prior to the first day of shooting. In the event a DGA 1st AD is not assigned to a project, the completion of the **DGA Commercial Project Listing Form** and submission to the Guild shall be assigned to a different employee by the Producer.

1-304 SECOND ASSISTANT DIRECTORS

The Second Assistant Director ("2nd AD") is the one who is assigned by the Producer as an assistant to the 1st AD in conducting the business of the set or the location site. As such, the 2nd AD shall perform such duties as may be reasonably required of him/her by the 1st AD, UPM or the Producer.

1-305 EXCLUSIVE JURISDICTION

The duties of the Director, UPM, 1st AD and 2nd AD shall be within the exclusive jurisdiction of the Guild. The work of each category shall be performed exclusively by Employees in such categories and no one other than an Employee employed in a DGA category may assist the AD or UPM. However, this language shall not be construed as prohibiting the delegation by the Producer of routine ministerial functions to other persons.

ARTICLE 2 DISPUTES

2-101 DISPUTES

In the event of any dispute concerning the interpretation, application, or breach of any aspect of the Agreement that relates to Guild-represented Employees which may arise between the Guild and the Producer, or between a Guild-represented Employee and the Producer, the parties agree to meet within a reasonable period to discuss the dispute and to attempt to reach, in good faith, a mutually satisfactory resolution. If the parties cannot reach agreement, or if any party refuses to meet within a reasonable period of time, not to exceed fifteen (15) days from the date of written notice of the dispute to the Producer, either party may proceed to arbitration under the voluntary arbitration rules of the American Arbitration Association.

Notwithstanding the foregoing, the Producer or Guild may refer any dispute to the designated representatives of the Guild and the AICP for resolution within fifteen (15) days from the date of the written notice of the dispute to the Producer. The Guild and AICP will meet within twenty (20) days of referral of such dispute. If the Guild and AICP mutually agree on the resolution of the dispute, such decision will be final and binding upon the Guild, the AICP and the Producer. If the Guild

and AICP fail to reach a mutually satisfactory resolution of the dispute within thirty (30) days of the referral, the matter may be submitted to arbitration in accordance with the preceding paragraph.

2-102 LIQUIDATED DAMAGES

In the event an Employer fails to comply with the staffing requirements of this Agreement, the Employer shall be liable to the Guild for liquidated damages. Recognizing the difficulty of ascertaining amounts properly payable for failure to adhere to said staffing requirements, liquidated damages for any breach thereof shall be equal to triple the amount that proper staffing would have actually cost the Employer (i.e., Pension, Health, Trainee Trust, Travel, etc.). In addition to the foregoing, the Guild reserves all other legal and equitable remedies.

2-103 NON-PAYMENT

- (A) Notwithstanding any other provision of this Agreement to the contrary, if the Producer fails for five (5) days, after notice to the Producer, to pay in full any wages due to the Employees covered by this Agreement, any monies due to the Guild, or any payments due to the DGA-Producer Pension and Health Plans (collectively "the Plans") as provided, the Guild may immediately direct the Employees to discontinue work until all sums due have been paid in full and/or may immediately institute action at law or equity, or before an administrative tribunal, to obtain payment of such sums. In any action brought either for arbitration or in a court of law, the claims arising out of non-payment shall include all costs and expenses of the proceedings, including reasonable counsel fees. These rights shall be in addition to all other remedies available to the Guild.
- (B) In the event of any breach of this Agreement by the Producer (including any non-payment by the Producer of sums due any Employee for wages, holiday or vacation pay, or otherwise) the Guild in its own name shall be a proper party in interest to enforce compliance by the Producer with this Agreement on the Guild's own behalf and on behalf of any affected Employees without further assignments or authorizations from them.

2-104 ACCESS AND EXAMINATION OF BOOKS AND RECORDS

(A) The Employer shall assure that duly authorized Guild representatives have reasonable access to the Employer's premises, whether rented, leased or owned to assure compliance with this Agreement.

(B) The Producer shall make available copies of all payroll records pertaining to the bargaining unit, such as canceled payroll checks, stubs, job reports, crew sheets, time cards, tax forms filed by the Producer, records of cash disbursements and all other related pertinent records. The Producer's auditors may, at the request of the Producer, be present during such examination.

ARTICLE 3 PENSION AND HEALTH PLANS

3-101 EMPLOYER PENSION CONTRIBUTIONS

The Producer agrees to become and remain a party to the Directors Guild of America-Producer Pension Plan (herein called the "Pension Plan"), and the Producer shall contribute to the Pension Plan with respect to each employment of a Director, UPM or AD an amount equal to six percent (6%) of their base salary amounts as defined in Article 3-104 (A-D) below.* Each such Director, UPM or AD shall likewise pay into said Pension Plan an amount equal to two and one-half percent (2-1/2%) of such base salary, as computed below for the Producer's contributions, and such amount shall be deducted by the Producer from the salary of such Director, UPM or AD and paid directly to the Pension Plan on behalf of such Director, UPM or AD.

3-102 EMPLOYER HEALTH CONTRIBUTIONS

The Producer agrees to become and remain a party to the Directors Guild of America-Producer Health Plan (herein called the "Health Plan"), and the Producer shall contribute for each Director, UPM and AD employed by the Producer ten and one-half percent (10.5%) of their base salary amounts as defined in Article 3-104 (A-D) below. The Producer shall contribute an additional amount equal to fourteen and one-half percent (14.5%) of the vacation pay paid to UPMs and ADs on their base salary amounts as defined in Article 3-104 (A-D) below.

3-103 LOAN-OUTS

(A) When a Producer borrows the services of an Employee from a loan-out company, as defined in paragraph (C) below, and such Employee renders services covered by this Agreement, the Producer shall make pension and

^{*} The DGA shall have the right to allocate up to one-half percent (0.5%) of the negotiated wage increases in each of the second and third years of the Agreement to the Employer contribution rate to the Directors Guild of America-Producer Pension Plan or to the Directors Guild of America-Producer Health Plan. The DGA shall give notice of any such election applicable to the second and third years of the Agreement to the AICP at least six (6) months prior to December 1, 2018 and December 1, 2019, respectively.