

December 2, 2024

MEMORANDUM OF AGREEMENT OF AUGUST 1, 2024
BETWEEN PRODUCER AND THE ANIMATION GUILD AND
AFFILIATED OPTICAL ELECTRONIC AND GRAPHIC ARTS,
LOCAL 839, IATSE

This Memorandum of Agreement is entered into as of August 1, 2024 between the International Alliance of Theatrical Stage Employees, 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, IATSE (such International Alliance and Local 839 being referred to collectively as “the Union”), on the one hand, and the Alliance of Motion Picture and Television Producers, on behalf of those Producers who are part of the single multi-employer bargaining unit (each hereinafter respectively referred to as the “Employer” or “Producer” and collectively referred to as the “Employers” or “Producers” and listed in Exhibit “A” attached hereto), on the other hand.

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

All of the provisions of the current collective bargaining agreement between these parties (hereinafter collectively referred to as “the Agreement”) shall remain the same unless otherwise specifically changed as noted herein.

The provisions of the Memorandum of Agreement are subject to ratification by the membership of The Animation Guild and Affiliated Optical Electronic and Graphic Arts, Local 839, IATSE. Provided that the AMPTP receives notice of ratification on or before January 15, 2025 and that no work stoppage or job action by the members of Local 839 occurs between November 22, 2024 and the date of ratification of the successor agreement, the provisions herein shall be effective as of the first Sunday following the date that the AMPTP receives notice of ratification, unless a contrary date is specified, in which case such provision shall be effective as of the date so specified.

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

1. **Term**

The term of the 2024 Local 839 Agreement shall be three (3) years, commencing on August 1, 2024 and continuing through July 31, 2027.

2. **Wage Minimums**

- a. Except as otherwise provided herein (see Items 15, 16, 17 and 18), the minimum wage rates shall be increased as follows:

By seven percent (7%) retroactive to August 4, 2024;

By four percent (4%) effective August 3, 2025; and

By three and one-half percent (3.5%) effective August 2, 2026.

These increases shall be compounded. All retroactive payments shall be made as soon as practicable.

- b. Producers agree to discontinue the Animation Timer unit rates for any freelance animation timing services rendered on or after January 1, 2025. (See Items 15.g. and 18.d. for additional changes to unit rates.)

3. **Benefits**

In addition to the benefit improvements for on-call employees set forth in subparagraph c. of this Item 3 below, update the references in Article 18 to the “2021 I.A.T.S.E. and M.P.T.A.A.C. Basic Agreement” to the “2024 I.A.T.S.E. and M.P.T.A.A.C. Basic Agreement” (and the references in Article 18 to the “I.A.T.S.E. and M.P.T.A.A.C. Basic Agreement of 2021” to the “I.A.T.S.E. and M.P.T.A.A.C. Basic Agreement of 2024”), and update the reference to “the period commencing August 1, 2021 to and including July 31, 2024” to “the period commencing August 1, 2024 to and including July 31, 2027” so as to result in the following:

a. **Increase Hourly Contribution Rates to the Health Plan**

- i. Increase the “Basic Rate” contributions provided in Article 18.C. of the Agreement for any Producer which qualifies as a “\$15 Million Contributor” by one dollar and thirty-nine cents (\$1.39) per hour for each hour worked by or guaranteed an employee effective August 4, 2024; by an additional forty-five cents (\$0.45) per hour for each hour worked by or guaranteed an employee effective August 3, 2025; and by an additional forty-five cents (\$0.45) per hour for each hour worked by or guaranteed an employee effective August 2, 2026. Any retroactive payments shall be made as soon as practicable.

- ii. In recognition of the disproportionate level of Post ‘60s and Supplemental Market contributions made to the Motion Picture Industry Pension and Health Plans by certain signatory Producers, the parties agree to increase the “Premium Rate” contributions provided in Article 18.C. of the Agreement for Producers which do not qualify as a “\$15 Million Contributor” by one dollar and sixty-five cents (\$1.65) per hour for each hour worked by or guaranteed an employee effective August 4, 2024; by

an additional eighty-six cents (\$0.86) per hour for each hour worked by or guaranteed an employee effective August 3, 2025; and by an additional eighty-six cents (\$0.86) per hour for each hour worked by or guaranteed an employee effective August 2, 2026. Any retroactive payments shall be made as soon as practicable.

- iii. The allocation of the increase in the hourly contributions set forth in subparagraphs i. and ii. above of this Item 3.a. to either the Active Employees Fund or the Retired Employees Fund of the Health Plan shall be the same as provided under the Producer-I.A.T.S.E. and M.P.T.A.A.C. Basic Agreement of 2024.
- b. The bargaining parties agree to recommend that the benefit improvements and contingencies negotiated for the bargaining unit under the Producer-I.A.T.S.E. and M.P.T.A.A.C. Basic Agreement of 2024 shall likewise apply to the Local 839 bargaining unit.
- c. *Modify the last sentences of Paragraphs A.-D. and the entirety of Paragraph E. of Article 18 of the Agreement as follows:*

“ARTICLE 18.
“EMPLOYEE BENEFITS

“A. *Pension Plan*

* * *

“‘On call’ weekly contributions shall be based upon a ~~fifty-six (56)~~ **sixty (60)** hour week ~~(sixty (60) hour week effective July 10, 2022)~~, **and effective [insert date that is the first Sunday following the business day on which the AMPTP receives notice of ratification], shall be pursuant to paragraph E. below.**”

“B. *Individual Account Plan*

* * *

“‘On call’ weekly contributions shall be based upon a ~~fifty-six (56)~~ **sixty (60)** hour week ~~(sixty (60) hour week effective July 10, 2022)~~, **and effective [insert date that is the first Sunday following the business day on which the AMPTP receives notice of ratification], shall be pursuant to paragraph E. below.**”

“C. *Health Plan*

* * *

“‘On call’ weekly contributions shall be based upon a ~~fifty-six (56)~~ **sixty (60)** hour week ~~(sixty (60) hour week effective July 10, 2022)~~, **and effective [insert**

date that is the first Sunday following the business day on which the AMPTP receives notice of ratification], shall be pursuant to paragraph E. below.”

“D. *Retired Employees Fund*

* * *

“‘On call’ weekly contributions shall be based upon a ~~fifty-six (56)~~ sixty (60) hour week (~~sixty (60) hour week effective July 10, 2022~~), and effective [*insert date that is the first Sunday following the business day on which the AMPTP receives notice of ratification*], shall be pursuant to paragraph E. below.”

“E. *Weekly Contributions for ‘On Call’ Employees*

“Effective [*insert date that is the first Sunday following the business day on which the AMPTP receives notice of ratification*], for purposes of paragraphs A. through D. above, weekly contributions for ‘on call’ employees shall be based upon the number of days that the ‘on call’ employee works during the workweek as follows:

- “1. *Partial week* - twelve (12) hours per day;*
- “2. *Five day week - sixty (60) hours per week;*
- “3. *Six day week - sixty-eight (68) hours per week; and*
- “4. *Seven day week - seventy-six (76) hours per week.*

“*A partial week is defined as a workweek in which an ‘on call’ employee performs work but works on less than five days in the workweek.”

* * *

Re-letter the existing Paragraphs E. and F. to Article 18 of the Agreement.

4. On Call

Modify Article 4.B. of the Agreement as follows:

“B. 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 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 one-half (1½) times one-fifth (1/5) of the minimum basic weekly rate provided herein for such employee's classification for each sixth day so worked and two (2) times one-fifth (1/5) of the minimum basic weekly rate provided herein for such employee's classification for each seventh day so worked, rather than as provided in Article 5, Paragraph A.2."

5. **Dismissal Pay**

Modify Article 14.B. of the Agreement as follows:

"B. Employees with three (3) months, but less than six (6) months, of continuous employment shall receive one and one-fourth (1¼) days' pay (effective [insert date that is the first Sunday following the business day on which the AMPTP receives notice of ratification], two (2) days' pay)."

6. **Juneteenth Added as a New Holiday**

a. *Modify Article 6.A. of the Agreement as follows:*

"A. Prior to January 1, ~~2023~~ 2025, there shall be ~~nine (9)~~ ten (10) paid holidays during the year: New Year's Day, Presidents' Day, Good Friday, Martin Luther King Jr. Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, the day after Thanksgiving, and Christmas Day. Effective January 1, ~~2023~~ 2025, there shall be ~~ten (10)~~ eleven (11) paid holidays during the year, with the addition of ~~Martin Luther King Jr. Day~~ Juneteenth 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. *Modify Article 6.B. of the Agreement as follows:*

"B. For holidays not worked, ~~3.719%~~ 4% of the employee's annual straight time earnings (~~4%~~ 4.583% effective January 1, ~~2023~~ 2025) 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% (~~4%~~ 4.583% effective January 1, ~~2023~~ 2025) of such employee's accumulated earnings within the same period. The employee shall be paid the amount by which such ~~3.719%~~ 4% (~~4%~~ 4.583% effective January 1, ~~2023~~ 2025) computation exceeds the amount of holiday pay such employee has received for such period."

7. **Bereavement Leave**

Add a new Article (“Bereavement Leave”) to the Agreement as follows:

“ARTICLE [#].
“BEREAVEMENT LEAVE

“The following is effective [*insert date that is the first Sunday following the business day on which the AMPTP receives notice of ratification*]. In the event of the death of a ‘family member’* of a regularly-scheduled employee, the employee shall be allowed up to three (3) days of paid bereavement leave. For employees employed on an hourly or daily basis, a day of bereavement leave pay shall be equal to eight (8) hours’ pay at the employee’s straight time hourly rate. For weekly employees (including ‘on call’ employees), a day of bereavement leave pay shall be equal to one-fifth (1/5th) of the employee’s weekly rate under the minimum wage scales.

“An employee who is absent from work due to bereavement leave will be reinstated to the employee’s original position on the production upon return, provided that the position continues to exist; however, for continuity purposes, a Producer is not required to reinstate an employee on an episodic series until work on the current episode has been completed. The Producer and the Union will discuss on a case-by-case basis, upon the request of the Producer, issues related to the individual’s reinstatement.

“* ‘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.”

8. **Paid Sick Leave**

Modify Article 7.A. of the Agreement as follows:

“A. *California Sick Leave*

“1. Accrual. 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 **(up to a maximum of eighty (80) hours or ten (10) days, effective [insert date that is January 1, 2025 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later])**. (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 **(forty-fifth day,**

effective [insert date that is January 1, 2025 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later]) 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 **(forty (40) hours or five (5) days of sick leave per year, effective [insert date that is January 1, 2025 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later])** 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.)

“2. 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 **(forty-five (45) days, effective [insert date that is January 1, 2025 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later])** (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 **(no more than forty (40) hours or five (5) days, effective [insert date that is January 1, 2025 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later])** 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.”¹ 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 **forty-five (45) day, effective [insert date that is January 1, 2025 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later]** 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 **five (5) sick days, effective [insert date that is January 1, 2025 or the first Sunday following the business day on which the AMPTP receives notice of ratification, whichever is later]** 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.

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. **For purposes of this Article only, the definition of a “family member,” as applied to an employee covered under this Agreement who is employed in California, shall include a designated person identified to the Producer by the employee at the time the employee requests paid sick leave to care for that person and shall be limited to one person so designated in a twelve (12) month period.**

“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.”

9. **Subcontracting Notice**

The AMPTP shall issue the following bulletin to appropriate production personnel:

“During the negotiations for the 2024 Local 839 Agreement, the Union raised concerns regarding the Producers’ adherence to the notice requirements under Article 21.E.2. of the Local 839 Agreement. The parties agreed that the AMPTP would issue this bulletin to remind Producers of their notice obligations regarding subcontracting outside Los Angeles County under the Local 839 Agreement.

“Article 21.E.2. of the Local 839 Agreement mandates 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.’ If the Producer has less than twenty-one (21) days’ advance notice for such work to be performed, the fourteen (14) day notice requirement does not apply; however, the Producer shall then provide such written notice to the Union as soon as reasonably possible.

“Please ensure that a copy of this bulletin is distributed to the appropriate personnel in your production offices and the notice obligations in Article 21.E.2. are followed.”

10. **Return to Office**

Add a new Article 27.1 (“Return to Office”) to the Agreement as follows:

“ARTICLE 27.1.
“RETURN TO OFFICE

“Producer has the right to determine, in its sole discretion, the work location of any employee covered by this Agreement (*e.g.*, in-studio, hybrid, etc.) and establish return-to-office policies. Subject to and without waiving the foregoing, Producer agrees that:

“A. Producer shall provide at least thirty (30) days’ advance notice, when practicable, to the Union and affected employees of any change to its policies that would change the number of days that employees are required to work in the office (other than temporary shifts in work location to accommodate production or project-specific needs).

“B. Producer shall discuss with the employee, upon request, an accommodation for the employee to work from home in accordance with legal requirements and company policies, as applicable.

“C. If the Producer denies an employee's request to work or continue to work remotely, the Union may request a meeting with the Producer to further discuss the employee's circumstances, and the parties shall meet promptly thereafter.”

11. **Appropriate Restroom Arrangements**

The AMPTP shall issue the following bulletin to appropriate production personnel:

“During the negotiations for the 2024 TAG Local 839 Agreement, the Union raised concerns about the availability of gender-neutral bathrooms. To the extent practicable, Producers should make reasonable efforts to provide a gender-neutral bathroom at their owned facilities, which may include relabeling a single occupancy bathroom to be gender neutral.

“In addition, the Union requested, and the parties agreed, that Producers will make best efforts to provide menstrual products, including tampons and menstrual pads, at no cost to the employee at their owned facilities.”

12. **Personal Services Agreements**

Modify Article 21.I.3. of the Agreement as follows:

“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. **If an employee is employed to work on a covered Animated New Media Production under Sideletter N, the Producer will provide the employee, upon request, written notice of the applicable terms of the Sideletter.**”

13. **Sideletter N (“Productions Made for New Media”)**

- a. Renew and modify Sideletter N (Productions Made for New Media) as per the accompanying charts in Exhibit “B” hereto and as provided below.
 - i. *Modify the last two subparagraphs of, and add a new subparagraph to, Paragraph C. of Sideletter N as follows:*

“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, and Advertiser-Supported Video-on-Demand Platform or a Free Advertiser-Supported Streaming Television (‘FAST’) Channel (‘Animated High Budget SVOD Program,’ ‘Animated High Budget AVOD Program’ or ‘Animated High Budget FAST Channel Program’)*

* * *

“In all other situations, terms and conditions of employment are freely negotiable between the Employee and the Producer, except as provided in the following **subparagraphs of this Paragraph C.**, 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, **commences production animation prior to [insert date that is the first Sunday that is thirty (30) days following the business day on which the AMPTP receives notice of ratification]**, 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.~~¹

¹ 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 fourth or fifth paragraphs of Paragraph C. of this Sideletter.** ~~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

“Effective for a new Derivative New Media Production (or a new season of a Derivative New Media series)² commencing production animation on or after [insert date that is the first Sunday that is thirty (30) days following the business day on which the AMPTP receives notice of ratification] which:

“(A) is made either for a subscription video-on-demand consumer pay platform (‘SVOD’), a free-to-the-consumer advertiser-supported video-on-demand platform (‘AVOD’) or a free advertiser-supported streaming television (‘FAST’) channel;

“(B) is at least eleven (11) minutes in length;

“(C) is budgeted at more than \$25,000 per minute;
and

“(D) is subject to a license agreement entered into on or after August 1, 2022;

“the minimum rate payable to an employee employed on such Derivative New Media Production shall be the applicable minimum rate set forth in the Local 839 Agreement for a television motion picture, reduced by twelve and one-half percent (12.5%).³ Producer shall not be required to make any payment for holidays which are not worked. In addition, Producer shall not be required to pay the percentage of salaries as vacation pay.”

ii. *Modify Paragraph D. of Sideletter N as follows:*

“D. Terms and Conditions of Employment on Original New Media Productions (Other Than an ‘Animated High Budget SVOD Program,’ ‘Animated High Budget AVOD Program’ or ‘Animated High Budget FAST Channel Program’)

“Terms and conditions of employment on Original New Media Productions (other than an ‘Animated High Budget SVOD

nor its representatives shall disclose any such information, except as necessary to enforce its rights under this Agreement.

² In the case of a series, production animation of the first episode must commence on or after [insert date that is the first Sunday that is thirty (30) days following the business day on which the AMPTP receives notice of ratification].

³ The minimum scale for daily employees, which is ordinarily 118% (118.583% beginning on January 1, 2025) of the minimum basic hourly rate provided for weekly employees, inclusive of vacation and holiday pay, shall instead be 96.25% of the applicable minimum basic hourly rate for weekly employees, in order to account for the modifications to vacation and unworked holiday pay as provided herein.

Program' as defined in Paragraph F. below) are freely negotiable between the Employee and the Producer, except as provided in the following **subparagraphs of this Paragraph D.**, 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, **commences production animation prior to [insert date that is the first Sunday that is thirty (30) days following the business day on which the AMPTP receives notice of ratification],** 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 August 1, 2022. In the case of a series, production animation of the first episode must commence on or after August 1, 2022.~~³⁴

³⁴ 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, 2024~~2~~, 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 second or third paragraphs of Paragraph D. of this Sideletter.** ~~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.

“Effective for a new Original New Media Production (or a new season of an Original New Media series)⁵ commencing production animation on or after [insert date that is the first Sunday that is thirty (30) days following the business day on which the AMPTP receives notice of ratification] which:

“(A) is made either for a subscription video-on-demand consumer pay platform (‘SVOD’), a free-to-the-consumer advertiser-supported video-on-demand platform (‘AVOD’) or a free ad-supported streaming television (‘FAST’) channel;

“(B) is at least eleven (11) minutes in length;

“(C) is budgeted at more than \$25,000 per minute;
and

“(D) is subject to a license agreement entered into on or after August 1, 2022;

“the minimum rate payable to an employee employed on such Derivative New Media Production shall be the applicable minimum rate set forth in the Local 839 Agreement for a television motion picture, reduced by twelve and one-half percent (12.5%).⁶ Producer shall not be required to make any payment for holidays which are not worked. In addition, Producer shall not be required to pay the percentage of salaries as vacation pay.”

iii. *Modify Paragraph E. of Sideletter N as follows:*

“E. Other Provisions (For Other Than an ‘Animated High Budget SVOD Program,’ ‘Animated High Budget AVOD Program’ or ‘Animated High Budget FAST Channel Program’)”

* * *

⁵ In the case of a series, production animation of the first episode must commence on or after [insert date that is the first Sunday that is thirty (30) days following the business day on which the AMPTP receives notice of ratification].

⁶ The minimum scale for daily employees, which is ordinarily 118% (118.583% beginning on January 1, 2025) of the minimum basic hourly rate provided for weekly employees, inclusive of vacation and holiday pay, shall instead be 96.25% of the applicable minimum basic hourly rate for weekly employees, in order to account for the modifications to vacation and unworked holiday pay as provided herein.

- iv. *Add a new subparagraph (8) to Paragraph E. of Sideletter N (and renumber the current subparagraph (8) to subparagraph 9) to provide as follows:*

“(8) Sick Leave

“Article 7 shall apply.”

- v. *Modify Paragraph F. of Sideletter N (and make conforming changes, including by re-lettering current Paragraph G. to Paragraph H.) as follows:*

“F. ‘High Budget’ Animated Derivative and Original Dramatic New Media Productions Made for Initial Exhibition on a Subscription Video-on-Demand Consumer Pay Platform **(Other than a New Season of Such Series, a New Mini-Series or New Program as Provided in Paragraph G. Herein)**”

* * *

Make conforming changes, including by deleting the second and third introductory paragraphs to Sideletter N concerning the 2015 and 2018 negotiations.

14. **Artificial Intelligence**

Add a new Paragraph N to Article 21 (“General Provisions”) to provide as follows:

“N. *Artificial Intelligence*

“This Article 21.N. applies prospectively on or after [insert the date that is the first Sunday following the business day on which the AMPTP receives notice of ratification].

“1. *Definitions*

“The parties acknowledge that ‘Artificial Intelligence’ and ‘AI’ have become catchall names that generally refer to the ability of a machine-based system to apply analysis and logic-based techniques to solve problems or perform tasks and improve as it analyzes more data. An ‘AI System’ is any machine-based system that uses AI as a core function.

“a. **Machine Learning.** The parties acknowledge that machine learning (‘ML’) is a subset of AI that enables machines to develop algorithms, including via deep learning (as defined below), based on statistical inferences drawn from patterns in submitted training data, including, but not limited to, diffusion models and large language models, for the purpose of performing tasks. Such tasks include, but are not

limited to, predicting human behaviors, disseminating information and generating content.

“b. Generative Artificial Intelligence. The parties acknowledge that generative artificial intelligence (‘Gen AI’) refers to a subset of ML that generates new content including, but not limited to, text, video, audio, three-dimensional (3D) models, code, and images. A ‘Gen AI System’ is any machine-based system that uses Gen AI as a core function.

“c. Deep Learning. The parties acknowledge that deep learning refers to a subset of ML based on artificial neural networks that have multiple layers of connected artificial neuron nodes processing data.

“d. The terms ‘Gen AI’ and ‘Deep Learning’ are used for convenience and this provision shall also apply to any technology that is consistent with the foregoing definitions, regardless of its name or designation.

“2. *Existing Technologies and Practices*

“The parties acknowledge that the Producers have historically used digital technologies, including without limitation so-called ‘traditional AI’ technologies programmed to perform specific functions (*e.g.*, CGI, VFX, Interactive Development Environments, sound effects), and technologies such as those used during any stage of pre-visualization, pre-production, production, post-production, marketing and distribution (*e.g.*, the non-Gen AI functions of Maya, Blender, Adobe Photoshop, Nuke, Shotgrid, Microsoft Visual Code Studio, and Houdini) and may continue to do so, consistent with their historical practices.

“3. *New Technologies and Practices*

“a. The parties acknowledge the importance of human contributions in animated motion pictures and the need to address the potential impact of the use of AI Systems on employment under this Agreement.

“b. *Use of New Technologies*

“i. A Producer continues to have the right to utilize new technologies in connection with animated motion picture production, including in connection with creative elements. To the extent that utilization of such new technologies result in Technological Change as defined in Article 4.I.1, the Technological Change provisions shall apply. Producer may require employees to use any AI System⁷ or resulting output of such systems for use in connection with the performance of covered work. Subject to paragraph 3.b.iii below, employees who utilize

⁷ Should the Producer agree to use an employee’s own AI System, Producer and employee shall negotiate for reasonable reimbursement for such use.

an AI System to perform services, including by inputting prompts or otherwise overseeing the use of the AI System, shall continue to be covered under the terms of this Agreement while performing such work. The parties agree that an AI System (including any Gen AI System) is not a person, and any employee's use of a Gen AI or AI System in connection with bargaining unit work shall not affect any of the employee's rights or entitlements otherwise provided for in this Agreement, including for purposes of credit.

“ii. The Producer will not require an employee to provide prompts furnished by the employee in the performance of bargaining unit work in a manner that results in the displacement of any covered employee.

“iii. Should an employee use an AI System in the performance of covered work, the employee will be required to adhere to the Producer's policies (*e.g.*, policies related to ethics, privacy, security, copyrightability or other protection of intellectual property rights), which shall be provided to the employee. In any event, the Producer retains the right to require that an employee obtain consent from the Producer before using AI Systems, and Producer retains the right to reject the use of AI Systems or any output from such use, including when the use could adversely affect the copyrightability or exploitation of the work or create other risks or liabilities for the Producer. Producer agrees to provide the International Union with any written policies governing the use of AI Systems by employees covered under this Agreement. Upon request, the Producer shall also provide the Union with any such written policies.

“A Producer's decision to require an employee to use an AI System in connection with the employee's performance of bargaining unit work, including for any creative elements or administrative tasks, will be subject to consultation with the employee at the employee's request, provided that the requirements of production allow time for the consultation. For clarity, such consultation includes an opportunity to identify alternative approaches. Notwithstanding the foregoing, a Producer shall give advance written notice to an employee who might be asked or required to utilize a Gen AI System in the performance of covered work.

“iv. Should a Producer furnish an animation writer with written material which the Producer knows to be produced by a Gen AI System, and the Producer instructs the animation writer to use the Gen AI-produced written material as the basis for writing a synopsis, outline or a screenplay or teleplay, Producer shall disclose to the animation writer that the written material was Gen AI-produced. Further, for the avoidance of doubt, and as provided for in section 3.b.i above, any use of Gen AI-produced written material shall not affect any other rights or entitlements under this Agreement.

For example, if a Producer provides Gen AI-produced written materials to an animation writer or allows the animation writer to use a Gen AI System to produce written materials, any Gen AI-produced written material shall not be considered for purposes of determining screenplay or teleplay credit.

“v. The Producer shall indemnify the employee from liability and necessary costs, including by providing the employee a legal defense resulting from any claims arising from the use of AI Systems or the resulting output occurring in the performance of the employee’s duties and within the scope of the employee’s employment with Producer, subject to the conditions that:

“(A) This subparagraph v. shall not apply in any instance in which the injury, loss or damage is the result of or caused by, in whole or in part, the gross negligence or willful misconduct of such employee;

“(B) Employee is not in breach of the Producer’s policies which have been disclosed to the employee and the employee has made appropriate disclosure of the use of AI Systems to the Producer;

“(C) Immediately upon the employee and/or the Union being informed of any claim or litigation, the employee and/or the Union shall notify Producer thereof and give Producer full details of any claim or the institution of any action for which the employee seeks indemnification under this subparagraph, including by delivering to the Producer every demand, notice, summons, complaint or other process received;

“(D) Producer shall name or cover the employee as an additional insured on its errors and omissions policies, if any, respecting motion pictures; and

“(E) The employee shall cooperate fully in the defense of any claim for which indemnification is provided in this subparagraph v., including the attending of hearings and trials, securing and giving evidence and obtaining the attendance of witnesses.

“4. **Implementation of Work Training Programs**

“a. The parties acknowledge that the preferred method of addressing impact resulting from new technologies is through provision of work training and other programs designed to foster new skills to improve opportunities for employment and effective use of AI tools. The parties agree to cooperate in the establishment of work training and other programs with respect to covered work under this Agreement. A committee will be convened for the purpose of formulating and implementing such training and other programs. The training and other programs shall be designed in cooperation between the parties and shall be focused on training employees in (i) skills required to operate AI Systems associated with the employee’s current work classification and/or (ii) new skills required to transition to other classifications of work covered by applicable Agreements. The parties agree that the committee shall meet within ninety (90) days of contract ratification.

“b. *[Discussion of funding mechanism for training through*

CSATF.]

“5. **Ongoing Obligations**

“a. Each Producer agrees to meet at least semi-annually with the Union, on a company-by-company basis, during the term of this Agreement at the request of the Union. At such meetings, Producer will identify any significant emerging technologies utilizing AI Systems that the Producer is using or intends to use in animated motion picture production which may affect persons covered by this Agreement. Because Producer’s current and future technology may be discussed during these meetings, and in order to protect Producer’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 (*i.e.*, not to exceed eight (8) for which the topics identified in advance to be discussed are relevant), and each participating representative will execute a mutually agreed-upon Confidentiality Agreement.

“b. Topics for discussion at the meetings described in subparagraph (a) above may, in addition to other topics related to AI Systems as proposed in advance of the meeting, include:

“i. the extent to which jobs under the Agreement may have been affected or are reasonably likely to be affected as a result of the use of AI Systems;

“ii. efforts to ensure that use(s) of AI Systems mitigate against bias;

“iii. the extent to which use(s) of AI Systems have impacted or might potentially impact the hiring of entry-level animation workers; and

“iv. possible unique aspects of training for reskilling, in connection with subparagraph 4. above, of experienced bargaining unit employees.

“6. The parties acknowledge both the Producer’s right to use new technologies involving AI System(s) and the Producer’s obligation, upon request of the Union, to negotiate over any impact of such use on bargaining unit employees as required by law. Producers may have additional obligations, and other dispute resolution provisions may apply, under the ‘Technological Change’ provision in Article 4.I. of this Agreement as the result of the introduction of an AI System. Should that be the case, Article 4.I., including the protections provided therein, shall apply to employees working under this Agreement in addition to this Article 21.N.

“The parties confirm that a Producer may experiment with using an AI System for the primary purpose of determining, under operating conditions, the feasibility and/or adequacy of performance of any AI System and may test the AI System under operating conditions by persons under the jurisdiction of this Agreement on a temporary basis. Those circumstances do not constitute a technological change or otherwise impose any obligation on Producer, other than those specifically set forth in this Article 21.N.

“7. Claims for violation of this Article 21.N. are arbitrable and must be brought under this Agreement. All remedies are available with the exception of injunctive relief. For clarity, the arbitrator shall have no authority to prohibit or restrict the use of any AI System or the resulting outputs under this Agreement.

“8. Except as explicitly set forth herein, it is understood that this Article 21.N. does not expand or contract any existing rights and obligations under this Agreement. Nothing herein alters the scope of coverage under this Agreement.

“9. No employee shall be subject to scanning of the employee’s visual or vocal likeness for use in a motion picture without the employee’s consent. Producer shall provide the employee with a reasonably specific description of the intended use. The consent must be clear and conspicuous and may be obtained through an endorsement or statement in the employment contract that is separately signed or initialed by the employee or in a separate writing that is signed by the employee. A copy of the consent shall be provided to the Union in advance of it being presented to employees. The employee’s consent to such scanning may not be a condition of employment and the consent itself shall clearly state the same.

“Example: If the Producer intends to use an employee’s vocal likeness to assist in creating a Gen AI voice generator to create audio clips of a character to be used in the show, the Producer must disclose such intent when seeking consent for the employee’s vocal scanning, and such consent may not be a condition of employment. The Producer shall abide by the employee’s decision and shall take no adverse action against the employee because of that employee’s decision.”

15. **Improvements for Story Artists**

a. **Retirement of Story Classifications**

Producers agree to eliminate the Staff Comic Strip Person and/or Artist (21-801), Assistant Staff Comic Strip Story Person and/or Artist (21-802) and Story Sketch (21-312) job classifications effective the first Sunday that is thirty (30) days after the business day on which the AMPTP receives notice of ratification. To the extent that any employee is employed in one of the aforementioned classifications as of the effective date, the employee shall complete the then-current level of progression before being reassigned a new job classification.

b. **Talent Development Program for a Story Artist Classification**

Modify the second paragraph of Article 24 (“Talent Development Program”) as follows:

“The normal period of enrollment in the Talent Development Program shall be eighteen (18) months, **except for new trainees for a Story Artist**

classification for which the normal period of enrollment in the Talent Development Program shall be twelve (12) 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 twelve (12) months, as applicable,** 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.”

c. **Sideletter O (“Story Artist Progression”)**

Modify Sideletter O (Story Artist Progression) to the Agreement as follows:

“SIDELETTER O
“STORY ARTIST PROGRESSION

“Effective [insert date that is the first Sunday that is 30 days after the business day on which the AMPTP receives notice of ratification], The the progression for a Story Artist may begin with employment in the Trainee classification in a Talent Development Program under Article 24, **followed by or** the Apprentice Animation Story Person and/or Apprentice Story Sketch classification (21-322) **in the absence of a Talent Development Program,** followed by the **Assistant Animation Story Person classification [see Item 34.c. below]** ~~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). **To the extent that any employee is employed in either the Assistant Staff Comic Strip Story Person and/or Artist classification (21-802) or the Story Sketch classification (21-312) as of the effective date, the employee shall complete the then-current level of progression before elevation to the next level of progression.”**

d. **New Classification – Assistant Animation Story Person**

The following wage scales are effective the first Sunday that is 90 days following the business day on which the AMPTP receives notice of ratification:

##-### Assistant Animation Story Person * [Footnotes omitted]

<i>Effective [insert date that is the first Sunday that is 90 days following the business day on which the AMPTP receives notice of ratification]</i>	Hourly	Weekly
1st 6 months	\$45.01	\$1,800.40
2nd 6 months	\$48.25	\$1,930.00
Journey	\$50.66	\$2,026.40

[Subject to general wage increases provided in Item 2 above upon the effective date and in Years 2 and 3 of the Agreement]

e. **Animation Story Person Wage Charts**

- i. Create a separate wage scale for Animation Story Person (21-022) with the deletion of the “2nd 6 months” progression for that classification. To the extent that any employee is employed in the “2nd 6 months” progression of the Animation Story Person (21-022) classification as of the effective date, the employee shall complete that level of progression before being reassigned to the journey classification.

The following wage scales are effective the first Sunday that is 90 days following the business day on which the AMPTP receives notice of ratification:

21-022 Animation Story Person * [Footnotes omitted]**

<i>[Current]</i>	Hourly	Weekly
1st 6 months	\$53.16	\$2,126.40
2nd 6 months	\$54.36	\$2,174.40
Journey	\$56.38	\$2,255.20

<i>Effective [insert date that is the first Sunday that is 90 days following the business day on which the AMPTP receives notice of ratification]</i>	Hourly	Weekly
1st 6 months	\$57.41	\$2,296.40
Journey	\$60.89	\$2,435.60

[Not subject to general wage increases in Year 1, subject to general wage increases in Year 2 for the period August 3, 2025 to and including August 1, 2026 and Year 3 for the period August 2, 2026 to and including July 31, 2027]

- ii. Add a new Animation Story Person classification (21-####) to apply to Animation Story Persons employed on an animated television series over 7 minutes in length and a 20-35 minute or longer Animated High Budget SVOD* series as follows:

“The following wage scales apply to Animation Story Persons employed on an animated television series over 7 minutes in length, or a 20-35 minute or longer Animated High Budget SVOD series, * subject to a license agreement entered into on or after [insert date that is the first Sunday that is ninety (90) days after the business day when the AMPTP receives notice of ratification] (or in the absence of a license agreement, the production animation for the series commences on or after [insert date that is the first Sunday that is ninety (90) days after the business day when the AMPTP receives notice of ratification]).

21-#### Animation Story Person on Animated Television Series Over 7 Minutes in Length and Animated High Budget SVOD Series* 20-35 Minutes in Length

<i>Effective [insert date that is the first Sunday that is 90 days following the business day on which the AMPTP receives notice of ratification]</i>	Hourly	Weekly
1st 6 months	\$57.41	\$2,296.40
Journey	\$60.89	\$2,435.60

<i>Effective August 3, 2025</i>	Hourly	Weekly
1st 6 months	\$61.43	\$2,457.20
Journey	\$65.15	\$2,606.00

<i>Effective August 2, 2026</i>	Hourly	Weekly
1st 6 months	\$65.42	\$2,616.80
Journey	\$69.38	\$2,775.20

[Not subject to general wage increases in Years 1, 2 and 3 of the Agreement in Item 2 above]

“* It is understood that two (2) eleven (11) minute segments produced for and initially exhibited as a unit qualify as a one-half (1/2) hour animated television series or a 20-35 minute Animated High Budget SVOD series, provided that the combined budget of the segments is \$500,000 or more. [Current Paragraph G. of Sideletter N shall apply to the review of such budget].”

f. **Production Board**

Eliminate the second 6th month progression for Production Board Artists (21-027). To the extent that any employee is employed in the “2nd 6 months” progression of the Production Board Artist (21-027) classification as of the effective date, the employee shall complete that level of progression before being reassigned to the journey classification.

g. **Storyboard Pilot Unit Rates**

i. Add the following Storyboard Pilot unit rates:

The following wage scales are effective for new contracts entered into on or after [insert date that is the first Sunday that is 90 days after the business day when the AMPTP receives notice of ratification]:

Storyboard Pilot Unit Rates	Pilot Rates <i>[Not subject to general wage increase in Year 1, subject to general wage increases in Year 2 for the period August 3, 2025 to and including August 1, 2026 and Year 3 for the period August 2, 2026 to and including July 31, 2027]</i>	P&H Hours
Less than 4 minutes	\$2,900	125
4 to 7 minutes	\$5,000	150

Storyboard Pilot Unit Rates	Pilot Rates <i>[Not subject to general wage increase in Year 1, subject to general wage increases in Year 2 for the period August 3, 2025 to and including August 1, 2026 and Year 3 for the period August 2, 2026 to and including July 31, 2027]</i>	P&H Hours
Over 7 to 15 minutes	\$8,500	250
Half-Hour Subjects	\$18,000	400
One Hour or More	\$25,000	500

- ii. *Effective for new contracts entered into on or after [insert date that is the first Sunday that is 90 days after the business day when the AMPTP receives notice of ratification]:*

Eliminate all other storyboard unit rates other than the Storyboard Pilot Unit rates in subparagraph i. of this Item 15.g. above.

16. **Color Designers**

- a. Move the wage rates for the Color Designer (21-501) classification to the “Design” block of wage rates in the Animation section of the wage scales, and specifically after the wage rates for classifications 21-052 (“Animator”), 21-032 (“Background”), 21-042 (“Layout”) and 21-052 (“Model Designer”).
- b. *Modify the wage rates for the Color Designer (21-501) classification effective [insert the date that is the first Sunday that is 90 days after the business day when the AMPTP receives notice of ratification] as follows:*

21-501 Color Designer** *[Footnotes omitted]*

<i>Effective [insert date that is the first Sunday that is 90 days after the business day when the AMPTP receives notice of ratification (“Year 1 effective date”)]</i>	Hourly	Weekly
1st 6 months	\$51.78	\$2,071.20
2nd 6 months	\$52.95	\$2,118.00
Journey	\$56.65	\$2,266.00

<i>Effective [insert the date that is the first Sunday one year after the commencement of the Year 1 effective date]</i>	Hourly	Weekly
1st 6 months	\$56.44	\$2,257.60
2nd 6 months	\$57.72	\$2,308.80
Journey	\$60.90	\$2,436.00

<i>Effective [insert the date that is the first Sunday two years after the commencement of the Year 1 effective date]</i>	Hourly	Weekly
1st 6 months	\$61.23	\$2,449.20
2nd 6 months	\$62.62	\$2,504.80
Journey	\$64.94	\$2,597.60

[Not subject to general wage increases in Year 1, Year 2 and Year 3 in Item 2 above.]

17. **New Classification – Art Director**

Add a new classification of Animation Art Director (Occ. Code to be assigned) to the Animation Block of rates as follows:

The following wage scales are effective for new contracts entered into on or after [insert date that is the first Sunday that is 90 days after the business day when the AMPTP receives notice of ratification]:

21-### Animation Art Director

	Hourly	Weekly
Journey	\$70.03	\$2,801.20

[Not subject to general wage increases in Year 1, subject to general wage increases in Year 2 for the period August 3, 2025 to and including August 1, 2026 and Year 3 for the period August 2, 2026 to and including July 31, 2027]

[Note that a weekly Animation Art Director employed on an ‘on call’ basis pursuant to Article 4.B. shall be paid \$3,081.32 effective for new contracts entered into on or after [insert date that is the first Sunday that is 90 days after the business day when the AMPTP receives notice of ratification].]

18. **Animation Writers**

a. *Add a new weekly rate chart for Animation Writers as follows:*

“WAGE SCALES FOR [date to be inserted]–[date to be inserted]
“Weekly Employment*

“The following wage scales apply to employees employed on animated programs subject to a license agreement entered into on or after [insert date that is the first Sunday on or after the date that is 90 days following the business day on which the AMPTP receives notice of ratification] (or, in the absence of a license agreement, on animated programs which commence production animation on or after [insert date that is the first Sunday on or after the date that is 90 days following the business day on which the AMPTP receives notice of ratification]; in the case of a series or miniseries, production animation of the first episode or part must commence on or after [insert date that is the first Sunday on or after the date that is 90 days following the business day on which the AMPTP receives notice of ratification]):

“21-851 Animation Writer Level 1 †, **

	6 weeks or fewer		7-19 weeks		20+ weeks	
	Hourly	Weekly	Hourly	Weekly	Hourly	Weekly
First 6 Months	\$55.29	\$2,211.60	\$54.22	\$2,168.80	\$53.16	\$2,126.40
Journey	\$60.99	\$2,439.60	\$59.81	\$2,392.40	\$58.64	\$2,345.60

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

[Subject to general wage increases in Years 1, 2 and 3 of the Agreement as provided in Item 2 above.]

“21-852 Animation Writer Level 2 †, **

	6 weeks or fewer		7-19 weeks		20+ weeks	
	Hourly	Weekly	Hourly	Weekly	Hourly	Weekly
Journey	\$67.49	\$2,699.60	\$66.19	\$2,647.60	\$64.89	\$2,595.60

[Subject to general wage increases in Years 1, 2 and 3 of the Agreement as provided in Item 2 above.]

“† The weeks of employment need not be consecutive. An Animation Writer who has not resumed work after a break of employment of thirty (30) days will be

paid by Producer at the higher rate for the number of weeks actually worked, even if the Animation Writer returns to work after the thirty (30) day period. The Union will not unreasonably deny Producer's request to extend the thirty (30) day break of employment by an additional thirty (30) days for a total of sixty (60) days. In the event that the Animation Writer works fewer weeks of employment than are contemplated by the applicable rate, Producer shall pay the Animation Writer the higher rate for the actual number of weeks worked. If the Producer extends the employment of the Animation Writer, the Producer shall be entitled to pay the Animation Writer for the additional weeks at the applicable rate for the overall period of employment, prospectively.

"Any day worked by a weekly Animation Writer in a partial workweek either before or after one (1) full week of employment may be prorated at the rate of one-fifth of the Animation Writer's weekly compensation."

"** The foregoing shall be subject to any and all rights of suspension and/or termination which the Producer may have by contract or otherwise in the event of any incapacity or default of the Animation Writer or, in the case of any interference, suspension or postponement of production by reason of force majeure event (e.g., fire, riot, strikes, acts of God, governmental action, regulations or decrees, casualties), or any other cause provided for in the Animation Writer's contract of employment.

"* Minimum scale for daily employees shall be 118% (118.583% effective January 1, 2025) (which rate is inclusive of vacation and holiday pay) of the minimum basic hourly rate for 'six (6) or fewer' weeks provided herein for such employee's classification."

b. **Associate Animation Writer Bulletin**

The AMPTP shall issue the following bulletin to appropriate production personnel:

"During the negotiations for the 2024 Local 839 Agreement, the parties agreed that the AMPTP would issue this bulletin to remind Producers that the classification of an Associate Animation Writer is limited to animation writers who would otherwise be classified as Trainees under a Talent Development Program.

"While negotiating the 2021 Local 839 Agreement, the parties established Associate Animation Writer as a new classification and agreed that Producers may only engage an Associate Animation Writer 'in the absence of a Talent Development Program under Article 24,' as reflected in the wage scales. The Associate Animation Writer classification was intended to be an alternative to the Talent Development Program for Producers to develop inexperienced animation writers under the Local 839 Agreement.

“Please ensure that a copy of this bulletin is distributed to the appropriate personnel in your production offices.”

c. **Animation Writer Minimum Staffing**

Add a new Article (“Minimum Staffing for Animation Writers”) to the Agreement as follows:

“ARTICLE [#].

“MINIMUM STAFFING FOR ANIMATION WRITERS

“A. The following minimum staffing obligations apply to the employment of Animation Writers on any new season of a script-driven one-half (½) hour animated television series or 20-35 minute Animated High Budget SVOD series⁸ with a season order of more than six (6) episodes that is subject to a license agreement entered into on or after [*insert date that is the first Sunday that is ninety (90) days after the business day when the AMPTP receives notice of ratification*] (or in the absence of a license agreement, the teleplay for the first episode of the first season is written on or after [*insert date that is the first Sunday that is ninety (90) days after the business day when the AMPTP receives notice of ratification*]) when:

“i. writing for the season is to be performed by Animation Writers employed under this Agreement; and

“ii. a Supervising Animation Writer (21-853) is employed for the season under this Agreement.

“Except as otherwise provided in this Article [#], the Producer shall engage a minimum of two (2) additional Animation Writers under this Agreement (each an “Additional Animation Writer,” and collectively, “Additional Animation Writers”) for a period of at least ten (10) weeks when the season order is for more than six (6) episodes, or at least twenty (20) weeks when the season order is for ten (10) or more episodes, for each such Additional Animation Writer employed. The Producer shall satisfy the foregoing minimum two (2) Additional Animation Writer staffing requirement by engaging any level of Animation Writer (other than a Trainee or an Associate Animation Writer).

“B. In lieu of engaging a minimum of two (2) Additional Animation Writers under this Agreement for at least ten (10) weeks when the season order is for more than six (6) episodes, or at least twenty (20) weeks when the season order is for ten (10) or more episodes, for each Additional Animation Writer,

⁸ It is understood that two (2) eleven (11) minute segments produced for and initially exhibited as a unit qualify as a one-half (1/2) hour animated series or a 20-35 minute Animated High Budget SVOD series, provided that the combined budget of the segments is \$500,000 or more. [*Current Paragraph G. of Sideletter N shall apply to the review of such budget.*]

Producer has the option to satisfy the minimum staffing requirement in A. above by instead employing more than two (2) Additional Animation Writers for a combined total of at least twenty (20) weeks or forty (40) weeks, as applicable.

“For example, to satisfy the minimum staffing requirement when the season order is for more than six (6) episodes but fewer than ten (10) episodes, the Producer may employ four (4) Additional Animation Writers for four (4) weeks and two (2) Additional Animation Writers for two (2) weeks for a combined total of twenty (20) weeks.

“C. The foregoing staffing requirement shall not apply when Producer engages only a single Animation Writer (or a single team of Animation Writers) under this Agreement. Producer shall not be in violation of this provision during any period in which it is making *bona fide* efforts to hire a replacement Additional Animation Writer or when fewer than ten (10) weeks when the season order is for more than six (6) episodes or fewer than twenty (20) weeks when the season order is for ten (10) or more episodes, remain on the completion of the writing services for the season.

“D. Any Additional Animation Writers employed under this Agreement may be paid the applicable unit rate in lieu of the applicable basic minimum weekly rate, provided that the minimum number of scripts payable to the Additional Animation Writer(s) at the scale rate equals or exceeds the compensation that would have been due based on the Animation Writer Level 1 Journey 7-19-week rate for the number of weeks for which the Additional Animation Writer(s) would otherwise have been required to be employed to meet the minimum staffing requirement.

“For example, to satisfy the minimum staffing requirement in A. above to engage a minimum of two (2) Additional Animation Writers under the Agreement for at least twenty (20) weeks for each such Additional Animation Writer on a series order of ten (10) or more episodes, the Producer may instead engage two (2) Animation Writers to each write three (3) one-half hour scripts; and one (1) Animation Writer to write two (2) one-half hour scripts for a total of \$107,779.12 (*i.e.*, eight (8) total scripts each at \$13,472.39, comprised of \$2,984.51 for the synopsis and outline and \$10,487.88 for the teleplay) during the period from the effective date of this Article to and including August 2, 2025.

“E. No payment is owed for any week in which the Animation Writer does not perform any covered services for the Producer, during a hiatus or when the Animation Writer is voluntarily absent for personal or professional reasons, other than any due paid vacation, holiday pay and/or sick pay.

“F. The foregoing shall be subject to any and all rights of suspension and/or termination which the Producer may have by contract or otherwise in the event of any incapacity or default of the Animation Writer or, in the case of any interference, suspension or postponement of production by reason of force majeure event (e.g., fire, riot, strikes, acts of God, governmental action, regulations or decrees, casualties), or any other cause provided for in the Animation Writer’s contract of employment.

“G. For the avoidance of doubt, the minimum staffing requirement herein does not apply to board-driven one-half (½) hour animated television series or 20-35 minute Animated High Budget SVOD Programs.”

d. **Animation Writer Unit Rates**

i. *Effective for animated programs subject to a license agreement entered into on or after [insert date that is the first Sunday that is 90 days after the business day when the AMPTP receives notice of ratification] (or in the absence of a license agreement, commences production animation on or after [insert date that is the first Sunday that is 90 days after the business day when the AMPTP receives notice of ratification]; in the case of a series or mini-series, production animation of the first episode or part commences on or after [insert date that is the first Sunday that is 90 days after the business day when the AMPTP receives notice of ratification]):*

Modify the Wage Rates and Health and Welfare and Pension Hours for Animation Writer Unit Rates for Short Subjects over 7 to 15 minutes (TV or Theatrical) as follows:

Animation Writer Unit Rates for Short Subjects Over 7 to 15 Minutes (TV):

	Rate <u>[Not subject to</u> <u>general wage</u> <u>increase in Year 1]</u>	H&W and Pension Hours
Synopsis and Outline	<u>\$1,625.06</u>	<u>50</u>
Teleplay or Screenplay	<u>\$5,300.48</u>	<u>160</u>

[Subject to general wage increases in Year 2 for the period August 3, 2025 to and including August 1, 2026 and Year 3 for the period August 2, 2026 to and including July 31, 2027]

Animation Writer Unit Rates for Short Subjects Over 7 to 15 Minutes (Theatrical):

	Rate <i>[Not subject to general wage increase in Year 1]</i>	H&W and Pension Hours
Synopsis and Outline	<u>\$1,495.06</u>	<u>50</u>
Teleplay or Screenplay	<u>\$4,876.44</u>	<u>160</u>

[Subject to general wage increases in Year 2 for the period August 3, 2025 to and including August 1, 2026 and Year 3 for the period August 2, 2026 to and including July 31, 2027]

Modify the Wage Rates and Health and Welfare and Pension Hours for Animation Writer Unit Rates for Half Hour Subjects (TV or Theatrical) as follows:

Animation Writer Unit Rates for Half Hour Subjects (TV):

<i>[Year 1]</i>	Rate <i>[Not subject to general wage increase in Year 1]</i>	H&W and Pension Hours
Synopsis and Outline	<u>\$2,984.51</u>	91
Teleplay or Screenplay	<u>\$10,487.88</u>	309

[Subject to general wage increases in Year 2 for the period August 3, 2025 to and including August 1, 2026 and Year 3 for the period August 2, 2026 to and including July 31, 2027]

Animation Writer Unit Rates for Half Hour Subjects (Theatrical):

	Rate <i>[Not subject to general wage increase in Year 1]</i>	H&W and Pension Hours
Synopsis and Outline	<u>\$2,745.75</u>	91
Teleplay or Screenplay	<u>\$9,648.85</u>	309

[Subject to general wage increases in Year 2 for the period August 3, 2025 to and including August 1, 2026 and Year 3 for the period August 2, 2026 to and including July 31, 2027]

- ii. *Effective for contracts entered into on or after [insert date that is the first Sunday that is 90 days after the business day when the AMPTP receives notice of ratification]:*

Add a new set of Animation Writer Pilot Development Rates (TV) for 4 to 7 minutes; increase the Animation Writer Pilot Development Rates (TV) for other subjects and modify the Health and Welfare and Pension Hours for Pilot Development Rates (TV) as follows:

Animation Writer Unit Rates for Pilot Development (TV):

	Rate <i>[Not subject to general wage increase in Year 1]</i>	H&W and Pension Hours
<u>4 to 7 Minutes</u>	<u>\$5,561.79</u>	<u>175</u>
Over 7 to 15 Minutes	<u>\$8,656.93</u>	<u>300</u>
Half-Hour Subjects	<u>\$16,840.49</u>	<u>500</u>
Subjects One-Hour or More	<u>\$21,354.54</u>	<u>600</u>

[Subject to general wage increases in Year 2 for the period August 3, 2025 to and including August 1, 2026 and Year 3 for the period August 2, 2026 to and including July 31, 2027]

- iii. *Effective for contracts entered into on or after [insert date that is the first Sunday that is the business day when the AMPTP receives notice of ratification]:*

Modify the Health and Welfare and Pension Hours for Animation Writer Unit Rates for Bibles as follows:

Animation Writer Unit Rates for Bibles:

* * *

	Rate	H&W and Pension Hours
Pitch Bible*	Per individual negotiation	33 (40 for contracts entered into on or after 8/7/22) (55 for contracts entered into on or after [insert date that is the first Sunday following the business day on which the AMPTP receives notice of ratification])
Mini-Bible		100 (115 for contracts entered into on or after 8/7/22) (160 for contracts entered into on or after [insert date that is the first Sunday following the business day on which the AMPTP receives notice of ratification])
Full Bible		250 (300 for contracts entered into on or after 8/7/22) (400 for contracts entered into on or after [insert date that is the first Sunday following the business day on which the AMPTP receives notice of ratification])

*** Producer agrees to discuss with the Animation Writer the scope of work for a pitch bible that the Producer has commissioned the Animation Writer to write.**

[Other footnotes omitted]

19. **Non-Discrimination**

Modify Article 9 (“Non-Discrimination”) of the Agreement as follows:

**“ARTICLE 9.
“NON-DISCRIMINATION**

“The parties ~~agree to continue to comply with all applicable federal and state laws relating to non-discriminatory employment practices~~ reaffirm their commitment to a policy of non-discrimination in connection with the engagement of employees under this Agreement on the basis of race, color, religion, sex (including pregnancy), gender, gender identity, gender expression, veteran status, medical condition (including genetic characteristics), sexual orientation, age, national origin, disability as defined in the Americans with Disabilities Act, marital status, Union membership or any other basis prohibited by applicable law.

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

20. **Grievance Procedure**

a. *Modify Article 15.A. of the Agreement as follows:*

“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, **the Union and Producers agree to establish and maintain a panel of individuals with recognized experience as professional labor arbitrators as members of a standing panel of neutral arbitrators. The panel shall comprise an odd number of arbitrators.**

“Effective [insert date that is the first Sunday following the business day on which the AMPTP receives notice of ratification], unless otherwise modified by the parties, the parties agree that the regular arbitration panel shall consist of the following arbitrators:

Doug Collins
Kathy Fragnoli
Juan Carlos Gonzalez
Joel Grossman
Frederick Horowitz
John Kagel
Najeeb Khoury

Fred Kuperberg
Yuval Miller
Kenneth Perea
Michael Prihar

“Each party shall have the right to alternately strike an arbitrator’s name from the panel until such time as one arbitrator is left and the remaining arbitrator shall be selected and appointed as the arbitrator in the proceedings. Alternatively, the parties may, by mutual agreement, select the arbitrator outside of the panel of neutral arbitrators or utilize the list of arbitrators obtained from the Federal Mediation and Conciliation Service. 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. *Modify Article 15.B. of the Agreement as follows:*

“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 Alliance of Motion Picture and Television Producers and the Union shall adopt and maintain a list of arbitrators assigned to hear expedited arbitrations as agreed between Producers and the IATSE, which shall consist of four (4) arbitrators and two (2) alternates with recognized experience as professional labor arbitrators.”

“Effective [*insert date that is the first Sunday following the business day on which the AMPTP receives notice of ratification*], unless otherwise modified by the parties, the parties agree that the expedited arbitration panel shall consist of the following arbitrators:”

Mark Burstein
Kathy Fragnoli
Joel Grossman
Yuval Miller

“During the term of this Agreement, the parties may mutually add the names of additional persons to the panel of neutral arbitrators to either supplement the panel or replace persons no longer available to serve.”

“From the panel of names of the neutral arbitrators set forth above, the arbitrators shall be assigned, depending upon their availability, in rotation, to the cases as they arise. The parties may, by mutual consent, select an arbitrator out of rotation provided that notice of their selection is given to CSATF prior to the appointment of the arbitrator next in rotation.”

“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) **(twenty-five thousand dollars (\$25,000.00), effective [*insert date***

that is the first Sunday following the business day on which the AMPTP receives notice of ratification]). 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.”

- c. In the event of an unreasonable delay in the grievance and arbitration procedure, the Union may contact the President of the AMPTP, who will endeavor to expedite a resolution of the matter.

21. **Housekeeping Items**

a. **CSATF Contributions**

Modify Article 22 to increase the general contribution rate to the Contract Services Administration Trust Fund (“CSATF”) by fifty-three cents (\$0.53) per hour (from ten cents (\$0.10) per hour to sixty-three cents (\$0.63) per hour) effective [*insert date that is the first Sunday following the business day on which the AMPTP receives notice of ratification*] and by an additional three cents (\$0.03) per hour to sixty-six cents (\$0.66) per hour effective [*insert date that is the first Sunday that is two (2) years following the business day that the AMPTP receives notification of ratification*].

b. **Sideletter P (“Animation Interns”)**

Renew the sunset clause in Sideletter P (“Animation Interns”).

c. **Sick Leave Waivers Update**

Modify Article 7.B. to provide as follows:

“ARTICLE 7.

“SICK LEAVE

*** * ***

“B. 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 Illinois Paid Leave for All Workers Act (P.A. 102-1143)**; the Chicago Paid Sick Leave Ordinance (Section 6-105-045 of the Municipal Code of Chicago); **the Chicago Paid Leave and Paid Sick and Safe Leave Ordinance (Chapter 6-130 of the Municipal Code of Chicago)**; the Cook County Earned **Paid** 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.”

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



Matthew D. Loeb, International President

Date: 12/4/24

**THE ANIMATION GUILD AND AFFILIATED OPTICAL ELECTRONIC AND
GRAPHIC ARTS, LOCAL 839, I.A.T.S.E.**



Steve Kaplan, Business Representative

Date: 12/3/24

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



Carol A. Lombardini, President

Date: December 6, 2024

EXHIBIT “A”
Companies Represented by the AMPTP
in the 2024 Local 839 Negotiations

4th Floor Productions, Inc	Katy Mac Session Productions, Inc.
ABC Signature, LLC	Legendary Features Productions US, LLC
Adelaide Productions, Inc.	Legendary Pictures Productions, LLC
Alien Animation, LLC	Legendary Television Animation, LLC
Amazon Studios LLC	LFL Production, LLC
Animated Productions Inc.	LGTV Animation, Inc.
Annapurna Animation Development, LLC	Marvel Film Productions LLC
Apple Studios LLC	Metro-Goldwyn-Mayer Animation Inc.
Bento Box Animation, LLC	Muddy Water Entertainment, Inc.
Bertha Productions LLC	Netflix Animation, LLC
Big Indie Pictures, Inc.	Netflix Series Animation, LLC
Big Return Productions LLC	Netflix Studios, LLC
Candy Cane Lane Productions, Inc.	Nexon Animation Development LLC
Cartoon Network Studios, Inc	Obelisk Productions, Inc.
Chuck Productions, Inc.	Partricks Road Productions II, Inc.
Corporate Management Solutions, Inc d.b.a. CMS Productions	Pat and Mike Productions, Inc.
Cranetown Media LLC	Picrow Inc d.b.a. Pictures in a Row
CRD Productions, Inc.	Picrow Streaming Inc.
Dancing Broomstick Development LLC	Plant Monsters, LLC
Disney Television Animation	Pour Animer, LLC
DreamWorks Animation L.L.C.	Powerhaus Animation, LLC
DreamWorks Animation Television, LLC	Project G Productions, LLC
Eye Animation Productions Inc.	RG Pictures, LLC
Flintlock Productions LLC	Ridiculous Animation Inc
Fox Animation Los Angeles, Inc.	Robin Red Breast, Inc.
Fox Animation, LLC	Rough Draft Studios, Inc.
Fox Television Animation, Inc.	Rutherford Bench Productions, Inc.
Giant Animation, LLC	Shadow Animation, LLC
Gumbo Studios, Inc.	Shawndan Animation, Inc.
Kapital Productions, LLC	Skydance Animation Television, LLC
	Skydance Animation, LLC
	Split Pictures, LLC

Tom T. Animation, Inc.
Turner 1050 Productions, Inc.
Universal Animation Studios LLC
Universal City Studios LLC

Viltrumite Pants, LLC

Walden Media Productions LLC
Walt Disney Pictures

Warner Bros. Animation Inc.
Warner Specialty Productions Inc.
wiip Productions, LLC
Wild Canary Animation, Inc.
Williams Street Productions, LLC
Wond06 Productions, LLC
Wurst Case Scenario, LLC

Zamodo LLC

EXHIBIT “B”
SPECIAL CONDITIONS FOR
EMPLOYEES EMPLOYED UNDER SIDELETTER N “PRODUCTIONS MADE FOR
NEW MEDIA” OF THE 2024 THE ANIMATION GUILD, LOCAL 839 AGREEMENT

The following modifications shall apply to new seasons of Animated High Budget episodic series for which the first episode of the season commences production animation on or after *[insert date that is the first Sunday that is 30 days following the business day on which the AMPTP receives notice of ratification]*.

20-35 MINUTE[†] ANIMATED HIGH BUDGET SVOD, HIGH BUDGET AVOD AND HIGH BUDGET FAST-CHANNEL EPISODIC SERIES	
Wage Rates	<ul style="list-style-type: none"> • Seasons 1 & 2: Television rates reduced by 3% • Seasons 3+: Television rates
Holidays	<ul style="list-style-type: none"> • Season 1: No unworked holiday pay • Season 2: 50% unworked holiday pay • Season 3+: 100% unworked holiday pay
Vacation	<ul style="list-style-type: none"> • Season 1: No vacation pay • Season 2: 50% vacation pay • Season 3+: 100% vacation pay

[†]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, High Budget AVOD or High Budget Fast-Channel Program, provided that the combined budget of the segments meets the “high budget” threshold.

36-65 MINUTE ANIMATED HIGH BUDGET SVOD, HIGH BUDGET AVOD AND HIGH BUDGET FAST-CHANNEL EPISODIC SERIES	
Wage Rates	<ul style="list-style-type: none"> • Seasons 1 & 2: Television rates reduced by 3% • Seasons 3+: Television rates
Holidays	<ul style="list-style-type: none"> • Season 1: No unworked holiday pay • Season 2: 50% unworked holiday pay • Season 3+: 100% unworked holiday pay
Vacation	<ul style="list-style-type: none"> • Season 1: No vacation pay • Season 2: 50% vacation pay • Season 3+: 100% vacation pay

The following modifications shall apply to new Animated High Budget mini-series the first part of which commences production animation on or after *[insert date that is the first Sunday that is 30 days following the business day on which the AMPTP receives notice of ratification]*.

ANIMATED HIGH BUDGET SVOD, HIGH BUDGET AVOD AND HIGH BUDGET FAST CHANNEL MINI-SERIES	
Wage Rates	<ul style="list-style-type: none"> • Television rates reduced by 3%
Holidays	<ul style="list-style-type: none"> • No unworked holiday pay
Vacation	<ul style="list-style-type: none"> • No vacation pay

The following modifications shall apply to new Animated One-Time High Budget Programs commencing production animation on or after *[insert date that is the first Sunday that is 30 days following the business day on which the AMPTP receives notice of ratification]*.

ANIMATED ONE-TIME HIGH-BUDGET SVOD, HIGH-BUDGET AVOD AND HIGH-BUDGET FAST CHANNEL PROGRAMS	
Wage Rates	<ul style="list-style-type: none"> • One-time programs 20-35 minutes budgeted at \geq \$500,000[†] or 36-65 minutes budgeted at \geq \$1,750,000 <ul style="list-style-type: none"> ○ Television rates reduced by 3% • One-time programs \geq 66 minutes (other than programs \geq 96 minutes budgeted at \geq \$52,167,333*) <ul style="list-style-type: none"> ○ Television rates reduced by 10%^{††} • One-time programs \geq 96 minutes budgeted at \geq \$52,167,333* <ul style="list-style-type: none"> ○ Theatrical rates
Holidays	<ul style="list-style-type: none"> • One-time programs (other than programs \geq 96 minutes budgeted at \geq \$52,167,333*) <ul style="list-style-type: none"> ○ No unworked holiday pay • One-time programs \geq 96 minutes budgeted at \geq \$52,167,333* <ul style="list-style-type: none"> ○ 100% unworked holiday pay

ANIMATED ONE-TIME HIGH-BUDGET SVOD, HIGH-BUDGET AVOD AND HIGH-BUDGET FAST CHANNEL PROGRAMS

Vacation	<ul style="list-style-type: none"> • One-time programs (other than programs \geq 96 minutes budgeted at \geq \$52,167,333*) <ul style="list-style-type: none"> ○ No vacation pay • One-time programs \geq 96 minutes budgeted at \geq \$52,167,333* <ul style="list-style-type: none"> ○ 100% vacation pay
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*Budget threshold subject to general wage increase in year 1 of the Agreement only.

†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, High Budget AVOD or High Budget Fast-Channel Program, provided that the combined budget of the segments meets the “high budget” threshold.

††The minimum scale for daily employees, which is ordinarily 118% (118.583% beginning on January 1, 2025) 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 employed on certain Animated One-Time High Budget SVOD Programs commencing production animation prior to *[insert date that is the first Sunday that is 30 days following the business day on which the AMPTP receives notice of ratification]* (99.0% of the applicable minimum basic hourly rate for weekly employees employed on certain Animated One-Time High Budget SVOD, High Budget AVOD or High Budget FAST-Channel Programs commencing production animation on or after *[insert date that is the first Sunday that is 30 days following the business day on which the AMPTP receives notice of ratification]*), in order to account for the modifications in vacation and holiday pay.