

4-110 WORK IN EXCESS OF 18 HOURS

On any day where a Director works in excess of eighteen (18) hours, the Producer, at its expense, shall offer the Director either:

- i. first class nearby hotel accommodations, or
- ii. transportation provided by a reputable third party car service to the Director's home or hotel if on distant location.

Under either (i) or (ii) the Producer shall not be responsible or liable for any loss, damage, casualty or theft in connection with any property of the Director.

4-111 PRODUCTION CENTERS

Notwithstanding anything to the contrary in this Agreement, the following shall apply to Directors for the purposes of establishing where Directors may be employed as a "local hire." The Director shall designate the Production Center in which he/she wishes to be employed as a "local hire" in accordance with the rules and procedures currently followed by the Guild.

ARTICLE 5
STAFFING, MINIMUM SALARIES AND WORKING CONDITIONS
OF UNIT PRODUCTION MANAGERS, FIRST
AND SECOND ASSISTANT DIRECTORS

5-100 STAFFING

5-101 UPM STAFFING

A UPM shall be employed when the duties of a UPM, as commonly understood in the motion picture industry, are to be performed. A UPM may not perform the functions of a 1st AD unless such UPM is a 1st AD. A 1st AD may perform, with the consent of the Guild, the functions of a UPM interchangeably or in conjunction with the performance of his/her 1st AD duties. An AD is the only person who may assist the UPM in the performance of his/her duties.

AICP Companies: see Paragraph 15 of the AICP Sideletter.

5-102 FIRST ASSISTANT DIRECTOR STAFFING

- (A) A 1st AD shall be employed whenever a production uses a Director. On each commercial, educational, industrial, documentary, institutional and

every other non-theatrical motion picture, at least one 1st AD shall be employed.

AICP Companies: see Paragraph 3 (A) and 3 (C) (ii) of the AICP Sideletter.

- (B) The 1st AD shall be advised of the hiring of crews with which he/she shall have to work. This advice and consultation is a courtesy and unless extensive, does not require additional payment.
- (C) The 1st AD shall be on the set when the shooting of talent and/or the recording of sound is in progress.
- (D) Screen Tests - On screen tests where there is a directed scene with cast, a minimum of one 1st AD shall be employed, subject to the provisions of this Article 5-100, Article 5-301 (B and C) and Article 5-300.
- (E) With respect to commercial projects that begin production in one geographical production area and continue production in another distinct geographical production area, the Producer may, at the Director's discretion, hire a qualified 1st AD who resides in the area where production is continued. For purposes of this paragraph, a distinct geographical production area is defined as being 200 or more miles from the previous geographical production area.

5-103 SECOND ASSISTANT DIRECTOR STAFFING

- (A) The Producer shall assign a 2nd AD:
 - i. When control of background action or crowd control cannot be accomplished by the 1st AD without assistance, or
 - ii. When 12 or more persons are to be photographed, or
 - iii. On all projects shooting outside a studio for four (4) or more consecutive days in which the complement of crew and cast, including the Director and 1st AD, shall total 10 or more.
 - iv. Notwithstanding the absence of (i), (ii), or (iii), above, not less than one day of shooting on each commercial production.

A 2nd 2nd AD or additional 2nd ADs may be employed on any day when an initial 2nd AD is employed, at fifteen percent (15%) less than the scale for the initial 2nd AD. See 2nd 2nd AD rate in Article 5-200.

AICP Companies: see Paragraph 3 (E) and (F) of the AICP Sideletter.

- (B) The 2nd AD shall not be permitted to substitute for or replace or perform the duties of the 1st AD or the UPM.
- (C) The assignment of a 2nd AD shall be made upon the effective recommendation of the 1st AD, subject to the approval of the Producer, which shall not unreasonably be withheld.
- (D) Where the Producer employs a person who is a DGA 2nd AD to perform location scouting, the Producer shall treat that person as being covered by this Agreement for all purposes. Notwithstanding the foregoing, except in the Chicago metropolitan area (i.e., 75 mile radius of the intersection of State and Madison), the Producer shall not be required to treat such persons as covered by this Agreement if such treatment conflicts with its obligations under its agreement with Teamsters Local 817, Teamsters Local 399 or an affiliated local of the International Alliance of Theatrical Stage Employees.

See also Exhibit “T”.

AICP Companies: see Paragraph 3 (D) of the AICP Sideletter.

- (E) With respect to commercial projects that begin production in one geographical production area and continue production in another distinct geographical production area, the Producer may, at the Director’s discretion, hire a qualified 2nd AD who resides in the area where production is continued. For purposes of this paragraph, a distinct geographical area is defined as being 200 or more miles from the previous geographical production area.

5-200 MINIMUM SALARIES*

- 5-201 (A) The minimum salary scales for UPMs and 1st and 2nd ADs shall be as follows:

Unit Production Managers

	<u>12/1/2017</u>	<u>12/1/2018</u>	<u>12/1/2019</u>
Daily	\$831	\$856	\$882
Weekly	\$3,321	\$3,421	\$3,523

First Assistant Directors

	<u>12/1/2017</u>	<u>12/1/2018</u>	<u>12/1/2019</u>
Daily	\$1,008	\$1,038	\$1,069
Weekly	\$4,035	\$4,156	\$4,281

Second Assistant Directors

	<u>12/1/2017</u>	<u>12/1/2018</u>	<u>12/1/2019</u>
Daily	\$563	\$579	\$597
Weekly	\$2,252	\$2,320	\$2,389

Second Second Assistant Directors

	<u>12/1/2017</u>	<u>12/1/2018</u>	<u>12/1/2019</u>
Daily	\$479	\$493	\$508
Weekly	\$1,915	\$1,972	\$2,031

Note: The weekly rate for UPMs, 1st and 2nd ADs is four (4) times the daily rate for such category.

- (B) Any Employee receiving salaries over and above the minimum scale cannot have his or her salary reduced during the term of an agreement.

* Pursuant to Article 3-101 of this Agreement, the Guild has the option to divert one-half percent (0.5%) of the negotiated wage increases for the second and third years of this Agreement to the Employer contribution rates 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 this Agreement to the AICP at least six (6) months prior to December 1, 2018 and December 1, 2019, respectively.

Notwithstanding the foregoing, the Producer and Employee may negotiate a separate rate of pay for (i) days spent on distant location when no work is performed, and (ii) travel days home at the conclusion of the job when no work is performed; provided, however, that the separate rate of pay may not be less than the minimum daily rate of pay set forth in Article 5-201 (A).

- (C) Salaries to weekly Employees shall be paid weekly by check during working hours, except where other arrangements have been made between the Producer and the Guild.
- (D) Employees shall be notified at the time of employment as to the nature of their employment and salary rate (i.e., daily or weekly), which thereafter cannot be changed.
- (E) No wages need be paid for one (1) "idle" day per work week on distant location when no work is performed by the Employee on such day. Pension and health contributions will be paid on scale for that day. An Employee will be notified at or before the time of booking, of a specified or unspecified "idle" day.

5-300 WORKING CONDITIONS

5-301 WORK DAY

- (A) A flat work day shall consist of no more than twelve (12) consecutive hours; in no event, however, shall the call of a 1st AD or 2nd AD be later than the earliest call of the cast or crew. A minimum of a day's pay shall be paid for any work performed during the day at the applicable rate for that day.
- (B) The 1st AD shall not be dismissed prior to his/her crew.
- (C) The 2nd AD shall not be dismissed before 2nd AD duties as defined in Articles 1-303 and 1-304, and Article 5-103 (A) are completed, notwithstanding that such completion may require overtime. This provision shall not apply to 2nd 2nd ADs provided the 2nd AD can complete the 2nd AD duties without assistance.

5-302 WORK WEEK

The work week shall consist of any five (5) consecutive days, commencing with the first of such five (5) days. If work is performed on a holiday which falls

during the work week, the Employee shall receive an additional one-fifth (1/5) of his/her weekly wage. For sixth (6th) and seventh (7th) days spent on overnight locations see Article 5-306 (C).

5-303

OVERTIME*

- (A) The thirteenth (13th) and fourteenth (14th) consecutive work hours shall each be paid at the rate of one-eighth (1/8th) of the Employee's daily rate. The fifteenth (15th) consecutive work hour shall be paid at the rate of one-sixth (1/6th) of the Employee's daily rate.
- (B) On any day in which such Employee continues on the job beyond fifteen (15) hours from the time of his or her call, he/she shall receive a premium of one day's pay (crediting the Employer toward such premium with the sums payable under the preceding paragraph 5-303 (A)) for each five (5) hour segment or portion thereof. Where an Employee works beyond the fifteenth (15th) hour, such five (5) hour segment shall be deemed to have commenced after the twelfth (12th) hour.
- (C) All premium pay shall be paid simultaneously with the regular salary for the payroll week in which it was earned.
- (D) Examples: An Employee who works 13 hours shall receive his/her day rate plus 1/8th of the day rate. An Employee who works 14 hours shall receive his/her day rate plus 1/4 (1/8th plus 1/8th) of the day rate. An Employee who works 15 hours shall receive his/her day rate plus 5/12^{ths} of the day rate (1/8th plus 1/8th plus 1/6th) of the day rate. An Employee who works 16 or 17 hours shall receive his/her day rate plus an additional day's

* Daily rates of pay for Assistant Directors and Unit Production Managers are based upon a guaranteed 12-hour work day. For purposes of any applicable wage and hour provisions, an Employee's hourly rate of pay shall equal 1/14th of the Employee's daily rate for the first eight hours of work, 1.5 times the Employee's hourly rate for the ninth through twelfth hours of work, and the following multipliers for hours worked beyond the twelfth hour:

Hour	Multiplier
13	1.750
14	1.750
15	2.333
16	8.168
17	0.000
18	14.00

For purposes of any applicable wage and hour provisions, any payment in excess of the Employee's hourly rate for any consecutive work hour after the 8th consecutive work hour shall be considered a daily overtime premium.

pay. An Employee who works 18, 19, 20, 21 or 22 hours shall receive his/her day rate plus two additional day's pay.

AICP Companies: see Paragraph 16 of the AICP Sideletter.

5-304 WORK IN EXCESS OF 18 HOURS

On any day where DGA-represented Employees work in excess of eighteen (18) hours, the Producer, at its expense, shall offer the DGA-represented Employees' either:

- i. first class nearby hotel accommodations, or
- ii. transportation provided by a reputable third party car service to the Employees' homes or hotel if on distant location.

Under either (i) or (ii) the Producer shall not be responsible or liable for any loss, damage, casualty or theft in connection with any property of the Employee.

5-305 REST PERIOD

An eight (8) hour rest period shall be provided between calls. If such rest period is not provided, Employees shall receive an additional one (1) day's pay for each period of six (6) hours or portion thereof worked until an eight (8) hour rest period is provided.

5-306 SIXTH AND SEVENTH DAYS

- (A) For each sixth (6th) day worked in an Employee's work week, the Employee shall be paid one hundred fifty percent (150%) of his/her actual gross daily salary in the case of a daily Employee; or one-fifth (1/5) of his/her actual gross weekly salary in the case of a weekly Employee.
- (B) For each seventh (7th) day worked in an Employee's work week, the Employee shall be paid two hundred percent (200%) of his/her actual gross daily salary in the case of a daily Employee; or one-fifth (1/5) of his/her actual gross weekly salary in the case of a weekly Employee.
- (C) On overnight locations, if the assignment has not been completed but no work is performed on the sixth (6th) or seventh (7th) day, the Employee shall receive for each day the Employee's daily rate of pay. If work is performed on the sixth (6th) day, the Employee shall receive 150% of the

Employee's daily rate of pay. If work is performed on the seventh (7th) day, the Employee shall receive 200% of the Employee's daily rate of pay.

5-307 WORK IN HIGHER CLASSIFICATION

Whenever an Employee is required to do work in a higher classification for any part of a day, or days, he/she shall be paid at the higher rate for such day or days.

5-308 PREPARATION AND COMPLETION TIME

- (A) It is herewith understood and agreed that the most effective use of UPMs and 1st ADs and 2nd ADs requires that they be allowed adequate preparation time before shooting and adequate completion time after shooting. The individual requirements for each production shall be decided mutually between the Producer and the Guild.
- (B) The 1st AD shall be given a minimum of one (1) day's preparation for each assignment. In addition, a second mandatory day of preparation will be granted to the 1st AD in the event of three or more consecutive days of photography or two or more substantially different or significantly distant locations, unless circumstances would reasonably warrant a waiver from the Guild.

AICP Companies: see Paragraph 3 (B) and 3 (C) (i) of the AICP Sideletter.

- (C) Moreover, such additional preparation days as are necessary will be granted to the 1st AD in preparation. If no more than two days of preparation are actually necessitated by the requirements of this Agreement and on the production, no more than two shall be mandated hereunder.
- (D) The Producer shall make a reasonable effort to schedule tech scouts so that they do not conflict with the 1st AD's time to prep the job in a timely manner.
- (E) When the 1st AD resigns voluntarily from an assignment, the replacement 1st AD will be paid only for prep days actually worked. The Employer will give the Guild prompt written notice when a 1st AD is replaced and submit a revised CPLF. Notwithstanding the foregoing, there shall be no mandatory day of preparation for a replacement AD, provided the minimum prep period has been afforded to the prior 1st AD.

5-309 MEALS

Reasonable time for appropriate meals shall be allowed all Employees hereunder.

5-310 TRAVEL TIME

- (A) Where Employees are assigned to start their day at any studio or location outside Los Angeles County, California, or outside the five (5) boroughs of New York City, the Employees' travel time shall be included in the work day.
- (B) Work at a location requiring an overnight stay shall be considered a distant location.
- (C) An Employee who travels to a distant location shall have all travel time counted as time worked and paid for as such, except that travel on the sixth (6th) or seventh (7th) day or a holiday to a distant location shall be paid at one-fifth (1/5) the weekly rate, or one (1) day's pay at the daily rate for each travel day, providing no work has been performed on such sixth (6th), seventh (7th) day or holiday. In addition, for commercials that start outside North America, or are entirely shot outside North America, the outbound travel day shall not start the work week for purposes of calculating subsequent sixth (6th) and seventh (7th) day payments provided no authorized work is performed by the Employee on that travel day.
- (D) ADs and UPMs shall travel Business Class when travel either originates or terminates outside the forty-eight (48) Continental United States and the scheduled arrival time at the ultimate destination is five (5) hours or more after the scheduled departure time. In all other cases, ADs and UPMs shall travel in the same class of service as the Director.
- (E) The Producer shall provide first-class meals and first-class accommodations and reasonable and necessary expenses for all Employees on, to and from location. Separate rooms shall be provided for each Guild member employed where reasonably possible.
- (F) Employees shall not be required to drive transportation vehicles.
- (G) The Producer shall provide for full insurance coverage of all Employees while traveling to and from any location. Minimum travel insurance shall be \$100,000.00 coverage. Beneficiary is to be of Employee's choice. Prior to undertaking such travel, the Employee shall be shown proof of

such insurance unless a copy thereof shall have been placed on file with the Guild.

- (H) When the 1st AD is required by the Employer to drive their own vehicle to scout locations then such employee shall receive mileage reimbursement at the then current I.R.S. rate.

5-311

HOLIDAYS

- (A) The following holidays shall be recognized in this Agreement: New Year's Day; Martin Luther King's Birthday; President's Day; Memorial Day; Independence Day; Labor Day; Veteran's Day; Thanksgiving Day; and Christmas.
 - i. For holidays worked, an Employee shall receive an additional day at the Employee's daily rate (or one-fifth of the Employee's weekly rate).
 - ii. As compensation for unworked holidays, an Employee shall receive, upon layoff or dismissal or any other termination of his/her employment, 3.292% of his/her salary.
 - iii. If any of the above holidays falls on Sunday, the following Monday shall be considered the holiday.
 - iv. If any of the above holidays falls on Saturday, the preceding Friday shall be considered the holiday.
- (B) If the Employer in a national collective bargaining agreement with any other Guild or Union grants any additional holiday not listed above, the holiday shall be deemed included hereunder.

5-312

VACATIONS

- (A) All Employees employed by a Producer for 115 work days out of 130 in a 26-week period shall receive one week's vacation with pay and one additional day for each twenty-five days subsequently worked, up to two (2) weeks for 230 work days out of 260. All Employees employed by a Producer for 230 out of 260 work days shall receive two (2) weeks' vacation with pay annually. All Employees who have been employed by the Producer for five (5) years or more shall receive three (3) weeks' vacation with pay annually. All Employees who have been employed for

ten (10) years or more shall receive four (4) weeks' vacation with pay annually.

- (B) All freelance UPMs and ADs employed by the Producer shall, upon layoff or dismissal or any other termination of employment prior to 115 days of consecutive employment, receive four percent (4%) of their gross salary as vacation pay.
- (C) Producer shall make contributions to the DGA Health Plan on vacation pay as set forth in Articles 3-102 and 3-104.

5-313

CONCLUSION/TERMINATION OF SERVICES

- (A) When an Employee is hired at the daily rate, he/she shall be notified by the Producer prior to 2:00 P.M. if his/her work is to conclude at the end of that particular day. In the event that such notice is not given, the Employee shall be deemed hired for the following day.
- (B) When services of a daily Employee are terminated, he/she shall be paid by check the same day all monies due him/her under the Agreement. The Employee shall be given a separate form itemizing gross salary, all deductions made from the salary and net payment unless such information is contained on the check stub.
- (C) Employees employed by the Producer for more than two (2) months shall be entitled to two (2) weeks' notice of conclusion or termination or two (2) weeks' pay in lieu thereof. The same notice shall be required from such Employees leaving their job position. To assure enforcement of the foregoing provision, the Guild agrees to take immediate disciplinary action against any Employee failing to give the required notice of resignation.
- (D) No Employee hereunder shall be dismissed prior to the conclusion of his/her assignment except for just cause.
- (E) The Producer agrees to comply with all applicable federal and state labor laws (e.g., California Labor Code Section 201.5).

5-314

CANCELLATION FEE

- (A) The Producer shall pay a cancellation fee of one day's pay at the Employee's daily rate (or one-fifth of the Employee's weekly rate) to each Assistant Director whom the Producer has employed for a commercial and

who has reserved the time exclusively for the Producer, provided all the following conditions are established:

- i. The commercial is canceled or postponed by the Agency less than forty-eight (48) hours before the Assistant Director is scheduled to begin work. If cancellation occurs 48 hours or more hours prior thereto, no cancellation fee shall be payable.
 - ii. The Assistant Director has immediately used his/her best efforts to obtain other employment for substantially the time reserved for the Producer and has been unsuccessful.
- (B) The cancellation fee shall not apply to situations when production or shooting is curtailed or the Assistant Director's work schedule is reduced by an accelerated production schedule or other situations where cancellation or postponement occurs after production has commenced.
 - (C) When consecutive engagements for the same Producer on different commercials are canceled or postponed, the cancellation fee shall not exceed one day.
 - (D) Cancellation fees shall not be subject to Pension or Health Plan contributions and shall apply only to freelance Assistant Directors.

5-315

SEVERANCE PAY

- (A) An Employee employed for 115 out of 130 work days in a 26-week period, whose services are terminated by the Producer for a reason except for just cause, shall receive from the Producer severance pay in a lump sum as follows: two and one-half (2 ½) days of pay after six (6) months of employment; four (4) days of pay after nine (9) months of employment; five (5) days of pay after a years employment. After one (1) year, severance pay shall be computed at one-half (½) days pay per month for the first ten (10) months of each subsequent year to achieve a total of at least one (1) week's pay for each year up to fifteen (15) years. Payment shall be made at the Employee's prevailing wage rate at the time of severance of employment. The Producer shall have the right to make all deductions required by any governmental authority from such severance pay. For the purposes hereof, all of an Employee's credited employment shall be accumulated except such employment as preceded any thirty (30) consecutive days during which the Employee was not on the Producer's payroll by reason of a layoff. In no event shall severance pay be paid to an Employee twice in respect to the same period of employment.

- (B) In case there was, or may be, any change of corporate name or organization by the Producer, or if there was or may be a sale or transfer of the assets to another company, then and in such event all employment, either under the Producer's original or changed corporate name, or with such other company, shall be included in the computation of the severance pay required to be paid as herein provided by the Producer at the time of discharge. Time spent by an Employee in any branch of the Armed Forces of the United States shall also be included in the computation for purposes of Article 5-315 (A) above.
- (C) In the event of the death of an Employee, the Producer shall pay to whomever the Employee may have designated in writing to the Producer, or, if no such designation has been made, to the Employee's beneficiary under the life insurance provided by the Health Plan Article 3-102 of this Agreement, an amount equal to the amount of severance pay such Employee would have received had he/she been discharged on the date of his/her death; provided, however, that from such amount there may be deducted by the Producer so much of life insurance, if any, that may be payable in the life of such Employee at the time of his/her death as may have been purchased by the Producer (not by any Plan herein) for him/her at the sole expense of the Producer.

5-316

PRODUCTION CENTERS

Notwithstanding anything to the contrary in this Agreement, the following shall apply to Unit Production Managers and Assistant Directors for the purposes of establishing where Unit Production Managers and Assistant Directors may be employed as a "local hire." The Unit Production Manager and Assistant Director shall designate the Production Center in which he/she wishes to be employed as a "local hire" in accordance with the rules and procedures currently followed by the Guild.