

- (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 eight and one-half percent (8.5%) of their base salary amounts as defined in Article 3-104 (A-D) below, effective December 31, 2021.* 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

* The Employer contribution rate in effect for January 1, 2021 to December 30, 2021 is eight percent (8%) of the base salary amounts.

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 health contributions directly to the Plans on behalf of the loan-out company.
- (B) In its agreement with the loan-out company, the Producer shall separately state the compensation applicable to services covered by this Agreement. Contributions shall be based on the amount the Producer pays the loan-out company for lending the Employee's covered services.
- (C) The term "loan-out" means a company which is controlled by the Employee and loans the Employee's services to the Producer.

AICP Companies: see Paragraph 1 of the AICP Sideletter.

3-104 DEFINITION OF SALARY FOR PENSION AND HEALTH CONTRIBUTIONS

The following shall apply with respect to payment of pension and health contributions:

- (A) Contributions to the Plans shall be made on total gross compensation, as defined in this Article 3-104, on behalf of all Employees covered by the Agreement.
- (B) With respect to Directors, UPMs and ADs (who are not Principals) who are engaged to work solely in a DGA-covered capacity, total gross compensation includes, but is not limited to, all salary, wages, fees (except cancellation fees set forth in Article 5-314), profit participation and expenses, except those expenses which are incurred solely and exclusively in connection with a specific production.
- (C) With respect to Directors, UPMs and ADs (who are not Principals) who are engaged to work in multiple capacities (e.g., Producer/Director, Director/Cameraman, Producer/AD), total gross compensation includes,

but is not limited to, all salary, wages, fees (except cancellation fees set forth in Article 5-314), profit participation and expenses (except those expenses which are incurred solely and exclusively in connection with a specific production), paid for services rendered in a DGA-covered capacity. A reasonable allocation between DGA-covered work and non-DGA work will be allowed provided that sufficient documentation (e.g., time sheets for each capacity, daily production reports, call sheets, deal memos, contracts, etc.) is maintained by the Employer to support the allocation.

- (D) With respect to Principals (Directors, UPMs and ADs), without regard to whether or not they perform work solely in DGA-covered capacities or in multiple capacities, total gross compensation includes, but is not limited to, all salary, wages, fees (except cancellation fees set forth in Article 5-314), profit participation and expenses, except those expenses which are incurred solely and exclusively in connection with a specific production. Such contributions shall be made on such salaries up to a maximum of two hundred ninety thousand dollars (\$290,000.00) in a calendar year, to go into effect the calendar year beginning January 1, 2022.*
- (E) A Principal Director, Principal UPM or Principal AD is an individual who, either alone or in combination with his or her spouse, parents, siblings and/or lineal descendants (collectively “Family”) owns, directly or indirectly through other entities, 10 percent (10%) or more of the equity of the Producer. However, the individual shall not be a Principal Director if the Plans determine that all of the following conditions are met during the calendar year in question: (i) the individual does not own, directly or indirectly through other entities, any equity in the Producer, and (ii) another Family member owns, directly or indirectly through other entities, equity of the Producer, is performing DGA-covered work for the Producer and makes contributions subject to the provisions of Article 3-104 (D).

AICP Companies: see Paragraph 1 of the AICP Sideletter.

3-105 REPORTING CONTRIBUTIONS

- (A) Simultaneously with such remittances, the Employer shall forward to the Plans, statements specifying the names of the Employees for whom the contributions are being made, the dates of their employment and the total amount allocable to each Employee. On such form, the Producer shall

* For the period from December 1, 2021 through December 31st, 2021, the maximum salary on which contribution shall be made for Principals is \$250,000.

identify Principal Directors, Principal UPMs, Principal Assistant Directors, Staff UPMs and Staff ADs by placing the following initials next to the Employee's name:

- i. "PD" for Principal Director;
- ii. "PU" for Principal UPM;
- iii. "PAD" for Principal Assistant Director;
- iv. "SU" for Staff UPM;
- v. "S1A" for Staff First Assistant Director; or
- vi. "S2A" for Staff Second Assistant Director.

- (B) Payments of contributions as herein required are to be made on a monthly basis, no later than the last day of each month for accruals during the preceding month. If so required by the Trustees of such Plans, the statements accompanying the remittance shall be on forms supplied by the Plan. On such form, if a loan-out company is used, the Producer will indicate "LO" next to the names of all Guild personnel employed through the loan-out company.
- (C) If an Employer fails to make payments on the date set forth above, and is given ten (10) days' written notice thereof by certified mail, the following liquidated damages shall be added to the amount due: ten percent (10%) for any portion of the first sixty (60) days and 10% additional for each succeeding sixty (60) day period or portion thereof, up to 25%.
- (D) A copy of the monthly remittance form shall be mailed to the DGA regional office (i.e., either east coast or west coast) closest to where the Producer maintains its office.

3-106

TRUST AGREEMENTS

- (A) The Producer and Guild agree to accept, assume and be bound by the Trust Agreements establishing the "Directors Guild of America-Producer Pension Plan" and "Directors Guild of America-Producer Health Plan" and all modifications, alterations, and amendments made thereto. The Plan office shall, upon request, furnish to the Producer a copy of said Trust Agreements.
- (B) The right of the Trustees of such Plans to enforce collections and contributions due hereunder shall in no way affect or diminish the rights of the Guild to enforce the terms of this Agreement.

- (C) The Directors Guild of America-Producer Pension and Health Plans may include the Guild as an Employer in respect to its full-time paid employees upon the Guild's agreeing to make the same contributions on their account.
- (D) Should it become necessary to institute a suit or other proceeding against the Producer by reasons of its default or delinquency in the payment of contributions hereunder, reasonable legal fees and any accounting or other expenses incurred shall constitute an additional liability of the Producer, recoverable in such suit or other proceeding.
- (E) The Producer specifically agrees to be bound by the provisions of the Trust Agreements relating to payment of attorneys' fees, court costs, interest, liquidated damages and auditing costs in connection with delinquent contributions to the Plans, as they now exist and as they may be modified in the future.

3-107

NON-PAYMENT OF PENSION AND HEALTH CONTRIBUTIONS

Notwithstanding any other provision of this Agreement to the contrary, should a Producer fail to pay contributions to the Directors Guild of America-Producer Pension and Health Plans or fail to transmit the deducted Employee contributions as required by this Agreement, and such failure results in an Employee losing his/her pension and/or health rights, then such Producer agrees, in addition to paying and transmitting the proper contributions, to be liable for all costs and losses to that Employee which occurred due to bodily injuries and all medical costs that would have otherwise been reimbursed by or paid for by the Directors Guild of America-Producer Pension and Health Plans during the period in question, and all retirement benefits which the Employee might otherwise have received during that period from the Pension Plan, provided that the Guild notifies such Producer in writing by certified mail at least ten (10) days prior to the expiration of any grace period set forth in the Directors Guild of America-Producer Pension and Health Plans.

3-108

ACCESS AND EXAMINATION OF BOOKS AND RECORDS

- (A) 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.

- (B) If the Plan's auditors, after examining the records herein described, reasonably conclude that such records do not accurately reflect contractually required payments to Guild personnel by the Producer for work covered by the Collective Bargaining Agreement (and with respect to which contributions should have been made), then the auditors shall discuss with the Producer's accountants what additional records or information are relevant and necessary to conclude the audit, provided, however, that such discussion does not unreasonably delay the audit.
- (C) If such discussions (and/or review of additional records or information submitted by the Producer) do not resolve the Plan's auditors' reasonable concerns, the Producer shall permit access to its general ledger, it being understood, however, that the parties and the Plans recognize that information concerning salaries, dividends and profits paid to Principals, shareholders and owners of the Producer and related matters are confidential, and that the auditor shall be obligated to keep such information confidential. The statute of limitations governing such audits shall be as set forth by applicable law.

AICP Companies: see Paragraph 2 of the AICP Sideletter.

3-109

COMMERCIAL INDUSTRY ADMINISTRATIVE FUND

The AICP shall establish or has established a Commercial Industry Administrative Fund ("CIAF"). The CIAF shall be utilized solely for the purposes of defraying the cost and expenses of the AICP incurred in labor relations, contract negotiations with the Guild and ongoing contract administration including, but not limited to, administration, legal fees, consultant fees, staff costs, web site and seminar costs, publication and distribution of contract/negotiation/administration related bulletins, labor relations costs and costs involved in administering the grievance and arbitration process. The funds of the CIAF shall not be used to support non-Guild productions, discourage or undermine membership in the Guild, nor fund any actions adverse to the Guild. It is agreed that such adverse actions do not include the administration or negotiation of the Agreement or actions taken in the protection of this Agreement's provisions, rights and remedies in any forum.

The CIAF shall be funded by Employer contributions in the amount equal to 0.35% of the compensation base upon which the Employer makes contributions to the DGA-Producer Pension & Health Plans for each such Employee. Contributions to the CIAF shall be paid to the AICP (or its designated collecting fund) and held in a separate AICP (CIAF) account (or by its designated collecting fund for transmittal to AICP) and administered as determined by AICP in

accordance with the purposes of the CIAF as set forth in this Section. The AICP on behalf of the CIAF, or AICP's assigns or designee (not the Guild) shall be responsible for enforcement of delinquent contributions to the CIAF and such parties, or any of them, in their own name shall have all enforcement rights, remedies and procedural standing to maintain any action or proceeding, at law or equity, necessary to audit and/or recover delinquent contributions along with court cost, reasonable attorney's fees, and pre-judgement interest.

ARTICLE 4
MINIMUM SALARIES AND WORKING CONDITIONS OF DIRECTORS

4-101 **MINIMUM SALARIES**

(A) The minimum rates of pay for Directors shall be as follows:

	<u>12/1/2021</u>	<u>12/1/2022</u>
Daily	\$1,573	\$1,620
Weekly	\$6,292	\$6,480

(B) The parties agree that a Director hired for a specific period of time shall receive not less than the salary rate provided for herein. A Director who is laid off as a consequence of emergencies, acts of God, strikes of other crafts, and other like causes beyond the control of the Producer, shall, nevertheless, be compensated on the basis of the weekly rate provided for herein and not the daily rate.

(C) In the event that the Producer agrees to employ a Director for a fixed period of time, such employment shall be deemed to be on a consecutive basis.

(D) A Director shall be paid total gross compensation, excluding profit participation, associated with a specific production no later than the period provided in applicable state law.

4-102 **PREPARATION TIME - DIRECTOR**

If a Director is employed to do work in television commercials, he shall receive a minimum of one day of preparation time. If, however, the Director is called for a single day's employment, and the time period between the start of camera