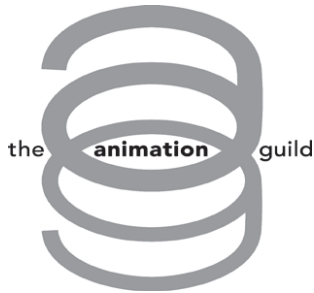


POWERHOUSE ANIMATION, INC.

2024 - 2027



**AGREEMENT OF SEPTEMBER 22, 2024
BETWEEN
POWERHOUSE ANIMATION, INC.
AND
THE ANIMATION GUILD, LOCAL 839 I.A.T.S.E.**

Animation Guild, Local 839 IATSE
1105 N. Hollywood Way
Burbank, CA 91505
(818) 845-7500

**POWERHOUSE ANIMATION STUDIOS, INC.
and IATSE and Locals 839 and 700
Memorandum Of Agreement
September 2024**

This Memorandum of Agreement is entered into as of September __, 2024 between Powerhouse Animation Studios, Inc. (hereinafter referred to as the “Employer” or “Producer”) and the International Alliance of Theatrical Stage Employees, Moving Picture Technicians, Artists and Allied Crafts of the United States, its Territories and Canada, The Animation Guild and Affiliated Optical Electronic and Graphic Arts, Local #839, IATSE, and the Motion Picture Editors Guild, Local #700, IATSE (such International Alliance and Locals #839 and #700 being referred to collectively as "the Union").

This Memorandum of Agreement reflects the complete understanding reached between the parties. This Memorandum of Agreement is not formal contract language, except where its context indicates otherwise. As soon as practicable, this Memorandum of Agreement will be reduced to formal contract language in a Collective Bargaining Agreement.

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

Article 1 -
Scope of the Agreement

This Agreement shall be applicable to all persons employed by Powerhouse Animation Studios, Inc. to perform services at its facility in Austin, TX, who work remotely within the state of Texas, or in a combination thereof, in any of the job classifications hereinafter set forth except where the employee is required to work under the jurisdiction of another union contract.

Scope of Agreement Sideletter

In addition to Article 1 (Scope of the Agreement) any employee who has continuously lived and been employed to work by the Producer remotely outside the state of Texas for one year prior to the date of certification to the date of ratification of this Agreement shall remain in the bargaining unit for as long as they remain employed by the Company or are reemployed within twelve (12) months of severance of employment. Notwithstanding the foregoing, anyone who was employed on “Masters of the Universe,” and is reemployed by the Producer within twenty-four (24) months of severance of employed, shall remain in the bargaining unit.

Article 2 -
Recognition

Powerhouse Animation Studios, Inc. (hereinafter the "Employer" or "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, and its affiliated Locals 839, The Animation Guild and 700, The Motion Picture Editors Guild (hereinafter collectively, the "Union"), as the exclusive collective bargaining representative of all classifications listed in this Agreement, employed by the Producer within the Scope of this Agreement. 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 - Check Off

- A. The Producer agrees, upon receipt by the Producer of signed union dues deduction authorizations by the employees, to deduct an amount equivalent to the Union dues and initiation fees on a bi-weekly basis from the wages of employees in the bargaining unit who voluntarily authorize such deductions, in writing, in an amount certified by the Union to be due and owing. In the event that no wages are due the employee or that they are insufficient to cover the authorized deduction, the deduction shall nevertheless be made from the first wages of adequate amount next due the employee. All deductions shall be remitted to the Union within two (2) weeks following the close of the month. It is fully understood that an employee may revoke their dues deduction authorization at any time.
- B. The Producer shall furnish the Union with a list of employees for whom the deductions were made. The list shall include the employee's name, social security number and amount of the deduction made from each.
- C. The Producer shall provide the opportunity for a payroll deduction for the IATSE PAC Fund contribution. Any such payroll deductions shall be remitted by the Producer, in accordance with the procedures outlined in Section A of this Article.
- D. Producer agrees to inform the Local Union in writing once per month of any employee subject to this Agreement that were hired in the prior thirty (30) days, or whose employment is pending. Such information shall include the employee's name, residential address, social security number, job classification, applicable scale wage, and date of employment. Producer agrees to inform the Local Union in writing once per month of severance of employment and of permanent promotions in the prior thirty (30) days, or whose severance is pending.
- E. The Union shall indemnify and save the Company harmless from any claims, suits, judgments, attachments and from any other form of liability as a result of making any deduction in accordance with the foregoing authorizations and assignments.

F. Union Security

1. When and if Section 14(b) of the National Labor Relations Act, 29 USC § 164(b), is amended to provide more favorable conditions for the Union than those provided therein and under Texas state law with respect to Union Security, or if the provisions of the National Labor Relations Act relating to 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 this Agreement as to Union Security provisions only.
2. 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 to the Producer, and to continue such negotiations diligently and in good faith until agreement is reached on such proposals and recommendations.

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.

B. On-Call

It is recognized that weekly employees in classifications 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 twenty percent (120%) 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 he shall be paid one and one half (1.5) 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.

D. If an employee is engaged in a classification with a higher minimum rate of pay for four (4) hours in a day the employee shall be paid for the entire time spent in that higher classification during that day at the higher rate of pay.

E. Tools and Equipment

1. If the Employee works away from the studio, the Employer will furnish computers or other technical equipment that it customarily furnishes to employees working in the studio. If the employee does not live within commutable distance to the Austin Studio, shipping and insurance of the equipment to the Employee will be covered by the Employer. If the Employee chooses to personally pick up or drop off the equipment (foregoing shipping and insurance charges) and the Employer agrees, then Employee shall do so on a paid workday. The Employee is not responsible for any damage sustained to any equipment, supplied by the Employer if used in a reasonable and responsible manner in the course of their duties.
2. Employee may not use Employer-issued equipment to perform work for other companies unless Employee obtains permission in writing from Employer.
3. The Employer agrees to pay an appropriate fee for the use of "personal equipment" (which shall be defined as equipment and/or tools of the trade required to perform the tasks requested by Employer):
 - a. When the Employee is approved to work away from the studio for work.
 - b. When the Employer does not have the appropriate equipment.
 - c. When the equipment provided by the Employer is inferior or insufficient to perform the required duties in a timely manner.
 - d. Actual fees and equipment must be approved in advance by both parties.

F. 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 therefore.

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 G.
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 their job classification for Producer, and:

- i. 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 his employment by Producer and
- ii. 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 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 to permit retraining within this Union's jurisdiction of employees displaced from jobs within the jurisdiction of other union parties; provided, however, that such other union parties' displaced employees are qualified for retraining in this Union's jurisdiction. 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 G, 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 their job classification for Producer, and
 - i. 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 their employment by Producer and

- ii. such person makes written application to Producer within thirty (30) days after such displacement, to receive Displacement Pay (as herein defined), Producer shall pay them the amount of compensation set forth in the following table:

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.

6. *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 therefore, 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 a 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, proceed immediately to Step Three of the grievance procedure (arbitration). The rate or classification determined by such agreement or by any arbitration pursuant to Step Three 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 F., 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.

9. "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 his severance, in each of which the employee has been employed by Producer for one hundred and twenty (120) 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 one hundred and twenty (120) 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 one hundred and twenty (120) 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:

- i. 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 one hundred and twenty (120) 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.

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.

The minimum daily call for weekly employees shall be eight (8) hours per day. All time worked by overtime eligible employees in excess forty (40) hours per week shall be paid at one and one-half (1½) times the hourly rate provided herein for such employee's classification.

2. Sixth and Seventh Days

- a. When the Producer specifically requests an employee to work on a sixth workday of the workweek, the work shall be paid at one and one-half (1½) times the hourly rate provided herein for such employee's classification. When the Producer specifically requests an employee's to work on a seventh workday of the workweek, the work shall be paid at two (2) times the hourly rate provided herein for such employee's classification.
- b. When the Producer specifically requests work on a sixth or seventh day, the minimum call for the sixth and seventh days shall be four (4) hours.
- c. All overtime or sixth or seventh day work must be approved in advance of being worked.

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.

4. For Series and Admin units, the 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. For Boutique unit, the Producer shall give notice of at least two (2) 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 eight (8) hours per day. All time worked up to eight (8) hours per day shall be paid at 118% (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 forty (40) hours per week 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 the 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. Distribution of Overtime

Overtime premiums payable under any provision of this Agreement shall not be compounded. When practicable, overtime shall be distributed equally within job classifications in which the work is performed.

D. Golden Hours Provision

All time worked in excess of twelve (12) 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. Notification of End Date

For any employee employed on a project basis, the Producer will provide reasonable notification to the employee of their expected end date, and notice of any change to that end date must be given to the employee at least two (2) weeks prior to the new end date.

Article 6 - Holidays

- A. There shall be fourteen paid holidays during the year: New Year's Day, Martin Luther King Jr. Day, Memorial Day, Juneteenth, Independence Day, Labor Day, Indigenous Peoples Day, Election Day, Veterans Day, Thanksgiving Day, the day after Thanksgiving Day, and two days on and/or near Christmas Day (Winter Break), New Year's Eve. Every employee shall receive straight time pay for each unworked holiday which occurs during a week they are engaged. When the Producer specifically requests work done on said holidays, that work will be paid at double time.
- B. Said holidays shall be counted as eight (8) hours of work in computing the forty (40) hour week.
- C. 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.
- D. 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.
- E. 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.
- F. 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

Article 7 - Leaves of Absence

- A. All leave policies in the Powerhouse Animation Studios Employee Handbook as updated on January 9, 2024 (exclusive of 4-3. Paid Time Off) shall continue to apply to bargaining unit employees for the life of the agreement. In addition, the Employer's January 6, 2023 Paid Time Off ("Sick Leave") Policy shall continue to apply to bargaining unit employees for the life of this Agreement. Unless required by law, such policies shall

not be substantively diminished from those in effect at ratification without agreement with the Union.

- B. 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.
- C. An initial leave of absence of thirty (30) consecutive days or less shall not be deducted from the continuous employment record of employee.
- D. 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.
- E. Paid Time Off
Replace 4-3. Paid Time Off with the following:

This policy applies to full-time and all project based employees.

- All employees are eligible for 80 hours of paid time off per year of employment, effective on day 1 of employment.
- After 3 years of employment, employees will be granted 120 hours of paid time off per year, based on their anniversary date.
- After 7 years of employment, employees will be granted 160 hours of paid time off per year, based on their anniversary date.
- Up to 40 hours of paid time off can be rolled over to the following year based on anniversary date, increasing that following year by up to 40 hours.
- When calculating years of employment for PTO, total worked time with the Company shall be used. "Total worked time" shall be broken by discharge for just cause, voluntary resignation, unauthorized leaves of absence, layoff in excess of twelve (12) months, or an absence in excess of twelve (12) months due to illness or injury. Layoffs and periods of absence less than twelve (12) months shall be considered bridged time when calculating anniversary dates relating to "total worked time".

Employees are obliged to:

- Communicate and collaborate with their team to ensure everyone takes leave without disrupting operations and deadlines.
- Plan to delegate, postpone, or otherwise manage projects that will be affected by their time off. Notify their supervisor(s) and People Operations at least two weeks in advance.

Human Resources will approve or deny employee vacation requests via email, gchat or payroll (or similar payroll provider or HRIS). Human Resources will approve PTO on a first-come, first-served basis.

The Producer shall not reject leave requests for any of the following reasons:

- To discipline employees
- To force employees to fulfill duties that are not urgent
- To approve leave for another employee who made a later request

Neither of the preceding lists is exhaustive. Both employees and supervisors should use common sense and adhere to Company Policies when requesting or approving employee vacation leave.

If employees will be out of work due to illness or any other emergency for which notice could not be provided, they must notify their supervisors as early as possible.

Article 8 - Non-Discrimination

The Anti-Harassment and Non-Discrimination Policy in the Powerhouse Animation Studios Employee Handbook as updated on May 22, 2023 shall be incorporated by reference into this agreement.

Article 9 - Respectful Workplace

The Employer, in cooperation with the Union, will promote a workplace where all applicants and Employees are treated with respect and dignity. The Employer shall continue to maintain a policy addressing bullying and harassment in the workplace that is readily available to the employees. Employees shall follow the complaint procedure in that policy to address any violations of that policy.

Reasonable action taken by an employer or supervisor relating to the management and direction of employees and reasonable action taken by a Union steward in the workplace, or by employees or stewards in grievance meetings or discussions with the Producer regarding workplace or contractual disputes, does not constitute bullying or abusive conduct.

The Union may dispute any outcome of a filed complaint through the grievance process.

Article 10 - 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 therefore by the borrowing Producer.

Article 11 - Employees Working Through Loan-Out Corporations

The Producer may utilize the services of an employee on a loan-out 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 Union to file grievances on behalf of employee on loan-out.

“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 12 - Seniority

Seniority shall be cumulative from the first day of employment with the Producer. Seniority shall be broken by discharge for just cause, voluntary resignation, unauthorized leave of absence, layoff in excess of ten (10) months, or an absence in excess of ten (10) 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 where the merit and ability of one individual is superior to that of another individual. The concept of merit and ability includes an employee's work performance in relationship to the Producer's reasonable production standards, qualitative or quantitative.

Hiring, Layoffs and Recalls

- A. For purposes of this Section, a layoff is defined as the termination of an employee prior to the end of their contracted work on a series and in the boutique unit, or the elimination of a role in the admin unit.
- B. 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 and fit for the particular project are equal to new talent.

- C. In the event there are insufficient available qualified persons under Paragraphs A above to meet the employment needs of the Producer in said classifications, the Producer may secure employees from any source.
- D. If layoffs in personnel are effected, the employee in each affected classification having the least seniority in that classification shall be the first employee laid off; provided that seniority shall govern only where demonstrated skill and ability at the Producer are substantially equal. The Producer's determination as to skill and ability shall be based on the employee's performance and supervisor input, and shall be made fairly and reasonably and without illegal discrimination of any kind. In the event an employee's job is eliminated, the employee will be entitled to bumping rights to an equal or lower classification for which they are qualified, for which their demonstrated performance is the same or exceeds someone of lower seniority. Employees who bump must accept the position at their existing rate or the rate of the employee they are bumping, whichever is lower.

Layoffs or reclassifications of personnel shall not result in placing unreasonable or atypical duties or work upon any of the remaining employees.

- E. If an employee is laid off, other than at the end of a series or according to the approximate end date provided by the Producer, 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 their 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.
- F. Without need for additional notice, Producer shall orally advise the 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.
- G. 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 -

Article 14 - Dismissal Pay

- A. Whenever an employee, who has been employed in the series unit on any new project starting on or after January 1, 2025, has been laid off by the Producer prior to the employee's scheduled end date, or if the employee has no scheduled end date, they shall be eligible for Dismissal Pay, and 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 (3) 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 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, 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.
- F. 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.

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 and/or application, of this Agreement or any other dispute, 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 Regular Arbitration or to Expedited Arbitration in cases requiring such. The Parties may by mutual agreement, in writing, extend the time limits mentioned above, provided such extension is requested prior to the expiration of the time allowed. Such agreement shall not be unreasonably withheld.

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 agree 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

A. *REGULAR ARBITRATION*: In the event of a failure to settle the dispute under Steps One or Two 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 seven (7) names of Arbitrators to the parties to the dispute for the purpose of selection of an Arbitrator; each party shall be entitled to strike three (3) names from the list of seven (7) 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 he 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 9 ("Respectful Workplace"), Article 12 ("Seniority"), and Article 16 ("Discipline and Discharge"), in the event of a failure to settle the dispute under Steps One or Two, 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, he 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. 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 his 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 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

Except as otherwise provided in this Agreement, the parties shall follow the American Arbitration Association's Labor Arbitration Rules in both Regular and Expedited Arbitrations.

Article 16 - DISCIPLINE AND DISCHARGE

- A. The Producer shall have full rights to discipline or discharge for just cause any employee subject to this Agreement, provided that the rules set forth in this Article have been followed; provided further that:

(1) an employee, when hired by the Producer for the first time may be discharged or disciplined for any reason during their first ninety (90) days of employment ("Probation Period") and

(2) an employee, if rehired after a separation of service of less than 6 months, may be discharged or disciplined for any reason during their first thirty (30) days of re-employment ("Probation Period"). The thirty (30) day Probation Period may be extended by thirty (30) days with mutual agreement between the Producer and the Union. Employees who have completed the applicable Probation Period shall only be disciplined or discharged for just 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 thirty (30) 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 of the Local Union 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, excessive alcohol or drug use, fighting, gross insubordination, recklessness resulting in serious accident while on duty, gambling, or other offenses of a similar nature.
- 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 - Employee Benefits

All employee benefits provided for in Sections 4-10 and 4-11 of the Powerhouse Animation Studios Employee Handbook as updated on January 9, 2024 shall continue to apply to bargaining unit employees for the life of this Agreement, on the same terms and conditions as non-unit employees of the Company.

The Company shall give the Union-as much advance notice as is reasonably possible of any anticipated changes to the employee share of premiums, deductibles, out-of-pocket maximums, or change in insurance carrier and if reasonably possible, an opportunity to meet with the Employer over such changes. The changes shall remain in the discretion of the Company.

Article 18- Producers Rights

Except as expressly limited by the specific provisions of this Agreement, the Company retains, among other rights, the sole and exclusive prerogative to determine the types of production to be made, 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 just 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 Company 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, Company. Such rights shall not be used directly or indirectly to illegally discriminate against any employee.

Article 19 - Studio Pass

The duly authorized Union Representative of the Local Union or a designee shall be furnished a guest pass to the studio upon request and satisfaction of any entry requirements. They 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 20 - 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 Credits

Subject to network/distributor and client approval, screen credit shall be given to all classifications in this agreement for all work performed. In the case where a credit was omitted, then upon request by the Employee, the Producer shall provide a letter on company letterhead that confirms and attests that the Employee was employed in the applicable classification on such production.

C. New Classifications

In the event any classifications of employment are created during the life of this Agreement, or where the Union and the Employer mutually agree there has been a substantial change in the job duties and/or responsibilities of a classification, the wage scale for employees in such new, additional or changed 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 his 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 shall interfere with the use of any method or process adopted for the protection of any employee, including themselves, 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 himself or his fellow employees.
3. Producer and the Union agree to cooperate in the education of employees and managers on proper safety practices and procedures.
4. Producer will maintain policies and procedures on workplace health and safety and make them easily available to employees via electronic posting and/or physical availability or posting (e.g. the employee handbook, site specific safety notices).

E. Subcontracting

The Producer shall not, by independent contract or subletting, utilize the services of any individual, firm, partnership or corporation to perform work within the Scope of this Agreement 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 or where such subcontracted work is covered by an IATSE Agreement. Where the producer engages in such independent contracting or subletting within the scope of this Agreement, it will notify the applicable Union Representative and provide the Union with relevant information from the applicable contracts upon request.

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 their work or with production activities. The Union shall notify the employer in writing of all designated stewards.

G. 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.

H. Onboarding

1. The Company agrees to notify someone as soon as practicable before their start date upon which time the Company will issue a formal offer letter (which will include: approximate start, end dates for employees in series, pay, and job classification and description)
2. During onboarding, employees shall be provided a form on which they can inform the Company of their preferred name and pronoun, any disability accommodations (mental or physical), allergies, or any relevant medical concerns.
3. The Company agrees that any Personal Service Contract entered shall include the job classification as provided for in this agreement, and provide confirmation that all of the provisions of this Agreement between shall be deemed by reference to be incorporated and made a part of the Personal Service Contract.
4. During onboarding, if any such work that is, at the Producer's discretion, permitted to be performed away from the studio, such work shall remain covered by the terms and conditions of this agreement, if within the Scope of this Agreement.
5. Upon the official start date of the employee, the Producer shall provide all the equipment, documentation, and training necessary to perform assigned work. No disciplinary action shall be taken against employees if this provision is not followed.

I. 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 their refusal as an individual to physically cross a picket line.

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.

J. Job Postings

1. Posting of Positions

- a. The Employer will prepare a notice of vacancy and post such notice on the Employer website for any vacant or newly-created bargaining unit position to be filled.
 - b. Such notices will include the following details:
 1. Job title.
 2. Reporting relationship.
 3. Duties and responsibilities.
 4. Any minimum qualifications, knowledge, skills, or experience;
 - c. All posted or advertised vacancies for bargaining unit positions shall include the following statement on the notice "This position is covered by a Union contract".
2. The Producer recognizes the value in considering current qualified employees and employees laid off over the past year for open positions.

K. Paycheck Stub Information

Paystubs shall be provided to each employee after each pay period, which may be provided digitally. Hard copies should be made available upon request.

L. Testing

Skill evaluations or 'tests' administered by the Producer in making hiring, promotion, and/or assignment decisions should require only a reasonable amount of work to complete, a reasonable amount of time should be provided to complete the evaluation, and that the evaluation should be related to the hiring, promotion, and/or assignment decision, and only be used if, in the Producer's discretion, an applicant's portfolio, related work experience, or previous tests do not provide the necessary information. Evaluations which do not meet this criteria should be discontinued or redesigned. In addition, the bargaining parties agreed that as a matter of courtesy, the Producer 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 provision.

M. Remote Work

Subject to business, operational, legal and production needs, the Producer will continue to give due consideration to an Employee's needs and request to work remotely on an ad hoc or ongoing basis.

If the Producer determines the employee will return to the workplace after working remotely, the Union may request a meeting with the Producer to further discuss the employee's circumstances, and the parties shall meet promptly thereafter. The Producers' decision following such discussions shall not be subject to grievance and arbitration.

N. Meals and Rest

1. Employees will receive no less than a one-half (1/2) hour unpaid meal during any shift of six (6) hours or more. A second meal period will be due if the employee works an additional six (6) hours after the end of the first meal period. Employees shall be responsible for taking their own meal period. If an employee is directed by their supervisor to work through a meal period, they shall receive one (1) hour of straight time earnings at their current hourly rate for each one-half (1/2) hour infringement, in addition to pay for working during or through the meal period.
2. The rest periods between in-studio shifts shall be ten (10) hours between the time an employee is directed to end their shift on one day and the time they are directed to begin their shift on the next workday. For employees working remotely, the rest period shall be ten (10) hours between the specific time the employee was specifically directed to work until on one day and the specific time they are specifically directed to begin work on the next workday. When the rest period is less than five (5) hours, a bargaining unit employee will continue to be paid for all hours as though they never received a break. When the rest period is five (5) or more hours, but less than eight (8) hours, a bargaining unit employee shall be paid at the rate in effect upon their dismissal, and continue at the applicable rate until a ten (10) hour rest period is provided. When the rest period is eight (8) or more hours, but less than ten (10) hours, a bargaining unit employee shall be paid additional straight time for the invaded hours only.

O. Payroll

The Company shall continue to issue payroll on a bi-weekly basis for the previous full payroll week. The full payroll week shall be midnight Saturday through midnight Saturday.

P. Flexible Schedule

The Company shall maintain its practice of giving due consideration to bargaining unit employees' requests for a flexible schedule. Such flexibility may be revoked based upon business or production needs, or the employee's job performance, subject to five (5) days written notice, provided, however, the revocation of an employee's flexible schedule shall not be used for purposes of discipline within the meaning of Article 16.

Q. AI Protection

The parties agree to meet semi-annually during the term of the Agreement at the request of the Union to discuss and review information related to the Company's use and intended use of AI Systems in the production of animated content. Topics for the meeting shall be identified in advance.

At such meeting, the Company will identify any significant emerging technologies utilizing AI Systems that the Company is using or intends to use in animation production which may affect persons covered by this agreement. Because the Company's current and future technology may be discussed during these meetings, and in order to protect Company's proprietary and/or confidential information, trade secrets and intellectual property, the Union agrees that its representatives participating in these meetings will be limited to a reasonable number of individuals for which the topics identified in advance to be discussed are relevant, and each participating representative will execute a mutually agreed-upon Confidentiality Agreement.

Article 21

Labor Management Cooperative Committee

A Labor-Management Cooperative Committee, consisting of representatives from the Producer and 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 the Producer.

Term

Three years from ratification

Wage Minimums

For series, rates would be implemented on new contracted series productions following ratification; all others implemented on ratification.

Admin Unit

Job Classification	Hourly Rate	Weekly Rate
Outsource Production Assistant	\$21.25	\$ 850.00
Outsource Production Coordinator	\$25.00	\$1,000.00
Outsource Production Manager	\$35.00	\$1,400.00
Office Manager	\$25.00	\$1,000.00
Programmer	\$32.50	\$1,300.00

Boutique Unit

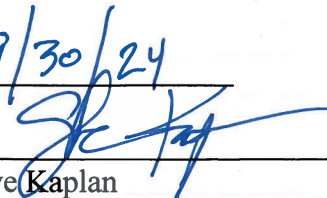
Job Classification	Hourly Rate	Weekly Rate
Animator, Background, Compositor, Pre-Production Artist 1st 6 months Journey	\$23.75 \$25.00	\$ 950.00 \$1,000.00
Animator, Background, Compositor, Pre-Production Artist Lead	\$30.00	\$1,200.00
Animator, Background, Compositor, Pre-Production Artist Supervisor*	\$32.50	\$1,300.00
Production Assistant	\$21.25	\$ 850.00
Production Coordinator	\$25.00	\$1,000.00
Production Manager	\$35.00	\$1,400.00

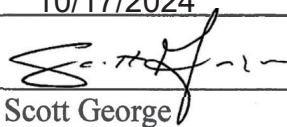
Series Unit


Job Classification	Hourly Rate	Weekly Rate
Assistant Editor		
Editor		
Background, Character Design, Clean Up, Targa/Layout Artist	\$28.75	\$1,150.00
Background, Character Design, Clean Up, Targa/Layout Artist Lead	\$34.38	\$1,375.20
Background, Character Design, Clean Up, Targa/Layout Artist Supervisor*	\$37.50	\$1,500.00
Animator, 3D Generalist, Compositor, Storyboard Artist	\$33.14	\$1,325.60
Animator, 3D Generalist, Compositor, Storyboard Artist Lead	\$36.88	\$1,475.20
Animator, 3D Generalist, Compositor, Storyboard Artist Supervisor*	\$39.38	\$1,575.20
Episode Director*	1st 6 months Journey	\$40.38 \$1,615.20 \$42.50 \$1,700.00
Production Assistant	\$21.25	\$ 850.00
Production Coordinator	\$25.00	\$1,000.00
Production Manager	\$35.00	\$1,400.00
Post-Production Supervisor*	\$36.88	\$1,475.20


Any employee designated by the Production as a Supervisor or indicated with an asterisk above shall be considered an on-call employee and subject to the on-call provisions.

All wage increases (other than series, which is as described above) will be implemented on the first payroll date after the date of ratification. The wage minimums will increase by 3% on the first anniversary date of ratification and the second anniversary date of ratification.

Dated: 9/30/24
By: 
Steve Kaplan
Business Representative
The Animation Guild, Local 839, IATSE

Dated: 10/17/2024
By: 
Scott George
Western Executive Director
Motion Picture Editors Guild, Local 700, IATSE

Dated: 10/22/2024
By:  Initial
VM
Michael F. Miller, Jr.
International Vice President, IATSE
Director, MPTV Department

Dated: Oct 15, 2024
By: 
Brad Graeber, For Powerhouse Animation Studios, Inc.