$4,000,000¹⁷ [budget threshold to be increased by the general wage increases in each year of the Agreement] for a 20-35 minute series or \$3,800,000 or more but less than \$8,000,000¹⁸ [budget threshold to be increased by the general wage increases in each year of the Agreement] for a 36-65 minute series:

The minimum rates for the period two periods prior to the period in question shall apply (*e.g.*, during the period July 31, 2022 to July 29, 2023, the wage rates for the period August 2, 2020 to July 31, 2021 shall apply).

For those series subject to a license agreement entered into on or after August 1, 2022 (or, in the

¹⁵ The minimum scale for daily employees, which is ordinarily 117.719% (118% beginning on January 1, 2023) of the minimum basic hourly rate provided for weekly employees, inclusive of vacation and holiday pay, shall instead be 93.5% of the applicable minimum basic hourly rate for weekly employees in order to account for the modifications in vacation and holiday pay provided in subparagraphs (B) and (C) below.

 $^{^{16}}$ The \$1,639,091 budget threshold increases to \$1,688,264 or more effective July 31, 2022 and to \$1,738,912 or more effective July 30, 2023.

¹⁷ The \$4,000,000 budget threshold increases to \$4,120,000 effective July 30, 2023.

¹⁸ The \$8,000,000 budget threshold increases to \$8,240,000 effective July 30, 2023.

absence of a license agreement, the production animation of which commences on or after August 1, 2022) and budgeted at \$4,000,000¹⁹ or more [budget threshold to be increased by the general wage increases in each year of the Agreement] for a 20-35 minute series or \$8,000,000²⁰ or more [budget threshold to be increased by the general wage increases in each year of the Agreement] for a 36-65 minute series:

The minimum rates for the period immediately preceding the period in question shall apply (*e.g.*, during the period July 31, 2022 to July 29, 2023, the wage rates for the period August 1, 2021 to July 30, 2022 shall apply).

(B) During the second season:

1) The minimum rates for the period immediately preceding the period in question shall apply (*e.g.*, during the period July 31, 2022 to July 29, 2023, the wage rates for the period August 1, 2021 to July 30, 2022 shall apply).

2) Producer shall not be required to make any payment for holidays which are not worked, except that:

For those series subject to a license agreement entered into on or after August 1, 2022 (or, in the absence of a license agreement, the production animation of which commences on or after August 1, 2022) and budgeted at \$4,000,000²¹ or more [budget threshold to be increased by the general wage increases in each year of the Agreement] for a 20-35 minute series or \$8,000,000²² or more [budget threshold to be increased by the general wage increases in each year of the Agreement] for a 36-65 minute series, unworked holiday pay will be payable at one-half of the amount due under Article 6 of the Local 839 Agreement.

3) Producer shall not be required to pay the percentage of salaries as vacation pay, except that:

For those series subject to a license agreement entered into on or after August 1, 2022 (or, in the absence of a license agreement, the production animation of which commences on or after August 1, 2022) and budgeted at \$4,000,000²³ or more [budget threshold to be increased by the general wage increases in

¹⁹ The \$4,000,000 budget threshold increases to \$4,120,000 effective July 30, 2023.

²⁰ The \$8,000,000 budget threshold increases to \$8,240,000 effective July 30, 2023.

²¹ The \$4,000,000 budget threshold increases to \$4,120,000 effective July 30, 2023.

²² The \$8,000,000 budget threshold increases to \$8,240,000 effective July 30, 2023.

²³ The \$4,000,000 budget threshold increases to \$4,120,000 effective July 30, 2023.

each year of the Agreement] for a 20-35 minute series or \$8,000,000²⁴ or more [budget threshold to be increased by the general wage increases in each year of the Agreement] for a 36-65 minute series, vacation will be payable at one-half of the applicable percentage under Article 8 of the Local 839 Agreement.

(C) During the third season:

1) The minimum rates for the period immediately preceding the period in question shall apply (*e.g.*, during the period July 31, 2022 to July 29, 2023, the wage rates for the period August 1, 2021 to July 30, 2022 shall apply), except that:

For those series subject to a license agreement entered into on or after August 1, 2022 (or, in the absence of a license agreement, the production animation of which commences on or after August 1, 2022) and budgeted at \$4,000,000²⁵ or more [budget threshold to be increased by the general wage increases in each year of the Agreement] for a 20-35 minute series or \$8,000,000²⁶ or more [budget threshold to be increased by the general wage increases in each year of the Agreement] for a 36-65 minute series, the minimum rates shall be those that apply to a one-half hour or one hour television motion picture, respectively.

2) Unworked holiday pay will be payable at one-half of the amount due under Article 6 of the Local 839 Agreement, except that:

For those series subject to a license agreement entered into on or after August 1, 2022 (or, in the absence of a license agreement, the production animation of which commences on or after August 1, 2022) and budgeted at \$4,000,000²⁷ or more [budget threshold to be increased by the general wage increases in each year of the Agreement] for a 20-35 minute series or \$8,000,000²⁸ or more [budget threshold to be increased by the general wage increases in each year of the Agreement] for a 36-65 minute series, unworked holiday pay will be payable in the amount due under Article 6 of the Local 839 Agreement.

²⁴ The \$8,000,000 budget threshold increases to \$8,240,000 effective July 30, 2023.

²⁵ The \$4,000,000 budget threshold increases to \$4,120,000 effective July 30, 2023.

²⁶ The \$8,000,000 budget threshold increases to \$8,240,000 effective July 30, 2023.

 $^{^{27}}$ The \$4,000,000 budget threshold increases to \$4,120,000 effective July 30, 2023.

²⁸ The \$8,000,000 budget threshold increases to \$8,240,000 effective July 30, 2023.

3) Vacation will be payable at onehalf of the applicable percentage in Article 8 of the Local 839 Agreement, except that:

For those series subject to a license agreement entered into on or after August 1, 2022 (or, in the absence of a license agreement, the production animation of which commences on or after August 1, 2022) and budgeted at \$4,000,000²⁹ or more [budget threshold to be increased by the general wage increases in each year of the Agreement] for a 20-35 minute series or \$8,000,000³⁰ or more [budget threshold to be increased by the general wage increases in each year of the Agreement] for a 36-65 minute series, vacation will be payable at the applicable percentage in Article 8 of the Local 839 Agreement.

- (iv) The terms and conditions applicable to a television motion picture shall apply to an Animated High Budget SVOD Series consisting of episodes that are 66 minutes or longer in length, except that:
- (A) The minimum wage rates shall be the applicable minimum rates set forth in the Local 839 Agreement for a television motion picture, reduced by 15%.³¹
- (B) Producer shall not be required to make any payment for holidays which are not worked.
- (C) Producer shall not be required to pay the percentage of salaries as vacation pay.
- (c) <u>Animated High Budget Mini-Series</u> (see chart starting on page 146 of this Agreement)
- (i) The minimum rates for an Animated High Budget Mini-Series shall be the applicable minimum rates set forth in the Local 839 Agreement for a television motion picture, reduced by 15%, except that:
- (A) The minimum rates for the period immediately preceding the period in question shall apply (e.g., during

²⁹ The \$4,000,000 budget threshold increases to \$4,120,000 effective July 30, 2023.

³⁰ The \$8,000,000 budget threshold increases to \$8,240,000 effective July 30, 2023.

³¹ The minimum scale for daily employees, which is ordinarily 117.719% (118% beginning on January 1, 2023) of the minimum basic hourly rate provided for weekly employees, inclusive of vacation and holiday pay, shall instead be 93.5% of the applicable minimum basic hourly rate for weekly employees in order to account for the modifications in vacation and holiday pay provided in subparagraphs (B) and (C) below.

the period July 31, 2022 to July 29, 2023, the wage rates for the period August 1, 2021 to July 30, 2022 shall apply) to:

1) A Tier 1 Animated High Budget SVOD Mini-Series that is fewer than 66 minutes per part and made for initial exhibition on a subscription video-on-demand consumer pay platform with 20 million or more subscribers in the United States and Canada; and

SVOD Mini-Series subject to a license agreement entered into on or after August 1, 2022 (or, in the absence of a license agreement, the production animation of which commences on or after August 1, 2022) made for initial exhibition on a subscription video-on-demand consumer pay platform with fewer than 20 million subscribers in the United States and Canada and budgeted at either \$8,000,000³² or more [budget threshold to be increased by the general wage increases in each year of the Agreement] per part for a mini-series that is fewer than 66 minutes in length per part or \$9,500,000³³ or more [budget threshold to be increased by the general wage increases in each year of the Agreement] per part for a mini-series that is 66 minutes or more in length per part.

(B) The minimum rates for the period two periods prior to the period in question shall apply (*e.g.*, during the period July 31, 2022 to July 29, 2023, the wage rates for the period August 2, 2020 to July 31, 2021 shall apply) to:

An Animated High Budget SVOD Mini-Series subject to a license agreement entered into on or after August 1, 2022 (or, in the absence of a license agreement, which commences production animation on or after August 1, 2022) which is either:

1) made for initial exhibition on a subscription video-on-demand consumer pay platform with 20 million or more subscribers in the United States and Canada and budgeted at \$500,000 or more but less than \$1,639,091³⁴ [budget threshold to be increased by the general wage increases in each year of the Agreement] per part for a mini-series that is 20-35 minutes in length per part;

or

³² The \$8,000,000 budget threshold increases to \$8,240,000 effective July 30, 2023.

³³ The \$9,500,000 budget threshold increases to \$9,785,000 effective July 30, 2023.

³⁴ The \$1,639,091 Tier 1 budget threshold increases to \$1,688,264 or more effective July 31, 2022 and to \$1,738,912 or more effective July 30, 2023.

2) made for initial exhibition on a subscription video-on-demand consumer pay platform with fewer than 20 million subscribers in the United States and Canada and either:

budgeted at less than

\$8,000,000³⁵ [budget threshold to be increased by the general wage increases in each year of the Agreement] per part for a mini-series that is fewer than 66 minutes in length per part;

or

budgeted at more than

\$6,000,000³⁶ [budget threshold to be increased by the general wage increases in each year of the Agreement] but less than \$9,500,000³⁷ [budget threshold to be increased by the general wage increases in each year of the Agreement] per part for a mini-series that is 66 minutes or more in length per part:

- (C) Producer shall not be required to make any payment for holidays which are not worked.
- (D) Producer shall not be required to pay the percentage of salaries as vacation pay.
- (e) The second paragraph of Paragraph C. of this Sideletter shall apply to a Derivative New Media Production that falls within the definition of an Animated High Budget SVOD Program as provided in this Paragraph F.
- (f) For purposes of determining applicable terms and conditions under this subparagraph (4), the number of subscribers in the United States and Canada shall be determined as of July 1st of each year of the Agreement. For a High Budget SVOD series, the number of subscribers in the United States and Canada that applies to the first episode of the season shall apply to the entire season.
- G. The International Alliance of Theatrical Stage Employees ("IATSE") has been granted the right under the Producer-IATSE Basic Agreement to review the budget of a covered new media production solely for the purpose of determining whether the covered new media production falls within the definition of a High Budget SVOD Program, and, if so, whether the production meets the budget breaks as set forth in Paragraph F.(3) above. Local 839 may request that the IATSE conduct

³⁵ The \$8,000,000 budget threshold increases to \$8,240,000 effective July 30, 2023.

³⁶ The \$6,000,000 budget threshold increases to \$6,180,000 effective July 30, 2023.

³⁷ The \$9,500,000 budget threshold increases to \$9,785,000 effective July 30, 2023.

such review of the budget of an Animated High Budget SVOD Program and make such determination. In the event that the IATSE refuses to do so, Local 839 reserves its right to conduct such review. All information received or reviewed by representatives of the IATSE or Local 839 shall be kept confidential, and neither the IATSE, Local 839, nor their representatives shall disclose any such information, except as necessary to enforce its rights under this Agreement.

H. "Sunset" Clause

The parties recognize that these provisions are being negotiated at a time when the business models and patterns of usage of productions in New Media are in the process of exploration, experimentation and innovation. Therefore, the provisions of this Sideletter shall expire on the termination date of the Local 839 Agreement and will be of no force and effect thereafter. No later than sixty (60) days before that expiration date, the parties will meet to negotiate new terms and conditions for reuse of productions made for New Media.

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

Animated One-Time High Budget SVOD Programs (Other than Pilots)

Effective for Animated High Budget SVOD Programs subject to a license agreement entered into on or after August 1, 2022 (or in the absence of a license agreement, the production animation of which commences on or after August 1, 2022)

<66 Minutes	Paragraph 4(a) of NM SL -	Budget n/a	2021 TAG Agreement TV rates 1x back;	Effective for Animated High Budget SVOD Programs subject to a license agreement entered into on or after August 1, 2022 (or in the absence of a license agreement, the production animation of which commences on or after August 1, 2022) No change
(not pilot)	Tier 1 made for 20M+ subs.		no unworked holiday; no vacation	
	Paragraph (4(b) of NM SL - Tier 2 made for 20M+ subscribers; all programs made for <20M subs.	n/a	TV rates reduced by 15%; no unworked holiday; no vacation	No change
66-84 Minutes (not pilot)	Paragraph (4(a) of NM SL - Tier 1 made for 20M+ subs.	n/a	TV rates reduced by 15%; no unworked holiday; no vacation	No change
	Paragraph (4(b) of NM SL - Tier 2 made for 20M+ subscribers; all programs made for <20M subs.	n/a	TV rates reduced by 15%; no unworked holiday; no vacation	No change
85-95 Minutes (not pilot)	Paragraph (4(a) of NM SL - Tier 1 made for 20M+ subs.	>=\$30M*	TV rates reduced by 15%; no unworked holiday; no vacation	TV rates 2x back; no unworked holiday; no vacation
	Paragraph (4(b) of NM SL - Tier 2 made for 20M+ subscribers; all programs made for <20M subs.	<\$30M* >=\$30M* <\$30M*	TV rates reduced by 15%; no unworked holiday; no vacation	No change TV rates 2x back; no unworked holiday; no vacation No change

Animated One-Time High Budget SVOD Programs (Other than Pilots)

Effective for Animated High Budget SVOD Programs subject to a license agreement entered into on or after August 1, 2022 (or in the absence of a license agreement, the production animation of which commences on or after August 1, 2022)

		Budget	2021 TAG Agreement	Effective for Animated High Budget SVOD Programs subject to a license agreement entered into on or after August 1, 2022 (or in the absence of a license agreement, the production animation of which commences on or after August 1, 2022)
96+ Minutes	Paragraph (4(a) of NM SL -	>\$49,172,715**	Theatrical rates and	No change
(not pilot)	Tier 1 made for 20M+ subs.		terms & conditions	
		\$30M* to	TV rates reduced by 15%;	TV rates 2x back;
		\$49,172,715**	no unworked holiday;	no unworked holiday;
			no vacation	no vacation
		<\$30M*		No change
	Paragraph (4(b) of NM SL -	>=\$30M*	TV rates reduced by 15%;	TV rates 2x back;
	Tier 2 made for 20M+ subscribers;		no unworked holiday;	no unworked holiday;
	all programs made for <20M subs.		no vacation	no vacation
		<\$30M*		No change to current

^{*}Budget threshold subject to general wage increases in each year of the Agreement starting on July 30, 2023. The \$30,000,000 budget threshold increases to \$30,900,000 effective July 30, 2023.

^{**}Budget threshold subject to general wage increases in each year of the Agreement. The \$49,172,715 budget threshold increases to more than \$50,647,896 effective July 31, 2022 and to more than \$52,167,333 effective July 30, 2023.

Episodic Series	Platform	Budget	2021 TAG Agreement	Effective for Animated High Budget SVOD Series subject to a license agreement entered into on or after August 1, 2022 (or in the absence of a license agreement, a series for which the production animation of the first episode commences on or after August 1, 2022)
20-35 Mins.†	Made for 20M+ subscribers	Tier 1 (\$1,639,091* or more)	1st season - TV rates 1x back; no unworked holiday pay; no vacation 2nd season - TV rates 1x back; 50% unworked holiday pay; 50% vacation 3rd season - TV rates; 100% unworked holiday pay; 100% vacation	No change
		Tier 2 (\$500,000 < \$1,639,091*)	1st season - TV rates reduced by 15%; no unworked holiday pay; no vacation 2nd season - TV rates 1x back; no unworked holiday pay; no vacation 3rd season - TV rates 1x back; 50% unworked holiday pay; 50% vacation 4th/subseq. seasons - TV rates; 100% unworked holiday pay; 100% vacation	1st season - TV rates 2x back; no unworked holiday pay; no vacation 2nd/subseq. seasons - no change to current

Episodic Series	Platform	Budget	2021 TAG Agreement	Effective for Animated High Budget SVOD Series subject to a license agreement entered into on or after August 1, 2022 (or in the absence of a license agreement, a series for which the production animation of the first episode commences on or after August 1, 2022)
20-35 Mins. † (continued)	Made for <20M subscribers	Tier 1 (\$1,639,091* or more) Tier 2 (\$500,000 < \$1,639,091*)	1st season - TV rates reduced by 15%; no unworked holiday pay; no vacation 2nd season - TV rates 1x back; no unworked holiday pay; no vacation 3rd season - TV rates 1x back; 50% unworked holiday pay; 50% vacation 4th/subseq. seasons - TV rates; 100% unworked holiday pay; 100% vacation	\$\frac{\\$4M** \text{ or more}}{1\\$t \text{ season}}\$ - TV rates 1x back; no unworked holiday pay; no vacation; 2nd \season - TV rates 1x back rates; 50% unworked holiday pay; 50% vacation; 3rd/subseq. \seasons - TV rates; 100% unworked holiday pay; 100% vacation \$\frac{\\$1.591.350* - \\$4M**}{1\\$5 \text{ season}}\$ - TV rates 2x back; no unworked holiday pay; no vacation; 2nd/subseq. \seasons - no change to current no change to current

[†] It is understood that two (2) eleven (11) minute segments produced for and initially exhibited as a unit qualify as an Animated HB SVOD Program, provided that the combined budget of the segments meets the "high budget" threshold.

^{*} Budget threshold subject to general wage increases in each year of the Agreement. The \$1,639,091 "Tier 1" budget threshold increases to \$1,688,264 or more effective July 31, 2022 and to \$1,738,912 or more effective July 30, 2023.

^{**}Budget threshold subject to general wage increases in each year of the Agreement starting on July 30, 2023. The \$4,000,000 budget threshold for a 20-35 minute program increases to \$4,120,000 effective July 30, 2023.

Episodic Series	Platform	Budget	2021 TAG Agreement	Effective for Animated High Budget SVOD Series subject to a license agreement entered into on or after August 1, 2022 (or in the absence of a license agreement, a series for which the production animation of the first episode commences on or after August 1, 2022)
36-65 Minutes		Tier 1 (\$3,800,000 or more) Tier 2 (\$1,750,000 - <\$3,800,000)	1st season - TV rates 1x back; no unworked holiday pay; no vacation 2nd season - TV rates 1x back; 50% unworked holiday pay; 50% vacation 3rd season - TV rates; 100% unworked holiday pay; 100% vacation 1st season - TV rates reduced by 15%; no unworked holiday pay; no vacation 2nd season - TV rates 1x back; no unworked holiday pay; no vacation 3rd season - TV rates 1x back; 50% unworked holiday pay; 50% vacation 4th/subseq. seasons - TV rates; 100% unworked holiday pay; 100% vacation	No change 1st season - TV rates 2x back; no unworked holiday pay; no vacation 2nd/subseq. seasons - no change to current

Episodic Series	Platform	Budget	2021 TAG Agreement	Effective for Animated High Budget SVOD Series subject to a license agreement entered into on or after August 1, 2022 (or in the absence of a license agreement, a series for which the production animation of the first episode commences on or after August 1, 2022)
36-65 Minutes (continued)		Tier 1 (\$3,800,000 or more) Tier 2 (\$1,750,000 - <\$3,800,000)	1st season - TV rates reduced by 15%; no unworked holiday pay; no vacation 2nd season - TV rates 1x back; no unworked holiday pay; no vacation 3rd season - TV rates 1x back; 50% unworked holiday pay; 50% vacation 4th/subseq. seasons - TV rates; 100% unworked holiday pay; 100% vacation	\$8.0M** or more: 1st season - TV rates 1x back; no unworked holiday pay; no vacation; 2nd season - TV rates 1x back rates; 50% unworked holiday pay; 50% vacation; 3rd/subseq. seasons - TV rates; 100% unworked holiday pay; 100% vacation \$3.8M - <\$8.0M**: 1st season - TV rates 2x back; no unworked holiday pay; no vacation; 2nd/subseq. seasons - no change to current no change to current

^{**}Budget threshold subject to general wage increases in each year of the Agreement starting on July 30, 2023. The \$8,000,000 budget threshold for a 36-65 minute program increases to \$8,240,000 effective July 30, 2023.

Animated High Budget SVOD Mini-Series

	Platform	Budget	2021 TAG Agreement	Effective for Animated High Budget SVOD miniseries subject to a license agreement entered into on or after August 1, 2022 (or in the absence of a license agreement, a mini-series for which the production animation of the first part commences on or after August 1, 2022)
Mini-Series				
<66 Minutes	Made for	Tier 1	TV rates 1x back;	No change
	20M+	\$1,639,091* or more	no unworked holiday pay;	
	subscribers	for 20-35 min./	no vacation	
		\$3.8M or more for 36-65 min.		
		Tier 2	TV rates reduced by 15%;	TV rates 2x back;
		\$500,000 <\$1,639,091*	no unworked holiday pay;	no unworked holiday pay;
		for 20-35 min. /\$1.75M <\$3.8M for 36-65 min.	no vacation	no vacation
	Made for	Tier 1 (see above)	TV rates reduced by 15%;	\$8.0M** or more: TV rates 1x back; no
	<20M		no unworked holiday pay;	unworked holiday pay; no vacation
	subscribers		no vacation	
		Tier 2 (see above)		Less than \$8.0M**: TV rates 2x back; no
				unworked holiday pay; no vacation

Animated High Budget SVOD Mini-Series

	Platform	Budget	2021 TAG Agreement	Effective for Animated High Budget SVOD miniseries subject to a license agreement entered into on or after August 1, 2022 (or in the absence of a license agreement, a mini-series for which the production animation of the first part commences on or after August 1, 2022)
Mini-Series (co	ntinued)			
66+ Minutes	Made for	> \$4M/part	TV rates reduced by 15%;	No change
	20M+		no unworked holiday pay;	
	subscribers		no vacation	
		\$3.0M - \$4.0M/part		
	Made for	> \$4M/part	TV rates reduced by 15%;	\$9.5M** or more: TV rates 1x back; no
	<20M	7 71.5	no unworked holiday pay;	unworked holiday pay; no vacation
	subscribers		no vacation	σσ
	3,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			>\$6.0M** - <\$9.5M**: TV 2x back; no
				unworked holiday pay; no vacation
				animonica nonday pay, no vacation
		\$3.0M - \$4.0M/part		\$3.0M - \$6.0M**: no change
		+0.0 + 110111, pare		ys.om yo.om . no change

^{*} Budget threshold subject to general wage increases in each year of the Agreement. The \$1,639,091 "Tier 1" budget threshold for a 20-35 minute per part Animated High Budget SVOD Mini-Series increases to \$1,688,264 effective July 31, 2022 and to \$1,738,912 effective July 30, 2023.

^{**}Budget threshold subject to general wage increases in each year of the Agreement starting on July 30, 2023. The \$8,000,000 budget threshold for a 36-65 minute per part Animated High Budget SVOD Mini-Series increases to \$8,240,000 effective July 30, 2023. The \$6,000,000 budget threshold for a 66 minute or longer per part Animated High Budget SVOD Mini-Series increases to \$6,180,000 effective July 30, 2023. The \$9,500,000 budget threshold for a 66 minute or longer per part Animated High Budget SVOD Mini-Series increases to \$9,785,000 effective July 30, 2023.

SIDELETTER O STORY ARTIST PROGRESSION

The progression for a Story Artist may begin with employment in the Trainee classification in a Talent Development Program under Article 24, followed by the Apprentice Animation Story Person and/or Apprentice Story Sketch classification (21-322), followed by the Assistant Staff Comic Strip Story Person and/or Artist classification (21-802), followed by the Story Sketch classification (21-312) and, finally, followed by the Animation Story Person classification (21-022).

SIDELETTER P ANIMATION INTERNS

During negotiations, the parties discussed the fact that some Producers have 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.

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