

**SIDELETTER RE HALF-HOUR SERIES SYNDICATED IN MARKETS
REPRESENTING 50% OR FEWER OF U.S. TELEVISION HOUSEHOLDS**

As of July 1, 2002;
Renewed as of July 1, 2005;
Renewed as of July 1, 2008;
Renewed as of July 1, 2011;
Revised as of July 1, 2014;
Revised as of July 1, 2017;
Revised as of July 1, 2020

Carol A. Lombardini
President
Alliance of Motion Picture and Television Producers
15301 Ventura Boulevard, Building E
Sherman Oaks, California 91403-5885

**Re: Experiment in Syndication of Half-Hour Series in Markets Representing
50% or Fewer of U.S. Television Households**

Dear Carol:

Reference is made to the provisions of Article 7., Section B.1.(b) of the FLTTA. During the 2002 negotiations, the Employers expressed a concern that if a series could only be syndicated in markets representing 50% or fewer of the U.S. television households, the fixed residuals payable pursuant to Article 7., Section B.1.(b) of the FLTTA would render such syndication fiscally untenable. The Employers asserted that the payment of any residuals in such circumstances would benefit both the Employer and the individual directors since no payments are presently made.

While the DGA expressed concern that an accommodation might be subject to abuse or otherwise reduce overall syndication residuals, the parties agreed to an experiment for the term of the 2002 Agreement, to be reviewed each successive term, to determine its effectiveness and whether or not it should be extended. The parties have agreed to renew the experiment for an additional term commencing July 1, 2020 and terminating June 30, 2023 but only with respect to licenses entered into prior to July 1, 2020. Employers agree to provide the DGA with license fee information at the time of the first payment hereunder.

When a half-hour series is syndicated in markets representing in the aggregate fifty percent (50%) or fewer of U.S. television households pursuant to a license agreement entered into prior to July 1, 2020, residuals for such series shall be payable at twenty percent (20%) of the “applicable minimum” under the FLTTA

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for each such run but shall not constitute a "run" for purposes of Article 7., Section B.1.(b) of the FLTTA.

If the series is further syndicated pursuant to a license agreement entered into prior to July 1, 2020 and the aggregate of the markets in which the series is syndicated exceeds fifty percent (50%) of the U.S. television households, the payments required pursuant to Article 7., Section B.1.(b) of the FLTTA shall be due on any subsequent runs.

This experiment will only apply to series that have not yet been placed into syndication as of July 1, 2002 and that are subject to a license agreement entered into prior to July 1, 2020.

Very truly yours,

DIRECTORS GUILD OF AMERICA, INC.

By: 
Russell Hollander
National Executive Director

ACCEPTED AND AGREED:

The respective signatory companies represented by
The ALLIANCE OF MOTION PICTURE AND
TELEVISION PRODUCERS, INC.

By: 
Carol A. Lombardini
President