

SIDELETTER NO. 25

As of July 1, 2005;
Revised as of July 1, 2008;
Revised as of July 1, 2011

Jay D. Roth
National Executive Director
Directors Guild of America, Inc.
7920 Sunset Boulevard
Los Angeles, California 90046

Re: "Supersized" Episodes

Dear Mr. Roth:

The parties agree that the following provisions shall apply to any recorded episode of a one-half hour or one-hour prime time dramatic series, the running time of which extends beyond the regular time period of a typical episode of the series, and to any episode of a live series that exceeds the scheduled running time by more than three minutes or that is planned in advance to be longer than the regular running time of a typical episode.

1. a. Initial compensation for the director of a half-hour episode which is "extended" to have a running time that is forty-five (45) minutes or less (*i.e.*, the episode has a longer running time than a typical episode of the series, but does not exceed 45 minutes) shall be the thirty (30) minute rate plus fifty percent (50%) of the difference between the half-hour rate and the one (1) hour rate. Three (3) extra days shall be added to the guaranteed period. See attached "Initial Compensation" schedule.

b. Initial compensation for the director of a one-hour episode which is "extended" to have a running time that is seventy-five (75) minutes or less shall be the sixty (60) minute rate plus fifty percent (50%) of the difference between the sixty (60) minute rate and the ninety (90) minute rate. Five (5) extra days shall be added to the guaranteed period for network prime time programs; three (3) extra days shall be added for non-network and network non-prime time programs. If the running time of the extended episode is more than seventy-five (75) minutes but less than ninety (90) minutes, the episode shall be considered a 61-90 minute program and the Director shall be compensated accordingly. See attached "Initial Compensation" schedule.

c. The running time of an episode shall be determined by the broadcast schedules which are released by the network, or the exhibition schedules which are released by the cable companies and published in viewer's guides such as *TV Guide*. Commercial time and title sequences, as well as the use of excerpts from previously-recorded programs, shall be considered part of the extended episode when determining running time.

d. If excerpts comprise more than fifty percent (50%) of the running time (excluding commercials and title sequences) of the extended episode, it shall be considered a "compilation program" under Article 23, Paragraph B.4. of the FLTTA, except that:

i. The rate for a compilation program more than thirty (30) minutes but not more than forty-five (45) minutes shall be the rate for a thirty (30) minute compilation program plus fifty percent (50%) of the difference between the rate for a thirty (30) minute compilation program and the rate for a sixty (60) minute compilation program; and

ii. The rate for a compilation program more than sixty (60) minutes but not more than seventy-five (75) minutes shall be the rate for a sixty (60) minute compilation program plus fifty percent (50%) of the difference between the rate for a sixty (60) minute compilation program and the rate for a ninety (90) minute compilation program.

iii. The rate for a compilation program more than seventy-five (75) minutes but not more than ninety (90) minutes shall be the rate for a ninety (90) minute compilation program.

e. The parties understand that there shall be no additional payments for episodes with a running time up to three (3) minutes over the length of a typical episode or to live programs described in Paragraph 1.b. above.

2. a. Residuals for an "extended episode" shall be determined by the residuals schedule attached hereto, except as provided below.

b. Residuals for an "extended" episode of a half-hour series which is shortened after its initial broadcast and run as a half-hour program shall be treated as one-half hour in length for the purpose of calculating the free television rerun payments, both domestic and foreign.

c. Residuals for an "extended" episode of a one-hour series which is subsequently shortened after its initial broadcast and run as a one-hour episode shall be treated as one (1) hour in length for the purpose of calculating free television rerun payments, both domestic and foreign.

d. In the event two (2) or more versions of an episode are delivered as part of a syndication package, each version shall be considered a distinct "television motion picture" for purposes of determining the "run" pursuant to Article 7, Section B.

e. If an extended episode is sold to a foreign subdistributor (or a foreign distributor affiliated with Employer) and there is a distinct valuation of that episode (*i.e.*, it is sold separately or for an additional fee) the foreign residual (including the "base" and all residuals payments)

shall be determined by the episode's delivered length and the Employer shall report to the DGA that an "extended" version was delivered or sold in a foreign territory. In all other cases, the residual shall be based on the typical episode time. This provision shall not imply any obligation to sell such extended episode separately or for an additional fee.

3. The parties have determined to restrict the application of this Sideletter to "supersized" episodes which exceed the length of a typical episode by half or less because this is the manner in which they have thus far been produced. Should any Employer produce an "extended episode" which exceeds the running time of a typical episode by more than half, the parties agree to negotiate in good faith the rates and conditions applicable to such extended episode.

Sincerely,

Carol A. Lombardini

ACCEPTED AND AGREED:

Jay D. Roth

Supersized Episodes

1. Initial Compensation

(a) Network Prime Time (Includes FBC) - FLTTA Article 6.A.1.

	Running Time	Minimum Compensation	Guaranteed Days	Compensation for Days Beyond Guarantee	Daily Rate (Where Permitted)
7/1/11	30 Min.	\$23,580	7	\$3,369	\$4,211
	45 MIN.	31,812	10	3,181	3,976
	60 Min.	40,043	15	2,670	3,338
	75 MIN.	53,392	20	2,670	3,338
	90 Min.	66,740	25	2,670	3,338
7/1/12 [†]	30 Min.	23,993	7	3,428	4,285
	45 MIN.	32,369	10	3,237	4,046
	60 Min.	40,744	15	2,716	3,395
	75 MIN.	54,326	20	2,716	3,395
	90 Min.	67,908	25	2,716	3,395
7/1/13 ^{††}	30 Min.	24,413	7	3,488	4,360
	45 MIN.	32,935	10	3,294	4,118
	60 Min.	41,457	15	2,764	3,455
	75 MIN.	55,277	20	2,764	3,455
	90 Min.	69,096	25	2,764	3,455

[†] See text of footnote on page 24.

^{††} See text of footnote on page 24.

(b) Non-Network or Network Non-Prime Time Dramatic (High Budget) - FLTTA Article 6.A.2.

	Running Time	Minimum Compensation	Guaranteed Days	Compensation for Days Beyond Guarantee
7/1/11	30 Min.	\$9,692	6	\$1,615
	45 Min.	13,756	9	1,528
	60 Min.	17,819	12	1,485
	75 Min.	23,150	17	1,362
	90 Min.	28,480	24	1,187
7/1/12 [†]	30 Min.	9,862	6	1,644
	45 Min.	13,997	9	1,555
	60 Min.	18,131	12	1,511
	75 Min.	23,555	17	1,386
	90 Min.	28,978	24	1,207
7/1/13 ^{††}	30 Min.	10,035	6	1,673
	45 Min.	14,242	9	1,582
	60 Min.	18,448	12	1,537
	75 Min.	23,967	17	1,410
	90 Min.	29,485	24	1,229

[†] See text of footnote on page 24.

^{††} See text of footnote on page 24.

(c) Network Prime Time Variety (Includes FBC) - FLTTA Article 6.B.1.(a) and Article 29.B.1.(a)

	Running Time	Minimum Compensation	Guaranteed Days (days need not be consecutive)	Compensation for Days Beyond Guarantee
7/1/11	16-30 Min.	\$8,369	5(1)	\$1,674
	31-45 Min.	11,440	7(2)	1,634
	46-60 Min.	14,510	9(2)	1,612
	61-75 Min.	21,769	12(3)	1,814
	76-90 Min.	29,027	18(4)	1,613
7/1/12 [†]	16-30 Min.	8,515	5(1)	1,703
	31-45 Min.	11,640	7(2)	1,663
	46-60 Min.	14,764	9(2)	1,640
	61-75 Min.	22,150	12(3)	1,846
	76-90 Min.	29,535	18(4)	1,641
7/1/13 ^{††}	16-30 Min.	8,664	5(1)	1,733
	31-45 Min.	11,843	7(2)	1,692
	46-60 Min.	15,022	9(2)	1,669
	61-75 Min.	22,537	12(3)	1,878
	76-90 Min.	30,052	18(4)	1,670

[†] See text of footnote on page 24.

^{††} See text of footnote on page 24.

- (d) Non-Network or Non-Prime Time Variety (High Budget) - FLTTA Article 6.B.2. and Article 29.B.1.(b)

	Running Time	Minimum Compensation	Guaranteed Days (days need not be consecutive)	Compensation for Days Beyond Guarantee
7/1/11	16-30 Min.	\$5,496	6(1)	\$916
	31-45 Min.	6,720	7(2)	960
	46-60 Min.	7,943	9(2)	883
	61-75 Min.	9,168	11(3)	833
	76-90 Min.	10,393	14(4)	742
7/1/12 [†]	16-30 Min.	5,592	6(1)	932
	31-45 Min.	6,837	7(2)	977
	46-60 Min.	8,082	9(2)	898
	61-75 Min.	9,329	11(3)	848
	76-90 Min.	10,575	14(4)	755
7/1/13 ^{††}	16-30 Min.	5,690	6(1)	948
	31-45 Min.	6,957	7(2)	994
	46-60 Min.	8,223	9(2)	914
	61-75 Min.	9,492	11(3)	863
	76-90 Min.	10,760	14(4)	769

[†] See text of footnote on page 24.

^{††} See text of footnote on page 24.

- (e) Non-Network or Non-Prime Time Variety (Low Budget) - FLTTA Article 6.B.3. and Article 29.B.1.(b)

	Running Time	Minimum Compensation	Guaranteed Days	Compensation for Days Beyond Guarantee
7/1/11	16-30 Min.	\$3,894	4	\$974
	31-45 Min.	4,472	4	1,118
	46-60 Min.	5,050	5	1,010
	61-75 Min.	5,735	5	1,147
	76-90 Min.	6,420	6	1,070
7/1/12 [†]	16-30 Min.	3,962	4	991
	31-45 Min.	4,550	4	1,138
	46-60 Min.	5,138	5	1,028
	61-75 Min.	5,835	5	1,167
	76-90 Min.	6,532	6	1,089
7/1/13 ^{††}	16-30 Min.	4,031	4	1,008
	31-45 Min.	4,630	4	1,158
	46-60 Min.	5,228	5	1,046
	61-75 Min.	5,937	5	1,187
	76-90 Min.	6,646	6	1,108

2. Residual Compensation - FLTTA

- (a) Foreign Budget Plateaus - Article 7.D.1.(b) and (c)

All Types	Running Time	First Plateau	Second Plateau
7/1/11 - 6/30/14	30 min.	\$ 7,000	\$10,000
	45 min.	10,000	14,000
	60 min.	13,000	18,000
	75 min.	15,500	21,000
	90 min.	18,000	24,000

[†] See text of footnote on page 24.

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- (b) Base for Residual Payments for Reruns of New Multi-Camera Prime Time Dramatic Pilots, Presentations or Series Other than in Network Prime Time - Article 31 programs

Running Time	7/1/2011	7/1/2012[†]	7/1/2013^{††}
30 min.	\$11,940	\$12,149	\$12,362
45 min.	16,819	17,114	17,413
60 min.	21,698	22,078	22,464
75 min.	27,083	27,557	28,039
90 min.	32,468	33,036	33,614

- (c) Foreign Budget Plateaus - Article 7.D.1.(d)

Running Time	7/1/11 to 6/30/14
30 min.	\$ 365,000
45 min.	547,500
60 min.	730,000
75 min.	1,295,000
90 min.	1,860,000

- (d) Reruns of Network Prime Time Dramatic Programs in Network Prime Time - Article 7.B.1.(a)

Running Time	7/1/2011 to 7/1/2013
30 min.	\$12,493
45 min.	18,009
60 min.	23,524
75 min.	29,400
90 min.	35,276

[†] See text of footnote on page 24.

^{††} See text of footnote on page 24.

(e) Reruns of Network Prime Time Dramatic Programs Outside of Network Prime Time - Article 7.B.1.(b)

Running Time	7/1/2011	7/1/2012[†]	7/1/2013^{††}
30 min.	\$13,439	\$13,674	\$13,913
45 min.	18,862	19,192	19,528
60 min.	24,285	24,710	25,142
75 min.	29,707	30,227	30,756
90 min.	35,128	35,743	36,369

(f) Residual Base for Foreign Telecasting Payments for Prime Time Dramatic Programs - Article 7.D.2.(a)

Running Time	7/1/2011	7/1/2012[†]	7/1/2013^{††}
30 min.	\$13,439	\$13,674	\$13,913
45 min.	18,862	19,192	19,528
60 min.	24,285	24,710	25,142
75 min.	29,707	30,227	30,756
90 min.	35,128	35,743	36,369

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