

## ARTICLE 5

### **Directors' Term Contracts**

#### **5-101      Term Contract Defined**

The words “*term contract*,” as herein used, shall be deemed to mean a contract for the exclusive employment of a Director for a basic or original term of not less than twenty-six (26) weeks, with or without layoffs. If any such term contract shall include one or more option periods of employment, no such option period shall be for less than twenty-six (26) weeks, with or without layoffs, subject to the provisions of Paragraph 10-111 herein, providing for “Options-Notice to Director.” Whenever the Employer exercises an option for an additional term, the Director shall be given at least thirty (30) days' advance written notice.

#### **5-102      Application of Minimum Salary to Term Contracts**

The obligation of the Employer, upon entering into a term contract for the employment of a minimum salary term contract Director, shall be wholly satisfied by the payment of such applicable minimum salary, for the applicable periods, subject to the provisions of Article 6.

#### **5-103      Layoff**

- (a) In any exclusive term contract of employment granting the Employer the right to lay off without pay, if the Employer exercises the right of layoff, any installment of layoff shall be for a minimum of one (1) full week, except that if the remainder of the allowable layoff is less than one (1) full week, the Employer may lay the Director off for such remaining balance, and, except further, if any installment of allowable layoff is given at the end of a contract period, it may be given for the remainder of such contract period even though such remainder is less than one (1) full week.

- (b) If the contract period of twenty (20) out of twenty-six (26) weeks has an option for renewal and such option is exercised, one (1) layoff must be for three (3) weeks (herein referred to as the “special layoff period”); three (3) layoffs must be for two (2) weeks each; and three (3) layoffs must be for one (1) week each. If the twenty (20) out of twenty-six (26) week contract does not have an option for renewal, or if it has such an option and the option is not exercised, one (1) of the layoffs must be not less than two (2) weeks (herein referred to as the “special layoff period”) and the other layoffs must be not less than one (1) week. Such layoffs may be consecutive or cumulative. In every instance of layoff, or consecutive layoffs, minimum notice of not less than one (1) week must be given. If the layoff is for only a week, then such notice need be only three (3) calendar days. Except when the Director receives at least double minimum, in every instance of layoffs of eight (8) continuous weeks or more, the Director shall have the right to accept assignments from others during the layoff period, but such assignment shall not extend beyond such layoff period.
- (c) If, during a layoff period other than the special layoff period, the Employer recalls the Director for a new picture, and the Director has been on layoff for less than one (1) full week at the time the Director is so recalled, the Employer shall pay for the intervening time which will then not be considered layoff for any purpose.
- (d) During any layoff period, the Employer shall have the right to recall the Director to render services on a picture in connection with the principal photography of which the Director has previously rendered his or her services. Services for which the Director is so recalled shall be paid for on a daily basis for each day on which they are rendered, or the Employer may, at its option, pay the Director for the entire intervening time, and in the latter case, such intervening time will not be considered layoff for any purpose.
- (e) If the Employer recalls the Director for retakes, added scenes, or other services of the nature mentioned in Paragraph 4-105, during any layoff period, then the Employer shall be required to

give the Director another equivalent layoff period if there remains sufficient time in that contract period for another such layoff period. If the Employer elects to pay the Director for the intervening time, however, such equivalent layoff is not mandatory.

- (f) If, at any time during any special layoff period, the Employer recalls the Director for a new picture, the Employer shall pay the Director for the full intervening time which shall then not be considered layoff.
- (g) It is understood that if, during any contract period above mentioned, the Employer has failed to exercise its right to place the Director on layoff until such time as the unexpired portion of such contract period is less than the required minimum layoff period, then the Employer may place the Director on layoff for the remainder of such contract period.
- (h) A layoff period shall not be deemed broken and the Employer shall not be required to pay the Director compensation for delivery or submission of a script or other literary or dramatic material when the Director has right of script approval or for any services the Director voluntarily chooses to perform during any layoff period.
- (i) The provisions governing layoffs contained above shall apply to television motion pictures.