

SUMMARY OF BASIC AGREEMENT NEGOTIATIONS 2018*

This summary is being provided in addition to the included Memorandum of Agreement in order to assist in your review of the proposed Agreement. The legal language of the Memorandum of Agreement is the controlling document. You are encouraged to fully review both documents prior to voting.

For additional information, please visit www.IATSEBasicAgreement.com

1. Wage minimums will increase 3% in each year of the Agreement. The increases shall compound.
2. MPI Pension Plan:
 - a. Those who retired prior to August 1, 2009, will receive 13th and 14th checks on or about November 1 in each year of the Agreement, provided there are 8 months of reserves in both the Active and Retiree Health Plan and the Pension Plan is certified to be in the Green Zone.
 - b. New funding stream (in addition to existing new media residual contribution):
 - i. Live action features of 96 minutes or longer budgeted at \$30 million or more and intended primarily for use on a Subscription Video on Demand (SVOD) service: one-time payment to the Pension Plan based on 5.4% of the project's scale payroll when released theatrically at any time.
 - ii. Animated features of 96 minutes or longer budgeted at \$45 million or more intended primarily for use on an SVOD service: one-time payment to the Pension Plan based on 3.6% of the project's scale payroll when released theatrically at any time.
 - iii. This "bonus funding" is not used in any calculations related to the projected health of the Health or Pension Plans.
 - c. Renewal of the Exhibition of Motion Pictures Transmitted Via New Media sideletter, which includes new media residuals.
3. MPI Health Plan:
 - a. Increased benefit contributions for on-call employees. On-call employees will now receive 12 hours of benefit contributions for work on a 6th or 7th day.
 - b. Companies that have paid in excess of \$15 million in residual contributions to the MPI shall pay to the health plan an additional \$0.20 for each hour worked or guaranteed in the first year of the Agreement, an additional \$0.10 per hour in year two, and an additional \$0.10 per hour in year three.
 - c. In each year of the Agreement, companies that have paid less than \$15 million in residual contributions to the MPI shall pay an additional \$0.75 to the health plan for each hour worked or guaranteed.
 - d. There will be no increased costs to the primary participants nor to their dependents for health care coverage.
 - e. There will be no cuts to health care benefits, nor any increases to prescription drug co-payments.
4. Turnaround and Safety Improvements:
 - a. For hourly and weekly employees:
 - i. 10 hours minimum turnaround provided for:
 1. Off- and On-Production employees, working as local or nearby hires;
 2. On a mini-series or on a one-half hour single camera or one-hour series starting in the second season;
 3. In the 30-mile zone, NY Production Zone, and Production Centers across the country.
 4. On features and long-form productions after two consecutive 14 hour days worked.
 - ii. 9 hours minimum turnaround provided for:
 1. Post-Production employees, working as local or nearby hires;

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2. On a mini-series or on a one-half hour single camera or one-hour series starting in the second season;
 3. In the 30-mile zone, NY Production Zone, and Production Centers across the country.
 4. On features and long-form productions after two consecutive 14 hour days worked.
 - iii. The penalty for invasion of the expanded rest period will be additional straight time earnings. Current penalties remain unchanged, thus preserving the all-day gold where applicable for invasion of existing rest periods.
 - iv. These new rest period improvements will go into effect 90 days after ratification.
 - b. Mandatory rides or rooms:
 - i. In the 30-mile zone, rides or rooms must be provided for those crew members who request them after 14 hours worked on any day.
 - ii. In the secondary zone, rides will be available after 12 hours worked (rooms are already offered per the current Basic Agreement).
 - c. The contract now prohibits employers from retaliating against employees who advocate for the safety of others. Violation of this provision is subject to the grievance and arbitration provisions of the contract.
5. New Media:
- a. For productions that were previously fully negotiable, the New Media Sideletter will be modified as follows to provide wages, terms and conditions for members who work on “mid-budget productions” made for Initial Exhibition on a Subscription Video-On-Demand (SVOD) Consumer Pay Platform, such as Netflix, Hulu, Amazon Prime, etc.:

Mid-Budget Tier:

• 20-35 min.	\$900,000 – 1,300,000
• 36-65 min.	\$1,750,000 – 2,500,000
• 66 min. +	\$2,100,000 – 3,000,000

Mid-Budget Tier terms and conditions:

- Special Conditions for Long-Form Television Motion Pictures Sideletter with staffing and roster requirements as per the existing provisions for sub-high budget SVOD new media productions.
 - Wages shall be Long-Form wages with a two-year lag.
- b. For new media SVOD features budgeted at over \$30 million, wages, terms and conditions will be per the full Basic Agreement (previously, the Long-Form Sideletter applied).
 - c. The Union shall be provided access to the license agreement for verification of appropriate New Media provisions.
 - d. In line with the other Unions and Guilds, the subscription count for High Budget SVOD content will increase from 15 million subscribers to 20 million subscribers.
 - e. In line with the other Unions and Guilds, the IATSE agrees to recognize new content delivery methods, specifically Over-the-Top and Virtual MVPD services.
 - f. Productions Made for New Media sideletter renewed, which includes provisions for new media residuals.
6. CSATF:
- a. The stipend for attendance at mandatory CSATF classes will be increased to \$20 per hour, effective August 4, 2019.
 - b. Longer time periods to complete initial required CSATF classes after placement on the Industry Experience Roster.
 - c. The new media roster will be eliminated.

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- d. The Industry Experience Roster Safety Requirement Training program shall be renewed and shall include Safety Refresher Training.
 - e. Those employed under an O-1/O-2 Visa shall have the same Industry Experience Roster placement requirements as other employees.
 - f. The Producers will increase their hourly contributions to CSATF for all hours worked or guaranteed.
7. Two committees, comprised of IATSE and AMPTP representatives, will be formed to examine and discuss:
 - a. Diversity and inclusion.
 - b. The viability of a 401(k) plan.
 8. Companies will now be required to provide detailed notification of forthcoming productions.
 9. The entirety of Huntington Beach will be considered part of the Secondary Zone.
 10. For those working in Canada, the Producers have the option to exchange Victoria Day in lieu of Memorial Day and Canada Day in lieu of Independence Day, with at least two weeks' notice, or at time of hire (if employed for less than two weeks prior to the holiday swap).
 11. The term of the Agreement shall be from August 1, 2018-July 31, 2021.

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BASIC AGREEMENT NEGOTIATIONS 2018 – LEDGER OF GAINS*

UNION GAINS

PRODUCER GAINS

<ul style="list-style-type: none">• 3% wage increases in each year of the Agreement (retroactive to 8/1/2018).• Increased Rest Period – for local and nearby hires, on-production and off-production, daily and weekly hires: 10 hour turnaround for mini-series and on 1 hr. and ½ hr. single camera series beginning with the 2nd season. For features and long-form productions, 10 hour turnaround after two consecutive 14 hr. days (worked). Post Production: 9 hour turnaround for daily and weekly, local and nearby hires on mini-series and on 1 hr. and ½ hr. single camera series beginning with the 2nd season. For features and long-form productions, 9 hour turnaround after two consecutive 14 hour days (worked). Effective 90 days after ratification.• Courtesy housing or transportation provided upon request for work in excess of 14 hours in production centers around the country, NYC, and LA’s 30-mile zone, and after 12 hours in the Secondary Zone.• Creation of a sub-high budget SVOD new media tier with set wages, terms and conditions (formerly “as negotiated”).• Streaming features budgeted at \$30M or more produced per the full Basic Agreement (formerly under the Long-Form sideletter).• Additional new media funding: for \$30M+ live action, 96+ minute features shown in a theater, an amount equal to 5.4% of payroll shall be paid to the Pension Plan. For 96+ minute animated features, \$45M+, shown in a theater, an amount equal to 3.6% of payroll shall be paid to the Pension Plan.• For On-call employees working a 6th and 7th day, daily benefit contribution amount raised to 12 hours.	<ul style="list-style-type: none">• Increase in employer contributions to CSATF.• All of Huntington Beach now in the Secondary Zone.• For those working in Canada, two Canadian holidays may be exchanged with adequate advance notice (Victoria Day in lieu of Memorial Day and Canada Day in lieu of Independence Day).• SVOD subscriber threshold for Tier 1 High Budget SVOD productions raised to 20M.• Recognition of Virtual MVPD Services.• Recognition of OTT service of Pay TV Service.• New Media sideletter renewed.• Creation of a Diversity and Inclusion Task Force.• Standard Industry Experience Roster Placement for O-1/O-2 Visa Employees.• Renewed Industry Experience Roster safety requirement training.
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- \$0.75/hr. in each year of the agreement shall be contributed to the Health Plans from employers contributing less than \$15 million in residuals; those companies contributing more than \$15 million in residuals shall contribute an additional \$0.20/hr. in the first year, \$0.10/hr. in the second year, and \$0.10/hr. in the third year (retroactive to 8/1/18).
- 13th/14th pension checks for pre-2009 retirees.
- Increase stipend to \$20/hour for CSATF safety training.
- Production notification now required.
- Longer time to complete initial CSATF training.
- Employers shall make IATTF contributions for those not based in Los Angeles.
- Elimination of the New Media Roster.
- Those advocating for the safety of others shall have the protections of the grievance and arbitration provision of the Basic.
- Remove future reallocation of post '60s and supplemental Market monies.
- Exhibition of Motion Pictures Transmitted Via New Media sideletter renewed (new media residuals).
- Access to license agreement for enforcement of New Media provisions.
- Creation of a 401K committee.

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