

APPENDIX "A"

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APPENDIX "A"

WAGE SCALES AND SPECIAL CONDITIONS FOR DIRECTORS

THIS APPENDIX "A" contains special creative rights, minimum rates, and special terms, conditions, and provisions for Employees classified as, or performing the duties of Directors. If the provisions of this Appendix are silent, then the general provisions hereof shall apply.

ARTICLE A-1 DIRECTOR

Director

A-1.1 There shall only be one (1) Director assigned to direct a motion picture at any given time.

Additional Director

A-1.2 The Employer may employ *bona fide* teams of more than one (1) Director where the second Director is employed:

- (a) to direct pick-ups, added scenes, different segments of a multi-storied or multi-lingual motion picture or different segments of a multi-part closed-end television series;
- (b) to direct as a Second Unit Director or as a specially skilled Director (for example, underwater work or aerial work) to work under the supervision of the principal Director or similar customary practice not inconsistent with the general intent of this provision.
- (c) Where the Law, Rules, or Regulations of a foreign country, where all or part of the production is taking place, require a second Director, then the second Director shall be employed only for that part of the work taking place in the foreign country. The employment of one (1) or more additional Directors shall be effected by the Company in consultation with the principal Director. This consultation is a courtesy to the Director. The final decision in the selection of an additional Director shall remain with the Employer.

Start Date

- A-1.3 (a) Each Director's Deal Memo shall specify an "on or about" start date.
- (b) On theatrical motion pictures and television motion pictures longer than one (1) hour, the "on or about" start date of the Director shall be administered to allow a latitude of two (2) weeks either before or after the specified starting date. The exact date for the start of the term of the Deal Memo is to be specified by the Employer and is to be not earlier than two (2) weeks before the start date in the Deal Memo nor later than two (2) weeks after the start date specified, exclusive of any guaranteed preparation days before the start date.

- (c) On one (1) hour television motion pictures, the “on or about” start date of a Director shall be administered as under subsection (b) but with a latitude of not more than one (1) week before or one (1) week after the specified date.
- (d) On shorts and television motion pictures of one-half (½) hour or less, and any guaranteed period of employment of less than one (1) week but more than one (1) day, the “on or about” start date of a Director shall be administered as under subsection (b) but with a latitude of not more than three (3) days before or three (3) days after the specified date.
- (e) There shall be no variation in the start date of daily Directors.
- (f) An “on or about” start date may be postponed by agreement of the Employer and the Director only to a specific date. There can be no second “on or about” start date.

ARTICLE A-2 SECOND UNIT WORK

Second Unit Photography

A-2.1 Prior to the start of principal photography, the Employer shall fully disclose to the Director what material is intended to be shot as second unit. Where the Second Unit work was not contemplated prior to the start of principal photography, the Director shall be informed in advance of such work. The Employer shall consult with and receive the opinion and comments of the Director concerning the content and qualities of the work to be performed.

Consultation With Second Unit Director

A-2.2 The Director shall be given an opportunity to consult with the Second Unit Director about the manner in which the second unit work is to be performed and may delegate the supervision of the assemblage of second unit photography to the Second Unit Director.

Second Unit Work on a Weekly or Daily Basis

A-2.3 A Director may be employed for Second Unit work, stage talent tests, trailers or promos on a weekly basis, or the Employer may employ such Director on a daily basis, in which case the minimum daily rate shall be one-quarter (¼) of the minimum weekly rate applicable to the type of motion picture for which the work is performed.

Preparation Time

A-2.4 The Director’s minimum preparation time for Second Units shall be:

- (a) One (1) day of preparation time regardless of the length of employment; provided, however, if the Director is called for one (1) day’s employment, and the shooting of the second unit takes five (5) hours or less, the preparation requirement shall be included in the same day, and only one (1) day’s wages shall be paid.

- (b) However, this preparation time requirement shall not apply to any unscheduled units, *bona fide* emergencies or where preparation time is not needed because the Director of the second unit has been working on the production in a different classification as defined in Article 12.

ARTICLE A-3 DISCLOSURE BEFORE EMPLOYMENT

Employer Gives Information

A-3.1 It is the intention hereof that the Employer shall make full and complete disclosure to the Director of all of the existing artistic and creative commitments with respect to the motion picture for which the Director is to be employed prior to his or her actual employment, or prior to his or her assignment to the motion picture if previously engaged or optioned without such an assignment, including but not restricted to information on the following:

- (a) the names of creative personnel already employed;
- (b) any stock and/or existing material contemplated to be used;
- (c) any rights of script or cast approval held by someone other than the Employer or the individual Producer;
- (d) the story on which the motion picture is based and script, if any exists; and
- (e) the name of the person(s) with final cutting authority, where known.
- (f) the delivery dates where known.
- (g) the top sheet (summary) of the budget which has been established for any Theatrical or Television Motion Picture sixty-one (61) minutes or longer.

ARTICLE A-4 CONSULTATION AFTER EMPLOYMENT

Artistic and Creative Direction

A-4.1 Between the time the Director is employed or assigned to the motion picture, and until the time the Director delivers the Director's Cut, the Employer shall consult with the Director in advance and receive and consider in good faith the Director's opinions and comments with respect to all creative elements in the production of the motion picture, including:

- (a) any changes in or to the items previously disclosed pursuant to ARTICLE A - 3.1;
- (b) proposed casting;

- (c) the hiring or replacement of the Production Designer/Art Director, First Assistant Director, Picture Editor, or the Director of Photography for theatrical motion pictures, pilots, movies-of-the-week, and mini-series. This consultation is a courtesy to the Director. The final decision in the selection or replacement of any Employee shall remain with the Employer;
- (d) location selection and set design and construction; and
- (e) the scheduling of pre-production, principal photography, and post production.

Budget Review Prior to Signoff

A-4.2 Prior to the Director signing off on the locked budget of a Theatrical Motion Picture or a Television Motion picture sixty-one (61) minutes or longer, the Director will be provided with the opportunity to review the complete “below-the-line” budget.

Attendance at Casting Sessions

A-4.3 In order to provide the most creative environment for the Director and performers in casting sessions, no one shall be presented at casting sessions except those persons invited by the Employer or the Director and all such persons shall have a reasonable purpose for attending.

Special Photography and Processes

A-4.4 Before the completion of principal photography, the Director will be advised of and will participate in considerations with respect to the utilization of the following: process plates, inserts, montages, miniatures, transparencies, backgrounds, stock material, glass and matte shots, and optical devices. After principal photography, the Director will be consulted and will participate in considerations with respect to the foregoing, subject only to his or her availability.

Employer’s Decision Final

A-4.5 The Employer’s decision in all business and creative matters shall be final, but this provision shall not release the Employer or the Director from their respective obligations hereunder.

ARTICLE A-5 SCRIPT

Delivery of Script

- A-5.1 (a) Any existing script or outline in whatever form intended for the production of the motion picture shall at his or her request be immediately delivered to the Director.
- (b) However, for a television episode, the Employer shall deliver the completed shooting script to the Director not later than one (1) day prior to the commencement of the Director’s preparation period. A “completed shooting script” means that script (not necessarily the final shooting script)

which the Employer intends to use for photography of a motion picture, subject to changes such as performing, technical, or staging problems or weather or other *bona fide* emergencies.

Script Changes

A-5.2 Whenever possible the Employer shall promptly submit any changes or additions in the script to the Director and before such changes or additions are made available for general distribution. The individual Producer or other appropriate person shall consult with the Director and receive and consider in good faith the Director opinions and comments about the changes and/or additions and shall consult with the Director and receive and consider in good faith any script changes or revisions that the Director requests.

ARTICLE A-6 PRIVATE FACILITY

Employer to Provide

A-6.1 The Employer will provide the Director with a private office at the production office, and a private facility on location, if available, but not at the same time. On distant location where private facilities are provided to others on the set or immediately adjacent thereto, a private facility shall also be provided to the Director on the set or immediately adjacent thereto.

Description of Office

A-6.2 For the purposes of this ARTICLE, a private office shall be a room with a door which can be shut, adequate ventilation, a telephone, a desk and a desk chair, room for not less than two (2) additional persons, and good lighting. Sanitary facilities shall be in a reasonable proximity to the office.

ARTICLE A-7 DAILIES/RUSHES

Dailies/Rushes

A-7.1 Consistent with the orderly progress of photography, the Director shall have the right to see the dailies of each day's photography at a reasonable time. At the Employer's discretion, dailies for a motion picture may be in the form of compact devices. No one shall be present at the screening of such dailies except those persons invited by the Employer or the Director, and all such persons shall have reasonable purpose for attending such dailies. The Editor assigned to the motion picture, if reasonably available, shall be present at all such screenings.

ARTICLE A-8 DIRECTOR'S CUT

Responsibility of Director

A-8.1 The Director shall be responsible for the presentation of his or her cut of the motion picture (herein referred to as the "Director's Cut") and it is understood that his or her assignment is not complete until he or she has presented the Director's Cut to the Employer, subject to this Agreement, as soon as practicable within the time period hereinafter provided for. It is the Director's absolute right to personally supervise and control the Director's Cut subject to the terms of this Agreement.

Employer's Cost

A-8.2 A post-production locale will not be selected for the purpose of depriving the Director of his or her post-production rights. The Director shall be informed of the intended post-production locale in his or her Deal Memo. When the post-production locale is at a distant location, the provisions hereof with respect to per diems, accommodations, meals and transportation shall apply to the Director's travel, accommodations, and meals while he or she completes the Director's Cut. The Employer shall obtain the necessary facilities and equipment at the Employer's expense and in good working order for the Director's Cut.

"Hotline"

A-8.3 Any Director who has completed ninety percent (90%) but less than one hundred percent (100%) of the scheduled principal photography of a theatrical motion picture or television motion picture ninety (90) minutes or more in length cannot be replaced, except for cause, or until the following procedure (herein referred to as "hotline") has taken place:

- (a) the Employer shall give the Director and the Union prompt notice of its intention to so replace the Director; and
- (b) the available parties shall immediately jointly discuss the matter (the Employer is to be represented in such discussion by the person designated in the Deal Memo, or his or her authorized designate); and
- (c) if the parties are unable to resolve the matter, the decision of the Employer shall be final.

Technological Change

A-8.4 The use of technological changes, whether now known or not, which involve the editing of film or tape or other recording devices, shall in no way limit or abridge the right of the Director to prepare his or her Director's Cut.

Procedure

A-8.5 The Employer shall cause the sequences to be assembled and made available for viewing by the Director as soon as practicable after the close of principal photography so that the Director's Cut can be commenced immediately. The Director shall view the assembled sequences as soon as the Editor has assembled them in accordance with the Director's instructions, if any, during the photography of the motion picture. If the Director does not give any instructions, the Editor may proceed to assemble the sequences without such instructions. In any event, after the Editor has assembled the sequences, the Director shall have the right to instruct the Editor and to make whatever changes the Director deems necessary in preparing the Director's Cut. The Editor shall make no further changes to the assembled sequences except under the Director's instructions until the Director's Cut is complete. On television, such changes shall be made by the Director working with the Editor and in consultation with the Employer's designee.

Limited Viewing

A-8.6 No one other than the Editor and Editor's immediate staff shall view the completed assembly of the sequences of the motion picture before the Director has viewed them or where the Director so requests, for twenty-four (24) hours after the Director's initial viewing. The Director may not exhibit the motion picture to anyone else without approval of the Employer.

Protection

A-8.7 During the preparation of the Director's Cut and until it is complete, no person shall give instructions concerning the Director's Cut other than the Director. There shall be no cutting behind the Director. The phrase "cutting behind the Director" shall have the meaning that is ordinarily understood in the motion picture industry. It includes the attempt to avoid the Director's Cut by any means, including the preparation of some other cut in whole or in part during the interval of the preparation of the Director's Cut.

Length of Time for Director's Cut

A-8.8 The Director shall be allowed at least the following minimum time allowances for the preparation of the Director's Cut:

- (a) On Theatrical Motion Pictures: no less than six (6) weeks. When a release date must be met in an emergency, the Director's cutting time may be reduced to an amount of time not less than one-half ($\frac{1}{2}$) of the actual time period available for picture cutting.
- (b) On television motion pictures:
 - (i) having a running time of thirty (30) minutes or less, within one (1) day plus time and the opportunity to make changes, if necessary, but not to exceed one (1) more day;
 - (ii) having a running time of sixty (60) minutes or less, but more than thirty (30) minutes, within four (4) days;

- (iii) having a running time of ninety (90) minutes or less, but more than sixty (60) minutes, within fifteen (15) days;
 - (iv) having a running time of two (2) hours or less, but more than ninety (90) minutes, within twenty (20) days;
 - (v) having a running time of more than two (2) hours, twenty (20) days plus five (5) days for each additional hour in excess of two hours;
 - (vi) notwithstanding any other provision in this ARTICLE, it is understood and agreed that for television motion pictures, the Director's editing and other post-production privileges may not be exercised where the preparation of any television motion picture for a project delivery date does not permit the expenditure of any or all the time that would be required by the exercise of the Director's cutting rights.
- (c) If the assemblage of the sequences of the motion picture is not completed and made available at the close of principal photography, the above time periods shall not commence to run until such assemblage is completed, unless delay in the completion of the assemblage is caused by the Director.

Screening

A-8.9 On theatrical motion pictures and television motion pictures longer than ninety (90) minutes, the Director shall screen the Director's Cut for the individual Producer and for the person, if any, who has final cutting authority over the motion picture. Where the Director is in a different geographic location than the individual Producer or the person having final cutting authority over the motion picture, the screening or viewing may be done through the use of telephones, compact devices, or other means of long-distance communication that are reasonably acceptable to the Director, the individual Producer and the person having final cutting authority.

Right to Consult

A-8.10 The Director of a theatrical motion picture shall have the right, subject to his or her availability, to consult with the Employer during the entire post-production period of the motion picture. Before the credits are set, the Director shall be given a reasonable opportunity, provided he or she is reasonably available, to screen and discuss the version of the motion picture the Employer intends to release.

No Additional Compensation for Cutting Time

A-8.11 The Director shall not, by reason of the exercise of any of the rights granted or services performed in connection with this ARTICLE A-8, be entitled to any additional compensation.

ARTICLE A-9 ADDITIONAL WORK

Additional Work

A-9.1 If after the completion of principal photography, the Employer requires retakes, changes added or substituted scenes, or other further photography (herein collectively called "additional work") for the motion picture, the Director shall be entitled to direct such additional work, subject only to his or her availability. If the Director of the motion picture is not available, he or she shall be accorded the opportunity to consult with the substituting Director about such work.

Additional Work on a Weekly or Daily Basis

A-9.2 If a Director is recalled for additional work, compensation for such additional work shall be payable at the weekly rate provided for in his or her Deal Memo covering such picture, but shall be payable only for the days on which such work is actually performed. In computing compensation for such additional work for a period of less than a full week, the weekly rate shall be divided by four (4) and multiplied for each additional day worked. It is agreed, however, that no compensation shall be payable for such additional work to the extent that it is rendered within the guaranteed period of employment.

Preparation Time for Additional Work

A-9.3 There shall be no minimum preparation requirement for performing such additional work when the original Director is recalled. If the original Director is not available or does not agree to perform such additional work and another Director is to perform such additional work, one (1) day of preparation time shall be provided, regardless of the length of employment; provided, however, if the Director is called for one (1) day's employment, and the shooting of the additional work takes five (5) hours or less, then the preparation requirement shall be included in the same day, and only one day's wages shall be paid.

Looping

A-9.4 The looping of dialogue on a theatrical motion picture, pilot, movies-of-the week, and mini-series including "wild tracking" for scenes already photographed and the recording of narration for any motion picture shall be directed by the Director, provided the Director is available at the time, place and at the cost scheduled by the Employer and the Director receives no additional compensation for such direction. This ARTICLE A-9.4 does not apply to television series.

Dubbing

A-9.5 The Director of a theatrical motion picture, pilot, movie-of-the-week, and mini-series shall participate in the spotting and dubbing of sound and music, provided the Director is available at the time and place and at the cost scheduled by the Employer and the Director receives no additional compensation for such direction. This ARTICLE A-9.5 does not apply to television series.

Consultation

A-9.6 Whenever practicable the Director shall be consulted on looping and dubbing.

ARTICLE A-10 CREDIT FOR DIRECTORS OF THEATRICAL MOTION PICTURES

Form of Director's Credit

A-10.1 The form of the Director's credit on screen, paid advertising, and compact devices, when and as required, shall be the words "Directed by" followed by the Director's name.

Screen Credit

A-10.2 The Director shall be given credit on all theatrical motion pictures, including such motion pictures released on compact devices, in size of type not less than fifty percent (50%) of the size in which the title of the motion picture is displayed or of the largest size in which credit is given to any other person, whichever is greater. No other credit shall appear on the card which gives credit to the Director. Such credit shall be the last title card in the main titles or the first title card in the end titles. However, in the case of split credits, where credit is given to any person in the main titles, the Director shall be given the last title card in the main titles. In the case of *bona fide* teams where more than one (1) Director is given credit, in accordance with the provisions of this agreement, then such fifty percent (50%) may be reduced to thirty percent (30%) each.

Duration and Visibility of Screen Credit

A-10.3 The Director's credit shall be in such contrast to the background and/or of such colour as to be clearly visible, and shall not be less than two (2) seconds in the clear. The Director's credit shall not be displayed for less time than any "producer" or "produced by" credit.

Credit in Paid Advertising

A-10.4 The Director shall be given credit in all paid advertising made or issued by the Employer in Canada or the Continental United States. The location of the Director's credit shall be at the discretion of the Employer, and the size of type of the Director's credit shall be no less than fifteen percent (15%) of the size of type used for the billing block title of the motion picture in marketing advertising (other than trade papers) or thirty percent (30%) of the size of type used for the billing block title of the motion picture in trade paper advertising, but in no event less than the size and style of type of any credit given any persons other than actors.

Exceptions

A-10.5 Unless specifically agreed otherwise in a Director's Deal Memo, none of the obligations in ARTICLE 10.4 shall apply to:

- (a) group advertising; that is where more than one (1) motion picture is advertised;
- (b) newspaper, magazines or other periodical advertisements;
- (c) "trailer" advertising except where credit is given for film video, or camera process (such as *Panavision*, *Technicolor* or *DeLuxe*) or where the individual producer or writer is mentioned, in such case the Director's credit shall be given;
- (d) any other advertising on the screen, radio, or television, not to exceed one (1) minute;
- (e) so called "teaser" advertising as that term is commonly used and understood in the motion picture industry, including teaser ads which contain the names, likenesses and/or photographs of starring actors and/or the title of the motion picture;
- (f) outdoor-type advertising (including but not limited to so-called 24-sheet, 15-sheet, 7-sheet, 30 x 40s, and 40 x 60s), bus sides and bus shelters, and to billboards of three sheets or more provided the advertisement contains no more than the title of the motion picture, key art (which may include the names, likenesses and/or photographs of starring actors), logos, the motion picture's ratings and copyright notice and copy of no more than twenty-five (25) words.

None of the exceptions in this ARTICLE A-10.5 shall apply and the Director's name shall be mentioned if the name of any person other than starring actors is mentioned, in any of the advertising listed above, with the exception only of so-called "award" or "congratulatory" advertising (including advertising or announcements relating to consideration or nomination for any award) where no one is mentioned other than the person being nominated or congratulated for the award or any advertising relating primarily to source material on which the motion picture is based.

Compact Devices

A-10.6 The Director shall be given credit on the container of all compact devices shipped by the Employer. The credit shall be in the size of type no less than fifteen percent (15%) of the size of type of the largest title on the container and in no event shall the credit be of smaller size and style of type than the credit given any person other than actors.

Sound Track Recordings and Books

A-10.7 The Director of a theatrical motion picture shall be given credit on the container of any sound track recording and the cover or jacket of any exploitation

publication of a story, screenplay or other literary or dramatic material identified with a motion picture, if credit is given to any other person (excluding recording artist and book author) who rendered services or performed in connection with such motion picture.

Pseudonym

A-10.8 If the Director wishes to use a pseudonym in substitution of his or her name on the screen, advertising, publicity and any other material in which credit, in any form whatsoever, is given for direction of the motion picture, the Director may invoke the following procedure:

- (a) The Director shall notify the Employer and the Union of his or her desire to use a pseudonym no later than seventy-two (72) hours (three (3) business days) following the Director's first viewing of the version of the motion picture the Employer intends to release;
- (b) The Union shall supply the Employer with a suitable pseudonym within forty-eight (48) hours (two (2) business days) following the Director's notice to the Employer; and
- (c) If the Employer is unwilling to grant such request, the matter shall be immediately referred to Arbitration and the Arbitrator shall have the power to determine whether the Employer shall use a pseudonym for the Director.
- (d) As a condition for using the pseudonym, the Director waives the right to receive additional use fees.

Better Conditions

A-10.9 The foregoing provisions relating to credit are minimum provisions, and any Director shall have the right to negotiate for any credit in excess of the minimum.

Assumption of Obligations

A-10.10 The Employer shall specifically contract with its distributors to expressly provide that the said distributors shall be bound for the benefit of the Directors and the Union to all the provisions of this Agreement relating to credit and the individual Deal Memo relating to credit.

ARTICLE A-11 CREDIT FOR DIRECTORS OF TELEVISION MOTION PICTURES

Form of Director's Credit

A-11.1 The form of the Director's credit on screen, paid advertising, and compact devices, when and as required, shall be the words "Directed by" followed by the Director's name.

Screen Credit

A-11.2 The Director shall be given credit on all television motion pictures, including such motion pictures released on compact devices, in a size of type not less than forty percent (40%) of the size in which the episode or series title is displayed, whichever is greater. No other credit shall appear on the card which gives credit to the Director. Such credit shall be the last title card before the body of the motion picture or the first title card following the body of the motion picture. However, in the case of split credits where credit is given to any person before the body of the motion picture, the Director shall be given the last title card before the body of the motion picture. For the purpose of this clause, the credits of the established stars playing a continuing role in the series, or of well-established stars in the motion picture industry, or of a *bona fide* producing company shall not be considered credits of a person. No commercial or other material shall intervene between the Director's title card and the body of the motion picture.

Duration of Visibility of Director's Screen Credit

A-11.3 The Director's credit shall be in such contrast to the background and/or of such colour as to be clearly visible, and shall be visible for no less than two (2) seconds in the clear. The Director's screen credit shall not be displayed for less cumulative time than any "producer" or "produced by" credit.

Director's Credit if Released Theatrically

A-11.4 Screen and paid advertising credits for television motion pictures released theatrically shall be in accordance with the theatrical motion picture credit provisions set out in ARTICLE A-10 of this Appendix.

Director's Credit if Released on Compact Devices

A-11.5 Credit for television motion pictures released on compact devices shall be in accordance with the theatrical motion picture credit provisions set out in ARTICLE A-10.6 of this Appendix.

Pseudonym

A-11.6 The Director of a television motion picture ninety (90) minutes or longer (excluding an episode of an episodic series) shall be entitled to request the use of a pseudonym in accordance with ARTICLE A-10.8 of this Appendix.

Better Conditions

A-11.7 The foregoing provisions relating to credit are minimum provisions, and any Director shall have the right to negotiate for any credit in excess of the minimum.

Assumption of Obligations

A-11.8 The Employer shall specifically contract with its distributors and television Networks to expressly provide that the said distributors and television Networks shall not cut, edit, move, or omit the credit of the Director as placed by the Employer on the released version.

ARTICLE A-12 PREMIERES

Notice

A-12.1 On all theatrical motion pictures, the Employer shall give to the Director five (5) business days' advance written notice of any public premiere or gala showing of the motion picture. The Director and his or her immediate family shall be entitled to attend any premiere or gala public showing of the motion picture free of charge; however, transportation to and from any premiere or gala public showing will not be at the expense of the Employer.

ARTICLE A-13 COPY OF MOTION PICTURE

Copy of Print

A-13.1 With respect to theatrical motion pictures produced during the term of this Agreement, which have had a general theatrical release or have been exhibited on television or released on compact device as the case may be, the Employer agrees, upon the written request of the Union, to make available to the Union (without cost to the Union) a copy of such originally released print (which shall be a sixteen millimeters (16 mm) print if in existence in Canada or the United States) for screening purposes only for the personal use of the Director of the motion picture. Such print shall be made available by the Employer to the Union at a reasonable location selected by the Employer within two (2) weeks after such written request by the Union. The print is to be returned to the Employer as soon as possible, but in no event later than five (5) days after receipt by the Union. The Union and the Director will execute any appropriate documents required by the Employer. With regard to motion pictures released prior to the execution date hereof, a previous originally released print will be so furnished, under like conditions, if one is available.

The Employer shall furnish the Director of the motion picture, at no cost to the Director, a compact device of the released version of any theatrical motion picture, provided it is manufactured for sale on compact device. If it is not so manufactured, the Employer will keep a sixteen millimeter (16mm) print (or compact device) of the motion picture and make it available to the Director upon his or her request. If the Employer has no storage facility, the Employer shall transfer the motion picture to a sixteen millimeter (16mm) print or compact device and give such print or compact device to the Director who so requests and pays for such transfer.

ARTICLE A-14 COMPENSATION

Compensation

A-14.1 The Employer shall pay to the Director wages not less than the minimum rate and, in addition, any applicable additional use fees as set out below.

Pay Day

A-14.2 Unless otherwise specified in the Director's Deal Memo or individual contract, the Director's wages shall be paid according to the following schedule:

- (a) One-third (1/3) on the signing by the Director of a Deal Memo;
- (b) One-third (1/3) on the commencement of principal photography;
- (c) One-third (1/3) on the completion of principal photography.

ARTICLE A-15 MINIMUM WAGES FOR THEATRICAL MOTION PICTURES

Theatrical Productions

A-15.1 The wages paid to the Director for his or her services on a theatrical production shall constitute payment in full for the worldwide theatrical exhibition of the motion picture, for the period of copyright of the motion picture.

- (a) On theatrical productions, the regular minimum wage scales and employment guarantees during the term hereof for Directors shall be as follows:

Production Budget	Guaranteed Weeks (Prep & Shoot)	July 5, 2009 per week	April 4, 2010 per week	April 3, 2011 per week
Up to and including \$2,000,000	8 weeks	Negotiable	Negotiable	Negotiable
Over \$2,000,000 up to and including \$3,000,000	10 weeks	\$6,283.00	\$6,409.00	\$6,537.00
Over \$3,000,000 up to and including \$5,000,000	10 weeks	\$7,251.00	\$7,396.00	\$7,544.00
Over \$5,000,000	12 weeks	\$9,668.00	\$9,861.00	\$10,058.00
Trailers, Staged Talent Tests, Promos and Second Units	1 week or 1 day	The same as main unit	The same as main unit	The same as main unit

- (b) **Daily Rate:** the minimum rate for daily employment, where permissible, shall be one-quarter ($\frac{1}{4}$) of the weekly rate payable for the particular type of motion picture.
- (c) **Guaranteed Days (Shooting/Prep) Time:** Total guaranteed days shown are the maximum allowed for the applicable rate.

Additional Use Payments

A-15.2 The Employer shall not be entitled to use or agree to the use of any of the theatrical motion picture beyond the theatrical use provided for in ARTICLE A-15.1 unless and until the additional use is pre-purchased under this ARTICLE 15. If the Union notifies the Employer in writing that an additional use payment is delinquent under the terms of this Collective Agreement, the Employer shall have ninety (90) days following such notice within which to make payment of the amount due. Should the Employer fail to make such payment within the ninety (90) day period, then a penalty payment equal to five percent (5%) of the required use payment shall be due in addition to the additional use payment. The foregoing five percent (5%) penalty shall not be applicable in the event of a *bona fide* dispute.

TV Re-Use

A-15.3 If the Employer desires to use or agree to the use of any theatrical motion picture on free, in-flight, pay, or cable television, the Employer must pre-purchase television re-use rights as follows:

- (a) **World-Wide In Perpetuity:** Subject to pre-payment to the Director prior to the date of use of not less than forty percent (40%) of the applicable theatrical minimum rate, the Employer shall be entitled to free, in-flight, pay, and cable television re-use rights world-wide in perpetuity; or
- (b)
 - (i) **World-Wide For Five (5) Year Period:** Subject to pre-payment to the Director prior to the date of use of not less than twenty-five percent (25%) of the applicable theatrical minimum rate, the Employer shall be entitled to free, in-flight, pay, and cable television re-use rights world-wide for five (5) years from the date of the first use; and
 - (ii) **World-Wide Beyond the Five (5) Year Period:** Subject to pre-payment to the Director prior to date of use of not less than twenty-five percent (25%) of the applicable theatrical minimum rate, the Employer shall be entitled to free, in-flight, pay, and cable television re-use rights world-wide beyond the five (5) year period. After the payment for Beyond the Five (5) Year Period has been made, the Employer is deemed to have acquired the television re-use rights world-wide in perpetuity.
- (c) **Promotional Exception:** The exhibition of a theatrical motion picture on an "Educational" or "Public Broadcast" or a basic cable transmission on a

non-commercial or non-pay channel in so-called “experimental,” “independent producer” or similar format (excluding any regular series format) shall not be considered television use.

Compact Device Use

A-15.4 If the Employer desires to use or agree to the use of a theatrical motion picture on compact devices, the Employer must pre-purchase compact device use rights as follows:

- (a) **World-Wide in Perpetuity:** Subject to pre-payment to the Director prior to the date of use of not less than fifty percent (50%) of the applicable theatrical minimum rate, the Employer shall be entitled to compact device use rights world-wide in perpetuity; or
- (b) The Employer must pre-purchase compact device use rights in Canada and the Rest of the World, before purchasing compact device use rights in the USA:
 - (i) **Canada & Rest of the World (excluding the USA) in Perpetuity:** Subject to pre-payment to the Director prior to the date of use of not less than thirty percent (30%) of the applicable theatrical minimum rate, the Employer shall be entitled to compact device use rights in Canada and the Rest of the World (excluding the USA) in perpetuity; and
 - (ii) **USA in Perpetuity:** Subject to pre-payment to the Director prior to the date of use of not less than thirty percent (30%) of the applicable theatrical minimum rate, the Employer shall be entitled to compact device use rights in the USA in perpetuity. After the payment for compact device use in the USA has been made, the Employer is deemed to have acquired compact device use rights world-wide in perpetuity.

All Media Use

A-15.5 If the Employer desires to use or agree to the use of any theatrical motion picture in all media whether now known or developed in the future (including, but not limited to, the television re-use rights set out in A-15.3 and the compact device use rights set out in A-15.4), the Employer must pre-purchase all media use rights as follows:

- (a) **Prepayment Option for Unrestricted World-Wide Use in Perpetuity:** Subject to pre-payment to the Director at the time of production of not less than ninety percent (90%) of the applicable theatrical minimum rate, the Employer shall be entitled to unrestricted use rights in all media world-wide in perpetuity.
- (b) **Advance Option for Unrestricted World-Wide Use in Perpetuity:** To exercise the advance option, and where no pre-sale in the USA exists, the Employer must make both of the following payments at the time of production:

- (i) Subject to pre-payment to the Director at the time of production of not less than fifty percent (50%) of the applicable theatrical minimum rate, the Employer shall be entitled to unrestricted use rights in all media in Canada and the Rest of the World excluding the USA.
- (ii) Subject to the pre-payment to the Director at the time of production of not less than ten percent (10%) of the applicable theatrical minimum rate as an advance to be recouped against one percent (1%) of Distributors' Gross Revenue from future sales in the USA, the Producer shall be entitled to unrestricted use rights in all media in the USA in perpetuity.

Distributors' Gross Revenue means the monies derived by the Producer, distributor and/or sub-distributor from the distribution of the motion picture in the USA, including through the sale, license or other like means of distribution of the motion picture and shall be calculated simultaneously with other gross participants from first dollar, without deductions of expenses of any kind. For greater certainty, monies derived through the exploitation of ancillary, allied, and underlying rights and like rights, such as merchandising, novelization, and serial rights, shall not be included in Distributors' Gross Revenue.

Series Bonus

A-15.6 If an open-ended free television series based on a theatrical motion picture is sold not as a result of a pilot subsequent to the production of the theatrical motion picture, ARTICLE 16.11 shall apply.

Screenplay Development

A-15.7 If a Director, at the request of the Employer, renders services in supervising the development of a screenplay (as distinguished from reviewing or commenting on a completed or substantially-completed screenplay), with the option to direct, and if such option is not exercised or if the Director is replaced or the motion picture is abandoned, the Director shall receive a minimum of Fifteen Thousand Dollars (\$15,000) at the time a motion picture based on the screenplay is produced, if at all, so long as one or more of the writers supervised by such Director in development is accorded writing credit. Payments made to the Director concerning development shall apply towards the minimum of Fifteen Thousand Dollars (\$15,000).

ARTICLE A-16 MINIMUM WAGES FOR TELEVISION MOTION PICTURES

Minimum Wages

A-16.1 In consideration of the wages paid to the Director for his or her services on a television motion picture, the Employer shall be entitled to designate a “single use” of the television motion picture. The “single use” shall be one of the following:

<u>Single Use</u>	<u>Single Use Entitlement for Minimum Rates</u>
(a) Free Television	One domestic run in Canada and one run in the U.S.A.
(b) Pay-Television	One (1) year’s use in Canada and in the U.S.A.
(c) Cable TV	One (1) year’s use in Canada and in the U.S.A.

The Employer must designate the “single use” of the television motion picture in the Director’s Deal Memo. Failure to designate clearly the “single use” of the television motion picture shall mean the loss of any right to a “single use”.

Television Units – Movies-of-the-Week, Drama Specials, Mini-Series, Pilots, Spinoffs

A-16.2 (a) On movies-of-the-week, drama specials, mini-series, pilots, and spinoffs, the regular minimum wage scales and employment guarantees during the term hereof for Directors shall be as follows:

Length*	Guaranteed Days	July 5, 2009	April 4, 2010	April 3, 2011
½ hour	10 days	\$12,631.00	\$12,884.00	\$13,142.00
1 hour	20 days	\$25,263.00	\$25,768.00	\$26,283.00
1 + ½ hours	30 days	\$49,696.00	\$50,690.00	\$51,704.00
2 hours	45 days	\$74,594.00	\$76,086.00	\$77,608.00

(b) **De Facto Pilot:** If a television series is produced based on characters in a television program not originally intended as a pilot or a spinoff episode, the Director of such a motion picture shall be paid the difference between the wages originally paid and the applicable rate set out above.

(c) For motion pictures in excess of two (2) hours, the minimum wages and guaranteed days shall be computed at the two (2) hour rate plus the appropriate pro-rated amount from the one (1) hour schedule.

(d) **Computation of Wages:** The daily pro-rata wages for extra days shall be computed by dividing the minimum guarantee per show by the number of days guaranteed for such show. The weekly wages shall be computed by multiplying the applicable daily pro-rata wages by five (5) days. The

* Length refers to program air time.

- (e) wages for daily employment (e.g., Second Unit Work), where permissible, shall be one-quarter ($\frac{1}{4}$) of such weekly rate.
- (f) **Second Unit:** Second Unit Directors will be paid no less than the weekly rate applicable to the show for which he or she is employed, or on a daily basis at one-quarter ($\frac{1}{4}$) the applicable weekly rate for each day so employed.

Television Series

- A-16.3 (a) On television series, the regular minimum wage scales and employment guarantees during the term hereof for Directors shall be as follows:

Length*	Guaranteed Days	July 5, 2009	April 4, 2010	April 3, 2011
$\frac{1}{2}$ hour	10 days (5/5)	\$11,274.00	\$11,499.00	\$11,729.00
1 hour	16 days (8/8)	\$22,749.00	\$23,204.00	\$23,668.00
1 + $\frac{1}{2}$ hours	24 days (12/12)	\$33,452.00	\$34,121.00	\$34,803.00
2 hours	32 days (16/16)	\$44,601.00	\$45,493.00	\$46,403.00

- (b) For a double length episode of a television series, the Director shall be employed at two hundred percent (200%) of the minimum wages and guaranteed days appearing in the above schedule.
- (c) For episodes in excess of two (2) hours, the minimum wages and guaranteed days shall be computed at the two (2) hour rate plus the appropriate pro-rated amount from the one (1) hour schedule; and any additional days' wages may be allocated between preparation time and shooting at the Employer's discretion.
- (d) **Series Without a Pilot:** In connection with the first produced episode of an open-ended television series which is ordered without a pilot, the minimum wages shall be one hundred and fifty percent (150%) of scale. The payment of the above fee shall entitle the Director to one (1) additional prep or shooting day per one-half ($\frac{1}{2}$) hour of said first episode.
- (e) **Computation of Wages:** The daily pro-rata wages shall be computed by dividing the minimum guarantee per show by the number of days guaranteed for such show. The weekly rate shall be computed by multiplying the applicable daily pro-rata wages by five (5) days. The minimum rate for daily employment, where permissible, shall be one-quarter ($\frac{1}{4}$) of such weekly rate.
- (f) **Second Unit:** A Second Unit Director will be paid no less than the weekly rate applicable to the show for which he or she is employed, or on a daily basis at one-quarter ($\frac{1}{4}$) of the applicable weekly rate for each day so employed.

* Length refers to program air time.

- (g) **Guaranteed Days (Shooting/Prep) Time:** Total guaranteed days shown are the maximum allowed for the applicable rate. The first (1st) number in parentheses indicates the maximum number of shooting days allowed within the total number of guaranteed days.

Additional Use Payments

A-16.4 The Employer shall not be entitled to use or agree to the use of any television motion picture beyond the “single use” selected under ARTICLE A-16.1 unless and until the additional use is pre-purchased under this ARTICLE 16. If the Union notifies the Employer in writing that an additional use payment is delinquent under the terms of this Collective Agreement, the Employer shall have ninety (90) days following such notice within which to make payment of the amount due. Should the Employer fail to make such payment within the ninety (90) day period, then a penalty payment equal to five percent (5%) of the required use payment shall be due in addition to the additional use payment. The foregoing five percent (5%) penalty shall not be applicable in the event of a *bona fide* dispute.

TV Re-Use

A-16.5 If the Employer desires to use or agree to the use of any television motion picture on free, in-flight, pay, or cable television, the Employer must pre-purchase television re-use rights as follows:

- (a) **World-Wide In Perpetuity:** Subject to pre-payment to the Director at the time of production of not less than seventy-five percent (75%) of the applicable television minimum rate, the Employer shall be entitled to free, in-flight, pay, and cable television re-use rights world-wide in perpetuity; or
- (b) (i) **World-Wide For Five (5) Year Period:** Subject to pre-payment to the Director at the time of production of not less than fifty percent (50%) of the applicable television minimum rate, the Employer shall be entitled to free, in-flight, pay, and cable television re-use rights world-wide for five (5) years from the date of the first (1st) Canadian television use or six (6) months after the last day of principal photography whichever is earlier; and
- (ii) **World-Wide Beyond the Five (5) Year Period:** Subject to pre-payment to the Director prior to date of use of not less than thirty-five percent (35%) of the applicable television minimum rate, the Employer shall be entitled to free, in-flight, pay, and cable television re-use rights world-wide beyond the five (5) year period. After the payment for Beyond the Five (5) Year Period has been made, the Employer is deemed to have acquired the television re-use rights in perpetuity.

Purchase of TV Re-Use After Production

A-16.6 If the Employer does not purchase pre-paid re-use rights under ARTICLE A-16.5 (a) or ARTICLE A-16.5 (b) (i) at the time of production, such pre-payment shall be subject to an additional amount not less than ten percent (10%) of the applicable television minimum rate, prior to the date of use.

Pilots and *De Facto* Pilots

A-16.7 Notwithstanding the provisions of ARTICLE A-16.6, the Director shall not be entitled to receive a pre-payment for the television re-use of a pilot or *de facto* pilot until the Employer receives a firm written order for the production of episodes of a resulting series. In such event, the use payment shall be paid within fourteen (14) calendar days following the Employer's receipt of such written notice.

Compact Device Use

A-16.8 If the Employer desires to use or agree to the use of any television motion picture on compact devices, the Employer must pre-purchase compact device use rights as follows:

- (a) **World-Wide in Perpetuity:** Subject to pre-payment to the Director prior to the date of use of not less than fifty percent (50%) of the applicable television minimum rate, the Employer shall be entitled to compact device use rights world-wide in perpetuity; or
- (b) The Employer must pre-purchase compact device use rights in Canada and the Rest of the World, before purchasing compact device use rights in the USA:
 - (i) **Canada & Rest of the World (excluding the USA) in Perpetuity:** Subject to pre-payment to the Director prior to the date of use of not less than thirty percent (30%) of the applicable television minimum rate, the Employer shall be entitled to compact device use rights in Canada and the Rest of the World (excluding the USA) in perpetuity; and
 - (ii) **USA in Perpetuity:** Subject to pre-payment to the Director prior to the date of use of not less than thirty percent (30%) of the applicable television minimum rate, the Employer shall be entitled to compact device use rights in the USA in perpetuity. After the payment for compact device use in the USA has been made, the Employer is deemed to have acquired compact device use rights world-wide in perpetuity.

All Media Use

A-16.9 If the Employer desires to use or agree to the use of any television motion picture in all media whether now known or developed in the future (including, but not limited to, the television re-use rights set out in A-16.5 and the compact device use rights set out in A-16.8), the Employer must pre-purchase all media use rights as follows:

- (a) **Unrestricted World-Wide Use in Perpetuity:** Subject to pre-payment to the Director at the time of production of not less than one-hundred and ten percent (110%) of the applicable television minimum rate, the Employer shall be entitled to unrestricted use rights in all media world-wide in perpetuity, except for theatrical use.
- (b) **Advance Option for Unrestricted World-Wide Use in Perpetuity:** To

exercise the advance option, and where no pre-sale in the USA exists, the Employer must make both of the following payments at the time of production:

- (i) Subject to pre-payment to the Director at the time of production of not less than fifty percent (50%) of the applicable television minimum rate, the Employer shall be entitled to unrestricted use rights in all media whether now known or developed in the future (including but not limited to free, in-flight, pay and cable television re-use rights and compact device use rights) in Canada and the Rest of the World excluding the USA.
- (ii) Subject to the pre-payment to the Director at the time of production of not less than ten percent (10%) of the applicable television minimum rate as an advance to be recouped against one percent (1%) of Distributors' Gross Revenue from future sales in the USA, the Producer shall be entitled to unrestricted use rights in all media in the USA in perpetuity.

Distributors' Gross Revenue means the monies derived by the Producer, distributor and/or sub-distributor from the distribution of the motion picture in the USA, including through the sale, license or other like means of distribution of the motion picture and shall be calculated simultaneously with other gross participants from first dollar, without deductions of expenses of any kind. For greater certainty, monies derived through the exploitation of ancillary, allied, and underlying rights and like rights, such as merchandising, novelization, and serial rights, shall not be included in Distributors' Gross Revenue.

Limited Theatrical Use Rights

A-16.10 If the Employer desires to use or agree to the use of a television motion picture theatrically, the Employer must pre-purchase theatrical use rights as follows:

- (a) **World-Wide in Perpetuity:** Subject to pre-payment to the Director prior to the date of use of not less than forty percent (40%) of the applicable television minimum rate, the Employer shall be entitled to theatrical use rights world-wide in perpetuity; or
- (b) **Limited Use:** Subject to pre-payment to the Director prior to date of use of not less than twenty percent (20%) of the applicable television minimum rate, the Employer shall be entitled to theatrical use rights in the Rest of the World (excluding Canada and the USA) in perpetuity, and theatrical use in Canada and the USA within the following limitations:
 - (i) this exhibition shall take place within a total period of nine (9) months before and three (3) months after the first (1st) Canadian transmission. This provision shall not apply to limited theatrical use in the USA.
 - (ii) the duration of the exhibition of the production shall not be longer than a continuous period of three (3) months.

- (iii) the exhibition shall take place in not more than ten (10) cinemas in Canada or the USA which shall not be all in the same circuit, e.g., Art Houses.
- (c) **Promotional Exception:** The exhibition of a television motion picture at a film festival, a charitable exhibition, or other promotional exhibition shall not be considered a theatrical release.

Full Theatrical Conversion

A-16.11 If a television motion picture is to be exhibited theatrically in Canada and the United States other than in accordance with the provisions of ARTICLE A-16.9 (b), then the motion picture shall be deemed to be for all purposes under this Agreement a theatrical motion picture. The Employer shall pay the difference, if any, between the “initial” wages paid under this ARTICLE A-16 (Television Motion Pictures) and the applicable theatrical minimum rate under ARTICLE A-15 (Theatrical Motion Pictures). Any adjustment in “initial” wages shall be paid prior to the date of use.

Series Sales Bonus

A-16.12 If an open-ended television series is sold subsequent to the production of a pilot or spinoff, or if such television series is based on a theatrical motion picture, then the Director of the pilot or spinoff, or of the theatrical motion picture introducing the character(s), shall be entitled to an additional aggregate series bonus payment for each production year as follows:

<u>Length of Television Motion Picture</u>	<u>Series Bonus Per Production Year</u>
½ hour	\$1,000
1 hour	\$2,000
90 minutes or longer	\$3,000

The series bonus shall be paid for each year of production at the beginning of each calendar year or within ten (10) days, excluding Saturdays, Sundays, and general holidays, of the contract being signed for the production of the episode or series, whichever occurs first. The series bonus may not be bought out.

Teleplay Development

A-16.13 If a Director, at the request of the Employer, renders services in supervising the development of a teleplay (as distinguished from reviewing or commenting on a completed or substantial-completed teleplay), for a prime-time dramatic program of ninety (90) minutes or longer with an option to direct and if such option is not exercised or if the Director is replaced or the motion picture is abandoned, the Director shall receive a minimum of Ten Thousand Dollars (\$10,000) at the time a television program based on such teleplay is produced, if at all, provided one or

more of the writers supervised by such Director in development is accorded writing credit. Payments made to the Director concerning development shall apply toward the minimum Ten Thousand Dollars (\$10,000).

ARTICLE A-17 ADDITIONAL USE

Definitions

A-17.1 For the purposes of this ARTICLES A-15, A-16, and A-17:

- (a) “at the time of production” means no later than the completion of principal photography and with respect to a television series, no later than completion of principal photography of the particular episode.
- (b) “date of use” means the date on which a motion picture is released on compact devices or theatrically, or first exhibited or broadcast on free television, pay television or cable television.
- (c) “five (5) year period” means the period of sixty (60) consecutive months calculated from the first use under ARTICLE A-15.3 (b)(i) OR ARTICLE A-16.5 (b)(i).
- (d) “beyond the five (5) year period” means the first date of use after the five (5) year period of use. After the payment for beyond the five (5) year period has been made, the Employer is deemed to have acquired the rights in perpetuity.

Additional Use

A-17.2 The following is a summary of the specific terms of ARTICLES A-15 and A-16 herein. The Employer may acquire unrestricted world-wide rights in perpetuity for additional use beyond the theatrical use acquired under ARTICLE A-15.1 with respect to theatrical motion pictures or the “single use” designated under ARTICLE A-16.1 with respect to television motion pictures, only after payment in full of not less than the following percentages of the applicable Director’s minimum rate no later than the due date specified:

(a) Theatrical Motion Pictures

(i) All Free, In-Flight, Pay, and Cable Television Re-Use

<u>Buyout Period</u>	<u>Prepayment</u>	<u>Due Date</u>
(%)		
	World-Wide In Perpetuity	40% Prior to date of use
		OR
	World-Wide for Five (5) Year Period	25% Prior to date of use
	World-Wide for Beyond the Five (5) Year Period	25% Prior to date of use
	TOTAL =	50%

After the payment for Beyond the Five (5) Year Period has been made, the Employer is deemed to have acquired the re-use rights in perpetuity.

(ii) Compact Devices

<u>Buyout Period</u> (%)	<u>Prepayment</u>	<u>Due Date</u>
	Worldwide In Perpetuity	50% Prior to date of use
		OR
	Canada & Rest of the World (excluding the USA) In Perpetuity	30% Prior to date of use
	The USA in Perpetuity	30% Prior to date of use
	TOTAL =	60%

(iii) All Media Use

<u>Buyout Period</u> (%)	<u>Prepayment</u>	<u>Due Date</u>
Worldwide In Perpetuity	90%	At time of Production

OR

Canada & the Rest of the World excluding the USA in Perpetuity	50%	At time of Production
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AND

the USA in Perpetuity advance against 1% DGR10%		At time of Production
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TOTAL = 60%

(b) Television Motion Pictures

(i) All Free, In-Flight, Pay, and Cable Television Use

<u>Buyout Period</u>	<u>Prepayment</u> (%)	<u>Due Date</u>
World-Wide In Perpetuity	75%	At time of production

OR

World-Wide for Five (5) Year Period	50%	At time of production
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World-Wide for Beyond Five (5) Years	35%	Prior to date of use
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TOTAL = 85%

After the payment for Beyond the Five (5) Year Period has been made, the Employer is deemed to have acquired the re-use rights in perpetuity.

(ii) Compact Devices

<u>Buyout Period</u>	<u>Prepayment (%)</u>	<u>Due Date</u>
World-Wide In Perpetuity	50%	Prior to date of use
OR		
Canada & Rest of the World (excluding the USA) In Perpetuity	30%	Prior to date of use
The USA in Perpetuity	30%	Prior to date of use
TOTAL =	60%	

(iii) Theatrical Use

<u>Buyout Period</u>	<u>Prepayment (%)</u>	<u>Due Date</u>
World-Wide In Perpetuity	40%	Prior to date of use
OR		
Rest of the World & Limited Canada & US	20%	Prior to date of use

(iv) All Media Use

<u>Buyout Period (%)</u>	<u>Prepayment</u>	<u>Due Date</u>
Worldwide In Perpetuity	110%	At time of production
OR		
Canada & the Rest of the World excluding the USA in Perpetuity	50%	At time of production
AND		
the USA in Perpetuity advance against 1% DGR	10%	At time of production
TOTAL =	60%	

Non-Payments

A-17.3 In any action brought in arbitration or in a court of law, the claims arising out of non-payment of additional use payments shall include all costs and expenses of the proceedings, including reasonable counsel fees and other expenses incurred.

Excerpt from a Motion Picture

A-17.4 If the Employer wishes to use any excerpt or footage of a motion picture directed by the Director in the making of another motion picture, the Employer must purchase additional prepaid use rights for that motion picture in accordance with this ARTICLE(s) A-15 or A-16.

- (a) The word excerpt as used herein shall not be deemed to apply to the televising or exhibition of trailers or advertising of a motion picture by shots or scenes substantially in the nature of a trailer, advertisement, promo, behind-the-scenes shots or to the use of stock material or to the televising or exhibition of excerpts for news or review purposes. Stock material means stock film or tape of any kind or nature created for general usage and not photographed for use in the particular motion picture directed by the Director.
- (b) The Director of any motion picture which incorporates any excerpt(s) of any other motion picture shall not have his or her wages reduced as a result. Accordingly, the applicable minimum rates prescribed by this Agreement, or as otherwise increased by individual negotiation between a Director and the Employer, shall apply in full, despite any use of any excerpt of any other motion picture in that motion picture.
- (c) The provisions of this ARTICLE A-17.4 do not apply where an Employer has already purchased additional pre-paid use rights for that motion picture in accordance with this ARTICLE A-17.
- (d) The provisions of this ARTICLE A-17.4 do not apply to promotional uses of excerpts from motion pictures.

Assumption Agreement

A-17.5 If the Employer or its heirs, successors, or assigns, sells, assigns or otherwise disposes of any motion picture or production produced under this Agreement, or if it assigns rights thereto, the Employer shall not be relieved of its obligations for payments under this Agreement unless the party to whom the said property rights have been sold, assigned or otherwise disposed of (the "Purchaser") assumes, in writing the obligations for such payments. The written approval of the Union to such assumption must be obtained, which approval shall not be unreasonably withheld.

The assumption by the Purchaser of the above-noted obligations shall be set out in an Assumption Agreement in the form contained in Appendix "D" to this Agreement. When the Employer seeks the approval of the Union to an assumption referred to above, it shall provide to the Union such information and material regarding the Purchaser which the Union may reasonably require,

including, but not limited to, the financial status of the Purchaser, the individual principals and/or directors of the Purchaser and the terms and conditions of the Purchase Agreement.

ARTICLE A-18 TERMINATION OF DIRECTOR'S DEAL MEMO

Force Majeure, Postponement or Termination

A-18.1 The Director of the motion picture shall not have the start of his or her Deal Memo postponed, the term of his or her Deal Memo interrupted, or his or her Deal Memo terminated under the *force majeure* provisions hereof or under any *force majeure* provision in the Director's Deal Memo, unless the entire cast and the Director of Photography of the motion picture are also subject to the same postponement, interruption, or termination, as the case may be. Where, during any postponement or interruption of the Director's Deal Memo, the star(s) of the motion picture or the Director of Photography receive all or part of their wages, then the Employer shall pay to the Director as compensation for such postponement or interruption an amount in the same pro-rata amount as the Employer pays the star(s) of the motion picture or the Director of Photography during the said postponement or interruption of the Director's Deal Memo. If there is a difference in the proportionate amount paid to the star(s) of the motion picture and the Director of Photography then the higher proportionate amount shall be paid to the Director.

Cancellation of the Motion Picture

A-18.2 If the production of the motion picture is cancelled and the Director is terminated due to such a "*force majeure*", then in the event the production of such television motion picture is recommenced within six (6) months, or in the case of theatrical motion picture it is recommenced within twelve (12) months, the Director, subject to his or her availability, shall be offered reinstatement of the balance of his previous Deal Memo to direct the motion picture in accordance with the terms of such previous Deal Memo. Such offer shall be accepted in writing by the Director within forty-eight (48) hours after the offer is received and if not, the offer shall be deemed to be rejected.

Guaranteed Period of Employment – "Pay or Play"

- A-18.3 (a) The obligation of the Employer on entering into a Deal Memo for the employment of a Director to furnish employment during guaranteed periods of employment shall be wholly satisfied by the payment of the contracted wages for the applicable guaranteed period.
- (b) If any Director is terminated before the completion of the guaranteed period of employment, the Employer shall pay the Director all remaining unpaid non-deferred, non-contingent wages as provided in the Director's Deal Memo. The provisions above shall not apply and the Employer shall not be obligated to pay the Director for the guaranteed period if: (i) the Employer has discharged the Director with just and reasonable cause; (ii) the Employer has terminated the Director in accordance with the *force*
- (c)

majeure provisions of this Agreement; or (iii) the Director fails or refuses to perform services.

Replacement

A-18.4 A Director who is terminated in accordance with the “pay or play” provisions or the just and reasonable cause provision contained herein may be replaced. The Director may be replaced only by a person who has, prior to that time, directed a theatrical motion picture or not less than ninety (90) minutes of television.

Emergency Substitution

A-18.5 Notwithstanding the preceding ARTICLE A-18.4, the Employer may, in a *bona fide* emergency, employ a substituting Director for a period of five (5) days on a one time basis who does not meet the qualifications required by ARTICLE A-18.4 to act as a replacement Director during the said five (5) days pending the arrival of the substituting Director who does qualify under ARTICLE A-18.4. If such an emergency arises on a television series, the five (5) day period may be extended to allow the completion of principal photography of the episode.

Guaranteed Period for Substituting the Director

A-18.6 Where a Director is replaced, the substituting Director shall only be guaranteed the greater of the number of guaranteed days remaining, or the number of days actually remaining on the shooting schedule at the time such substituting Director begins the assignment.

ARTICLE A-19 FINANCIAL OBLIGATIONS

Effective Duration

A-19.1 It is expressly understood and agreed that this Agreement shall remain in full force and effect as it relates to the Employer’s obligations and responsibilities under this Appendix “A” pertaining to financial obligations to Directors, including, without limitation, pre-payment for Additional Use and series sales bonus, notwithstanding the length hereof, expiration date, or termination of the Contractual Agreement,

