

Sideletter No. 25

As of July 1, 2005;
Revised as of July 1, 2008;
Revised as of July 1, 2011;
Revised as of July 1, 2014;
Revised as of July 1, 2017

Russell Hollander
National Executive Director
Directors Guild of America, Inc.
7920 Sunset Boulevard
Los Angeles, California 90046

Re: "Supersized" Episodes

Dear Mr. Hollander:

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:

Russell Hollander

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)
7/1/17	30 Min.	\$27,076	7	\$3,868	\$4,835
	45 MIN.	36,529	10	3,653	4,566
	60 Min.	45,981	15	3,065	3,831
	75 MIN.	61,309	20	3,065	3,831
	90 Min.	76,636	25	3,065	3,831
7/1/18	30 Min.	27,482	7	3,926	4,908
	45 MIN.	37,077	10	3,708	4,635
	60 Min.	46,671	15	3,111	3,889
	75 MIN.	62,229	20	3,111	3,889
	90 Min.	77,786	25	3,111	3,889
7/1/19	30 Min.	27,894	7	3,985	4,981
	45 MIN.	37,633	10	3,763	4,704
	60 Min.	47,371	15	3,158	3,948
	75 MIN.	63,162	20	3,158	3,948
	90 Min.	78,953	25	3,158	3,948

- (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
7/1/17	30 Min.	\$11,239	6	\$1,873
	45 Min.	15,951	9	1,772
	60 Min.	20,662	12	1,722
	75 Min.	26,843	17	1,579
	90 Min.	33,024	24	1,376
7/1/18	30 Min.	11,520	6	1,920
	45 Min.	16,350	9	1,817
	60 Min.	21,179	12	1,765
	75 Min.	27,515	17	1,619
	90 Min.	33,850	24	1,410
7/1/19	30 Min.	11,808	6	1,968
	45 Min.	16,758	9	1,862
	60 Min.	21,708	12	1,809
	75 Min.	28,202	17	1,659
	90 Min.	34,696	24	1,446

- (c) Network Prime Time Variety (Includes FBC) - FLTTA Article 6.B.1.(a) and Article 29.B.9.(a)

	Running Time	Minimum Compensation	Guaranteed Days (days need not be consecutive)	Compensation for Days Beyond Guarantee
7/1/17	16-30 Min.	\$9,705	5(1)	\$1,941
	31-45 Min.	13,265	7(2)	1,895
	46-60 Min.	16,825	9(2)	1,869
	61-75 Min.	25,243	12(3)	2,104
	76-90 Min.	33,660	18(4)	1,870
7/1/18	16-30 Min.	9,948	5(1)	1,990
	31-45 Min.	13,597	7(2)	1,942
	46-60 Min.	17,246	9(2)	1,916
	61-75 Min.	25,874	12(3)	2,156
	76-90 Min.	34,502	18(4)	1,917
7/1/19	16-30 Min.	10,197	5(1)	2,039
	31-45 Min.	13,937	7(2)	1,991
	46-60 Min.	17,677	9(2)	1,964
	61-75 Min.	26,521	12(3)	2,210
	76-90 Min.	35,365	18(4)	1,965

- (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
7/1/17	16-30 Min.	\$6,373	6(1)	\$1,062
	31-45 Min.	7,792	7(2)	1,113
	46-60 Min.	9,211	9(2)	1,023
	61-75 Min.	10,631	11(3)	966
	76-90 Min.	12,051	14(4)	861
7/1/18	16-30 Min.	6,532	6(1)	1,089
	31-45 Min.	7,987	7(2)	1,141
	46-60 Min.	9,441	9(2)	1,049
	61-75 Min.	10,897	11(3)	991
	76-90 Min.	12,352	14(4)	882
7/1/19	16-30 Min.	6,695	6(1)	1,116
	31-45 Min.	8,186	7(2)	1,169
	46-60 Min.	9,677	9(2)	1,075
	61-75 Min.	11,169	11(3)	1,015
	76-90 Min.	12,661	14(4)	904

- (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
7/1/17	16-30 Min.	\$4,515	4	\$1,129
	31-45 Min.	5,186	4	1,297
	46-60 Min.	5,856	5	1,171
	61-75 Min.	6,650	5	1,330
	76-90 Min.	7,444	6	1,241
7/1/18	16-30 Min.	4,628	4	1,157
	31-45 Min.	5,315	4	1,329
	46-60 Min.	6,002	5	1,200
	61-75 Min.	6,816	5	1,363
	76-90 Min.	7,630	6	1,272
7/1/19	16-30 Min.	4,744	4	1,186
	31-45 Min.	5,448	4	1,362
	46-60 Min.	6,152	5	1,230
	61-75 Min.	6,987	5	1,397
	76-90 Min.	7,821	6	1,304

- (f) 30-Minute Dramatic Program Made for Basic Cable in its Second or Subsequent Season and Budgeted at \$1,325,000 or More or 60-Minute Dramatic Program Made for Basic Cable in its Second or Subsequent Season Budgeted at \$2,200,000 or More - FLTTA Articles 31.A.2.(a) and 31.A.2.(b)

	Running Time	Minimum Compensation	Guaranteed Days	Compensation for Days Beyond Guarantee	Daily Rate (Where Permitted)
7/1/17	30 Min.	\$14,900	7	\$2,129	\$2,661
	45 Min.	22,351	10	2,235	2,794
	60 Min.	29,801	14	2,129	2,661
	75 Min.	31,413	17	1,848	2,310
7/1/18	30 Min.	15,273	7	2,182	2,728
	45 Min.	22,910	10	2,291	2,864
	60 Min.	30,546	14	2,182	2,728
	75 Min.	32,198	17	1,894	2,368
7/1/19	30 Min.	15,655	7	2,236	2,795
	45 Min.	23,483	10	2,348	2,935
	60 Min.	31,310	14	2,236	2,795
	75 Min.	33,003	17	1,941	2,426

2. Residual Compensation - FLTTA

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

All Types	Running Time	First Plateau	Second Plateau
7/1/17 - 6/30/20	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

- (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 32 programs

Running Time	7/1/2017	7/1/2018	7/1/2019
30 min.	\$13,577	\$13,713	\$13,850
45 min.	19,125	19,317	19,510
60 min.	24,673	24,920	25,169
75 min.	30,796	31,104	31,415
90 min.	36,919	37,288	37,661

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

Running Time	7/1/17 to 6/30/20
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	7/1/17 to 6/30/20
30 min.	\$13,258
45 min.	19,111
60 min.	24,963
75 min.	31,200
90 min.	37,436

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

Running Time	7/1/2017	7/1/2018	7/1/2019
30 min.	\$15,281	\$15,434	\$15,588
45 min.	21,447	21,662	21,878
60 min.	27,613	27,889	28,168
75 min.	33,778	34,116	34,457
90 min.	39,943	40,342	40,745

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

Running Time	7/1/2017	7/1/2018	7/1/2019
30 min.	\$15,508	\$15,896	\$16,293
45 min.	21,766	22,311	22,868
60 min.	28,024	28,725	29,443
75 min.	34,281	35,138	36,016
90 min.	40,537	41,550	42,589