

February 3, 2017

**MEMORANDUM OF AGREEMENT FOR  
DIRECTORS GUILD OF AMERICA BASIC AGREEMENT OF 2017  
AND FREELANCE LIVE AND TAPE TELEVISION AGREEMENT OF 2017**

This Memorandum of Agreement is entered into between the Directors Guild of America, Inc. (“DGA”) and the Alliance of Motion Picture and Television Producers, Inc. (“AMPTP”), on behalf of the Employers which authorized the AMPTP to bargain on their behalf, which Employers are listed on Attachments #1 (Basic Agreement) and #2 (FLTTA) hereto.

The Directors Guild of America Basic Agreement of 2014 is referred to herein as “the 2014 BA” and the Directors Guild of America Freelance Live and Tape Television Agreement of 2014 is referred to herein as “the 2014 FLTTA.” The terms of the 2014 BA (including all sideletters) shall be incorporated in the Directors Guild of America Basic Agreement of 2017, except as provided below and subject to conforming changes. The terms of the 2014 FLTTA (including all sideletters) shall be incorporated in the Directors Guild of America Freelance Live and Tape Television Agreement of 2017, except as provided below and subject to conforming changes. The terms of this Memorandum of Agreement shall prevail over any inconsistent provision in the 2014 BA or 2014 FLTTA. The language in this Memorandum is not in contract language, except when so designated or when the context clearly indicates otherwise.

The provisions herein shall be effective as of the dates hereinafter set forth, except that when no date is specified, the provisions shall be effective as of July 1, 2017.

1. **Term**

The term of the 2017 BA and the 2017 FLTTA shall be for three (3) years, commencing on July 1, 2017 to and including June 30, 2020.

2. **Compensation**

- a. Minimum salaries and residuals in the 2017 BA and 2017 FLTTA shall be increased as follows:
  - i. Except as provided elsewhere in Item 2.a. below and in Item 11 below, all salary rates shall be increased by two and one-half percent (2.5%) effective July 1, 2017, by an additional three percent (3.0%) effective July 1, 2018 and by an additional three percent (3.0%) effective July 1, 2019. These increases shall be compounded.
  - ii. The salary rates for directors of network prime time dramatic programs, directors of pay television motion pictures (other than on a pay-per-view basis) of a type generally produced for network prime time television, directors of High Budget SVOD Programs in Budget Tier (1) for initial exhibition on a subscription consumer pay platform with 20 million or more subscribers, and directors of strip dramatic non-network and network non-prime time programs (see Article 6, Section D.1. of the FLTTA) shall

be increased by one and one-half percent (1.5%) effective July 1, 2017, by an additional one and one-half percent (1.5%) effective July 1, 2018 and by an additional one and one-half percent (1.5%) effective July 1, 2019. These increases shall be compounded.

- iii. The salary rates for directors of High Budget SVOD Programs in Budget Tier (2) for initial exhibition on a subscription consumer pay platform with 20 million or more subscribers and in Budget Tiers (1) and (2) for initial exhibition on a subscription consumer pay platform with fewer than 20 million subscribers shall be increased by the general wage increase as set forth in Paragraph 2.a.i above.
- iv. The salary rates for directors of sports programs (see Article 6., Section F. of the FLTTA) and for directors of news and commentary programs (see Article 6., Section G. of the FLTTA) shall be increased by two percent (2.0%) effective July 1, 2017, by an additional two and one-half percent (2.5%) effective July 1, 2018 and by an additional two and one-half percent (2.5%) effective July 1, 2019. These increases shall be compounded.
- v. The salary rates for local freelance directors (see Article 6, Section H.2. of the FLTTA) shall remain at the rates in effect as of June 30, 2017.
- vi. Residuals for reruns of dramatic programs in network prime time shall remain at the rates in effect as of June 30, 2017.
- vii. Residual bases for network non-prime time, syndication (see Paragraphs 11-101(b)(2) and 24-301) and basic cable shall be increased by one percent (1.0%) effective July 1, 2017, by an additional one percent (1.0%) effective July 1, 2018 and by an additional one percent (1.0%) effective July 1, 2019.
- viii. Residual bases for foreign free television (see Paragraph 11-102) and residuals for domestic reruns of non-dramatic programs in network prime time (Paragraph 11-101(b)(1)(ii)) shall be increased by the general salary increases set forth in Item 2.a.i. above.
- ix. Residual bases for AVOD reuse of dramatic programs in new media pursuant to Paragraph 3.A.(4)(b)(1)(A) and (B) of Sideletter No. 15 ("Exhibition of Motion Pictures Transmitted via New Media") (and analogous provisions of the Sideletter No. 14 of FLTTA for dramatic programs other than strip dramatic non-network and network non-prime time programs) shall be as set forth in Item 4.a. below.
- x. The residual bases for High Budget SVOD Programs shall be as set forth in Item 5.c. below.

- b. Effective July 1, 2018, excerpt fees shall be increased by three percent (3.0%); lead-in fees shall be increased to \$112; underwater work allowance shall be increased to \$180; aircraft flight allowance shall be increased to \$180; dinner allowance shall be increased to \$30; incidental allowance shall be increased to \$22 and the wrap supervision fee shall be increased to \$57.

3. **Pension and Health Plans**

a. **Contribution Rate to Pension Plan**

Modify Basic Agreement Paragraph 12-201, "Employer Contributions," and FLTTA Article 11, Section A., "Pension," to increase Employer contributions to the Directors Guild of America-Producer Pension Plan by one-half percent (0.5%), from five and one-half percent (5.5%) to six percent (6.0%) of Employee's salary as defined in Paragraph 12-202, effective July 1, 2017.

- b. The DGA shall have the right to allocate up to one-half percent (0.5%) of the negotiated increases in minimum salary rates and the residual bases for foreign free television and AVOD in each of the second and third years of the Agreement to the Employer pension contribution rate or the Employer health contribution rate by giving notice thereof to the AMPTP not less than six (6) months prior to July 1, 2018 and/or July 1, 2019, as applicable.

For example, in the event that the DGA elects to allocate to the Employer contribution rate one-half percent (0.5%) of the negotiated increases in the minimum salary rates and the residual bases for foreign free television and AVOD in the second year of the Agreement, the Employer contribution rate will increase by one-half percent (0.5%) effective July 1, 2018, and the increases in salary rates and the residual bases for foreign free television and AVOD shall be one-half percent (0.5%) less. There shall be no change to any salary rate that was not subject to an increase in the second year of the Agreement.

4. **Residual for AVOD Reuse of Television Motion Pictures Within First Year Following Initial Exhibition (U-3.a.i. and ii.)**

- a. For dramatic television motion pictures, the principal photography of which commences on or after July 1, 2017, the applicable residual base under Paragraph 3.A.(4)(b)(1)(A) and (B) of Sideletter No. 15 ("Exhibition of Motion Pictures Transmitted via New Media") of the Basic Agreement (and analogous provisions of the Sideletter No. 14 of FLTTA for dramatic programs other than strip dramatic non-network and network non-prime time programs) shall be the applicable syndication residual base set forth in Paragraphs 11-101(b)(2) and 24-301 of the 2014 Basic Agreement as of June 30, 2017, increased by two and one-half percent (2.5%) effective July 1, 2017, by an additional three percent (3%) effective July 1, 2018 and by an additional three percent (3%) effective July 1, 2019. These increases are compounded.

- b. The DGA agrees to waive all claims alleging that the network prime time rerun fee was not the correct residual base for dramatic programs under Paragraph 3.A.(4)(b)(1)(A) and (B) of Sideletter No. 15 of the 2014 Basic Agreement and the analogous provisions of Sideletter No. 14 of the 2014 FLTTA. Employers agree not to seek refunds of amounts paid using a residual base greater than the network prime time rerun fee under Paragraph 3.A.(4)(b)(1)(A) and (B) of Sideletter No. 15 of the 2014 Basic Agreement and the analogous provisions of Sideletter No. 14 of the 2014 FLTTA.
- c. For each twenty-six (26) consecutive week period of use of a television motion picture referred to in Paragraph 3(A)(4)(b)(i)(A) and (B) of Sideletter No. 15 of the BA (and the analogous provisions of Sideletter No. 14 of the FLTTA), following the expiration of the free streaming window(s) and within the one-year period following the initial television exhibition, payment shall increase from five percent (5%) of the residual base to five and one-half percent (5.5%) effective July 1, 2018.

5. **High Budget SVOD Programs**

- a. *Modify the first and second paragraphs of Sideletter No. 35 of the Basic Agreement ("Programs Produced for New Media") to provide as follows:*

~~"The parties mutually recognize~~ When the parties entered into the 2014 negotiations, they mutually understood that the economics of New Media production ~~are presently~~were uncertain and that greater flexibility in terms and conditions of employment ~~is~~was therefore mutually beneficial. The parties understood that if ~~if~~ one or more business models developed such that New Media production ~~becomes~~ became an economically viable medium, then the parties would mutually recognize that fact in future agreements ~~should reflect that fact.~~

"During the 2017 negotiations, in recognition of emerging subscription video-on-demand services exhibiting high budget dramatic productions, the parties agreed to modify the terms and conditions for "high budget" dramatic productions made for subscription consumer pay New Media platforms (hereinafter "subscription consumer pay platforms") as provided in Sections D. and E.3. below.

"During the 2014 negotiations, in recognition of the development of a demand for high budget dramatic productions made for subscription video-on-demand services, such as Netflix's House of Cards and Orange is the New Black, the parties agreed to add terms and conditions for "high budget" dramatic productions made for subscription consumer pay New Media platforms (hereinafter "subscription consumer pay platforms") as provided in Sections D. and E.3. below."

b. *Modify Section D. of Sideletter No. 35 of the Basic Agreement as follows:*

**“D. Terms and Conditions for “High Budget” Original and Derivative Dramatic Productions Made For a Subscription Consumer Pay Platform.**

**“1. “High Budget SVOD Programs” Defined.**

“The terms and conditions set forth in Section D. of this ~~s~~Sideletter shall be applicable only to original and derivative dramatic New Media productions made for initial exhibition on a subscription consumer pay platform which meet the following “high budget” criteria (hereinafter “High Budget SVOD Programs”):

Length of Program as Initially Exhibited*	“High Budget” Threshold
20-35 minutes	\$1,300,000 and above
36-65 minutes	\$2,500,000 and above
66 minutes or more	\$3,000,000 and above
* Programs less than 20 minutes are not considered “high budget” for purposes of this sideletter.	

“The terms and conditions set forth in this Section D. shall not apply to any program or series that continues in production on or after July 1, 2017 and was grandfathered, and remains grandfathered, pursuant to Section D.1.a. or b. of Sideletter No. 35 of the 2014 Basic Agreement.

“In addition, the terms and conditions set forth in this Section D. and in Section E.3. below shall not apply to a High Budget SVOD Program or episodes of a High Budget SVOD series, the principal photography of which commences on or after July 1, 2017 pursuant to a license agreement entered into prior to July 1, 2017.”<sup>1, 2</sup>

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<sup>1</sup> If the licensee orders additional High Budget SVOD Programs or episodes of a High Budget SVOD series, the principal photography of which will commence on or after July 1, 2017, pursuant to a license agreement entered into prior to July 1, 2017 and the Employer has the right to negotiate with respect to the material terms and conditions of the license for the additional programs or episodes, then the High Budget SVOD Program or episodes of the High Budget SVOD series shall be subject to the terms of Sideletter No. 35 to the 2017 Basic Agreement.

<sup>2</sup> The Employer shall notify the DGA of any such license agreement that it enters into prior to July 1, 2017. The notice shall include the name of the licensee, the term of the license agreement, the license fee, the number of programs or the number of minutes of programming to be produced under the license agreement, the anticipated start date of principal photography, the anticipated date of delivery of the program or series, and whether the licensee has an option to order additional programs or series under the license agreement and, if so, whether the material terms and conditions applicable to such additional programs or series are fixed in the license agreement or are subject to negotiation. At the DGA’s request, the Employer

Sections D. and E.3. of Sideletter No. 35 to the 2014 Basic Agreement shall apply instead, except that footnote 3 of this Sideletter applies, the minimum wage rates shall be increased by the general wage increases negotiated during the 2017 negotiations and the applicable residual base shall be the network prime time rerun fee set forth in Paragraph 11-101(b)(1)(i) of the 2017 Basic Agreement.

~~Note that the terms and conditions set forth in this Section D. shall be applicable prospectively only. They shall not apply to:~~

~~(a) — any program or series that would otherwise qualify as a “High Budget SVOD Program” within the meaning of this sideletter, for which the principal photography of the program, in the case of a one-time program, or the principal photography of the first episode, in the case of a series, commenced prior to July 1, 2014; or~~

~~(b) — any program or series that would otherwise qualify as a “High Budget SVOD Program” within the meaning of this Sideletter for which the principal photography of the program or the first episode of the series commenced after July 1, 2014, if such program or series was produced pursuant to the terms of a *bona fide* license agreement with fixed and definite terms entered into by the Employer prior to July 1, 2014.<sup>3</sup> However, if such license agreement is entered into subject to conditions precedent, then all such conditions must be satisfied prior to July 1, 2014.~~

~~Any program or series described in subparagraph (a) or (b) above shall continue to be subject to the terms of Sideletter No. 35 of the 2011 DGA Basic Agreement. However, with respect to any such program or series described in subparagraph (a) or (b) above, if the licensee orders additional programs or episodes pursuant to the terms of the license agreement after July 1, 2014 and the Employer has the right to negotiate with respect to the material terms and conditions of the license for~~

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must make an unredacted license agreement available for inspection at the Employer’s office in Los Angeles subject to a confidentiality agreement equivalent to those governing new media license agreement inspections as described in Sideletter No. 15 re Exhibition of Motion Pictures Transmitted via New Media.

<sup>3</sup>The Employer shall notify the DGA of any such license agreement that it enters into prior to July 1, 2014. The notice shall include the name of the licensee, the term of the license agreement, the license fee, the number of programs or the number of minutes of programming to be produced under the license agreement, the anticipated start date of principal photography, the anticipated date of delivery of the program or series, and whether the licensee has an option to order additional programs or series under the license agreement and, if so, whether the material terms and conditions applicable to such additional programs or series are fixed in the license agreement or are subject to negotiation. At the DGA’s request, the Employer must make an unredacted license agreement available for inspection at the Employer’s office in Los Angeles subject to a confidentiality agreement equivalent to those governing new media license agreement inspections as described in Sideletter No. 15 re Exhibition of Motion Pictures Transmitted via New Media.

~~the additional programs or episodes, then such additional programs or episodes shall be subject to the terms of this sideletter.~~

~~Notwithstanding the foregoing, the Employer shall not reduce the terms and conditions of employment previously provided to DGA-represented employees on programs or series covered by subparagraphs (a) or (b) above.~~

“2. Minimum Compensation.<sup>3</sup>

“a. Directors.

“(1) The minimum salary for a Director employed on a High Budget SVOD Program intended for initial exhibition on a subscription consumer pay platform with 20 ~~15~~ million or more subscribers in the United States and Canada shall be as follows:

\* \* \* \*

“(2) The minimum salary for a Director employed on a High Budget SVOD Program intended for initial exhibition on a subscription consumer pay platform with fewer than 20 ~~15~~ million subscribers in the United States and Canada shall be as follows:

\* \* \* \*

“b. Other Employees.

“Compensation for Employees employed on a High Budget SVOD Program other than the Director shall be at the rates applicable to programs made for basic cable (see Paragraph 23-103 of the BA).<sup>4</sup> For purposes of determining applicable

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<sup>3</sup> For purposes of determining the applicable compensation and other terms and conditions under Sections D.2. and D.3. of this Sideletter, the parties agree that an episode of a High Budget SVOD series may exceed the ‘program length’ which applies to a typical episode of the series by up to three (3) minutes without becoming subject to the terms and conditions applicable to the next highest program length. (For example, if a typical episode of a High Budget SVOD series is between 20 and 35 minutes, a given episode of such series which is 38 minutes in length will still be subject to the compensation and terms and conditions applicable to a program between 20 and 35 minutes in length.) The parties further confirm that this applies to High Budget SVOD Programs produced under Sideletter No. 35 to the 2014 DGA Basic Agreement.

<sup>4</sup> For purposes of applying Sideletter No. 21 re Special Conditions for Pilots and New One Hour and New Single Camera Half-Hour Series to New High Budget SVOD Programs in the first year of the 201~~7~~<sup>4</sup> Basic Agreement, the phrase “the applicable rates and production fees shall be those in effect a year previously” means the rates and production fees applicable to programs made for basic cable in effect on July 1, 201~~6~~<sup>3</sup>.

minimum compensation for such Employees, a High Budget SVOD Program between 20 and 35 minutes in length shall be treated as a 30-minute program; a High Budget SVOD Program between 36 and 65 minutes in length shall be treated as a 60-minute program; a High Budget SVOD Program between 66 and 95 minutes in length shall be treated as a 90-minute program; and a High Budget SVOD Program 96 minutes or longer shall be treated as a 120-minute program.

“3. Other Terms and Conditions.

“Except as otherwise provided herein, the terms and conditions applicable to High Budget SVOD Programs in Budget Tier (1) intended for initial exhibition on a subscription consumer pay platform with 20 ~~15~~ million or more subscribers in the United States and Canada shall be those applicable to programs made for network prime time, and the terms and conditions applicable to all other High Budget SVOD Programs shall be those applicable to programs made for basic cable, subject to the following clarifications and modifications:

“a. For purposes of the provisions applicable to programs made for basic cable, a High Budget SVOD Program between 20 and 35 minutes in length shall be treated as a 30-minute program; a High Budget SVOD Program between 36 and 65 minutes in length shall be treated as a 60-minute program; a High Budget SVOD Program between 66 and 95 minutes in length shall be treated as a 90-minute program; and a High Budget SVOD Program 96 minutes or longer shall be treated as a 120-minute program.

“b. Paragraph 7-304 of the BA shall not apply to any High Budget SVOD Program in Budget Tier (2).

“c. Paragraph 10-103 of the BA shall not apply to any High Budget SVOD Program.

“d. In recognition that programs made for New Media may involve a new and evolving form of production and may not be subject to the same production model and delivery requirements as apply to traditional television motion pictures, thereby rendering possible the use of alternative preparation, shooting and post-production methods and schedules, the DGA agrees to consider in good faith requests for waivers to facilitate the use of such alternative methods and schedules on High Budget SVOD Programs when appropriate.

“e. The Employer shall advise the DGA of the employment of any Employee by forwarding to the DGA a copy of a deal memorandum, signed by both the Employer and the Employee, which shall set forth at least the information required by Exhibits C-2 and C-4 of the 2017 Basic Agreement, ~~+(c) and (D) attached to this sideletter~~ no later than the start of principal photography.



“4. Feature-Length High Budget SVOD Program Budgeted at \$30 Million or More On Subscription Consumer Pay Platform with 20 Million or More Domestic Subscribers.

“The Guild shall have the right to negotiate with Employer over terms and conditions, including residuals, for a High Budget SVOD Program that is 85 minutes or longer with a budget of \$30 million or more and made for a subscription consumer pay platform with 20 million or more domestic subscribers, in accordance with the following procedure:

“a. Employer shall notify the Guild of its intention to produce a High Budget SVOD Program 85 minutes or longer with a budget of \$30 million or more that is made for a subscription pay platform with 20 million or more domestic subscribers at least thirty (30) days prior to commencement of production.

“b. The Guild may, at any time, notify the Employer that it wishes to bargain concerning different rates and other conditions of employment, including residuals, to be applicable to such High Budget SVOD Program. The parties agree to commence such negotiations within fifteen (15) days of receipt of such notice.

“c. If no agreement is reached within fifteen (15) days after bargaining has commenced, the Guild may, upon written notice to Employer, instruct its members to refuse to render services with respect to such High Budget SVOD Program. If no agreement is reached, Employer shall not be bound by this Basic Agreement with respect to that Program.

“d. If an Employer fails to provide timely notice of its intention to produce such a High Budget SVOD Program as provided herein, then subparagraph c. above shall not apply and the Guild may, not earlier than twenty-four (24) hours after written notice to the Employer, instruct its members to refuse to render services with respect to such High Budget SVOD Program.”

*Make conforming changes.*

**c. Residuals for High Budget SVOD Programs (U-3.b.)**

*Modify Section E.3.a.-c. of Sideletter No. 35 to the Basic Agreement (and make conforming changes, including by re-lettering “c.” through “f.” as appropriate) to provide as follows:*

**“E. Reuse of Productions Made for New Media**

\* \* \* \*

**“3. High Budget SVOD Programs.**

“The provisions below apply to the reuse of High Budget SVOD Programs as defined in Section D.1. above and as covered by the terms and conditions in Section D.2. and 3. above.

“a. What Initial Compensation Covers.

“Initial compensation paid to the Director of a High Budget SVOD Program intended for initial exhibition on a subscription consumer pay platform constitutes payment for ninety (90) days ~~one year~~ of use worldwide on such platform (including any related or affiliated foreign subscription consumer pay platform), commencing with the first day that the High Budget SVOD Program is available on such subscription consumer pay platform(s).

“b. Subsequent Use on the Domestic Subscription Consumer Pay Platform on Which the High Budget SVOD Program Was Initially Exhibited.

i. — For each year of use of a High Budget SVOD Program on a subscription consumer pay platform with 15 million or more subscribers in the United States and Canada (including on any related or affiliated foreign subscription consumer pay platform) beyond the initial one-year use period described in subparagraph a. above, the Employer shall make a fixed residual payment based on the applicable network prime time residual base, according to the following schedule:

<b>Exhibition Year<sup>5</sup></b>	<b>Percentage of Applicable Network Prime Time Residual Base</b>
Year 2	30.0%
Year 3	30.0%
Year 4	25.0%
Year 5	20.0%
Year 6	15.0%
Year 7	10.0%
Year 8	8.0%
—— Year 9	5.0%
—— Year 10	4.5%
—— Year 11	3.0%
—— Year 12	2.5%
Each Year thereafter	1.5%

ii. — For each year of use of a High Budget SVOD Program on a subscription consumer pay platform with fewer than 15 million subscribers in the United States and Canada (including on any related or affiliated foreign subscription consumer pay platform) beyond the initial one-year use period described in subparagraph a. above, the Employer shall make a fixed residual payment for each subsequent one-year period

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<sup>5</sup>Each Year shall commence with the first day that the High Budget SVOD Program is made available for exhibition on the subscription consumer pay platform following the conclusion of the prior one-year use period.

according to the schedule set forth in subparagraph b.i. above, but the residual base shall be 65% of the applicable network prime time residual base.

“For use on the subscription consumer pay platform in the United States and Canada on which the High Budget SVOD Program is initially exhibited during the first exhibition year after the ninety (90) day period following the initial availability of the Program on such platform, and for each year of domestic use thereafter, the Employer shall pay residuals calculated by multiplying the applicable residual base set forth in subparagraph (1) below by the applicable percentage for the period of use set forth in subparagraph (2) below and by the subscriber factor set forth in subparagraph (3) below.

“(1) Base for High Budget SVOD Program Residual.

“(a) The following residual base is applicable at the start of principal photography of a one-time High Budget SVOD Program or an episode of a High Budget SVOD series and shall apply in perpetuity to that program or episode:

<u>Length</u>	<u>Current</u>	<u>Effective 7/1/17</u>
<u>20-35 minutes</u>	<u>\$13,254</u>	<u>\$13,917</u>
<u>36-65 minutes</u>	<u>24,963</u>	<u>26,211</u>
<u>66-95 minutes*</u>	<u>37,436</u>	<u>39,308</u>
<u>96 minutes or more*</u>	<u>49,443</u>	<u>51,915</u>

“\* See subparagraph (b) below for base applicable to High Budget SVOD Program that is 85 minutes or longer with a budget of \$13 million or more on a subscription consumer pay platform with 20 million or more domestic subscribers.

“(b) The residual base for a High Budget SVOD Program that is 85 minutes or longer with a budget of \$13 million or more but less than \$30 million and made for a subscription consumer pay platform with 20 million or more domestic subscribers shall be \$62,215 (\$64,080 effective July 1, 2018 and \$66,004 effective July 1, 2019), which amount equals twenty five (25%) of the theatrical minimum set forth in Paragraph 3-101 of this Agreement. The residual base for a High Budget SVOD Program that is 85 minutes or longer with a budget of \$13 million or more and made for a subscription consumer pay platform with fewer than 20 million domestic subscribers shall be as provided in the chart above in this subparagraph 3.b.(1)(a) of Section E.

“As provided in Section D.4. above, the Guild shall have the right to negotiate with Employer over terms and conditions, including residuals, for a High Budget SVOD Program that is 85 minutes or longer with a budget of \$30 million or more and made for a subscription consumer pay platform with 20 million or more domestic subscribers.

“(2) Percentage of Above Base Rate Payable for Residuals.

<u>Exhibition Year*</u>	<u>Percentage of Applicable High Budget SVOD Program Residual Base</u>
<u>Year 1*</u>	<u>35.0%</u>
<u>Year 2</u>	<u>30.0%</u>
<u>Year 3</u>	<u>30.0%</u>
<u>Year 4</u>	<u>25.0%</u>
<u>Year 5</u>	<u>20.0%</u>
<u>Year 6</u>	<u>15.0%</u>
<u>Year 7</u>	<u>10.0%</u>
<u>Year 8</u>	<u>8.0%</u>
<u>Year 9</u>	<u>5.0%</u>
<u>Year 10</u>	<u>4.5%</u>
<u>Year 11</u>	<u>3.0%</u>
<u>Year 12</u>	<u>2.5%</u>
<u>Each Year thereafter</u>	<u>1.5%</u>

\*Exhibition Year 1 shall commence on the first day that the High Budget SVOD Program is made available for exhibition on the subscription pay platform following ninety (90) days after the initial exhibition date. Each Exhibition Year thereafter shall commence with the first day that the High Budget SVOD Program is made available for exhibition on the subscription consumer pay platform following the conclusion of the prior one-year use period.

“(3) Subscriber Factor.

<u>Subscriber Tier</u>	<u>Domestic Subscribers</u>	<u>Subscriber Factor</u>
1	Under 1 million	20%*
2	1 million to 5 million	40.0%
3	Over 5 million but fewer than 20 million	65.0%
4	20 million to 45 million	100.0%
5	Over 45 million	150.0%

“\*No residual shall be owed for the first year of exhibition of a High Budget SVOD Program or series produced for initial exhibition on a subscription consumer pay platform with fewer than 1,000,000 domestic subscribers.”

“The number of domestic subscribers shall be determined as of July 1<sup>st</sup> of each year of the Agreement. For a High Budget SVOD series, the number of domestic subscribers that applies to the first episode of the season shall apply to the entire season in perpetuity.

“The parties shall agree upon a methodology to determine the number of domestic subscribers for a subscription consumer pay platform that provides video on demand and other services, such as gaming, music or free shipping, for which a High Budget SVOD Program is made.

“(4) Allocation of High Budget SVOD Program Residuals.

“The residual payments provided in subparagraphs E.3.b. above and c. and d. below are to be allocated as follows: five-sixths (5/6) of such amount is to be paid to the Director and a *pro rata* share of one-sixth (1/6) of such amount is to be paid to the Unit Production Manager, First Assistant Director and Key Second Assistant Director employed on the High Budget SVOD Program (such portion of such one-sixth (1/6) *pro rata* share to be based upon their respective minimum wage rate hereunder).

“(5) Payment

“Payment for each Exhibition Year shall be due sixty (60) days after the end of the calendar quarter in which the High Budget SVOD Program was first made available in that Exhibition Year.”

“c. Use on a Foreign Subscription Consumer Pay Platform Related to or Affiliated with the Domestic Subscription Consumer Pay Platform.<sup>5, 6</sup>

“(1) Foreign Subscription Consumer Pay Platforms Related to or Affiliated with a Domestic Subscription Consumer Pay Platform with Over 45 Million Subscribers.

“(a) When an Employer licenses the right to exhibit a High Budget SVOD Program to a domestic subscription consumer pay platform with over 45 million subscribers and also licenses SVOD rights for use on its related or affiliated foreign subscription consumer pay platform(s), the Employer shall pay a fixed residual for each exhibition year of use in foreign markets (after an initial ninety (90) consecutive day window measured from initial availability on the domestic subscription consumer pay platform) that is an additional percentage of the domestic residual set forth in Section E.3.b. above according to the following schedule:

<u>Exhibition Year</u>	<u>Percentage of Domestic Residual</u>
<u>Year 1</u>	<u>35.0%</u>
<u>Year 2</u>	<u>35.0%</u>

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<sup>5</sup> Residuals shall also be payable under this provision when the Employer is related to or affiliated with the domestic subscription consumer pay platform that is related to or affiliated with the foreign subscription consumer pay platform.

<sup>6</sup> It is understood that this provision also applies when a subscription consumer pay platform that holds foreign exhibition rights sublicenses those rights.

<u>Exhibition Year</u>	<u>Percentage of Domestic Residual</u>
<u>Year 3</u>	<u>35.0%</u>
<u>Year 4</u>	<u>25.0%</u>
<u>Year 5</u>	<u>25.0%</u>
<u>Year 6</u>	<u>25.0%</u>
<u>Year 7</u>	<u>20.0%</u>
<u>Year 8</u>	<u>20.0%</u>
<u>Year 9</u>	<u>20.0%</u>
<u>Year 10</u>	<u>15.0%</u>
<u>Year 11</u>	<u>15.0%</u>
<u>Year 12</u>	<u>15.0%</u>
<u>Each Year thereafter</u>	<u>10.0%</u>

“Payment of the additional fixed residual above shall cover worldwide use of the High Budget SVOD Program on all foreign subscription consumer pay platforms for the applicable exhibition year.

“(b) However, when the Employer’s license includes the SVOD rights for use on the related or affiliated foreign subscription consumer pay platform(s) of such domestic subscription consumer pay platform only in foreign territories which constitute fifteen percent (15%) or less of the value of all foreign markets (i.e., outside the United States and Canada),<sup>7</sup> then gross receipts-based residuals for such foreign SVOD licensing shall be paid pursuant to subparagraph (2)(b) below in lieu of the foreign fixed residual in subparagraph (1)(a) above. In that case, the Employer shall allocate a fair and reasonable portion of the license fee to the foreign territories for which related or affiliated foreign subscription consumer pay platform(s) have exhibition rights, and make a residual payment equal to 1.2% of such allocated amount.<sup>8, 9</sup> If the Guild contends that the amount so allocated was not fair and reasonable, such claim may be submitted to arbitration. In the event the arbitrator finds

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<sup>7</sup> The parties shall meet promptly to discuss how to measure the fifteen percent (15%) valuation set forth in this subparagraph (2)(b).

<sup>8</sup> If the Employer is related to or affiliated with the domestic subscription consumer pay platform that is related to or affiliated with the foreign subscription consumer pay platform, the allocation shall be measured by the exhibitor's payments to unrelated or unaffiliated entities in arms' length transactions for comparable programs, or, if none, then the amounts received by the Employer from unrelated and unaffiliated exhibitors in arms' length transactions, or, if none, a comparable exhibitor's payments to comparable unrelated and unaffiliated entities in arms' length transactions for comparable programs.

<sup>9</sup> At the DGA's request, the Employer must make an unredacted license agreement available for inspection at the Employer's office subject to a confidentiality agreement equivalent to those governing new media license agreement inspections as described in Sideletter 15 re Exhibition of Motion Pictures Transmitted via New Media.



that such allocation was not fair and reasonable, he or she shall determine the fair and reasonable amount to be allocated.

“(2) Foreign Subscription Consumer Pay Platforms Related to or Affiliated with a Domestic Subscription Consumer Pay Platform with 45 Million or Fewer Subscribers.

“(a) When an Employer licenses the right to exhibit a High Budget SVOD Program to a domestic subscription consumer pay platform with 45 million or fewer subscribers and also licenses “worldwide” SVOD rights to its related or affiliated foreign subscription consumer pay platform(s), the Employer shall pay a fixed residual for each exhibition year of use in foreign markets (after an initial ninety (90) consecutive day window measured from initial exhibition on the domestic subscription consumer pay platform) that is an additional percentage of the domestic residual set forth in Section E.3.b. above according to the schedule in subparagraph (1)(a) above.

“(b) When an Employer licenses the right to exhibit a High Budget SVOD Program to a domestic subscription consumer pay platform with 45 million or fewer subscribers and also licenses foreign SVOD rights other than “worldwide” to its related or affiliated foreign subscription consumer pay platform(s), the Employer shall make a residual payment equal to 1.2% of ‘Employer’s gross’ as defined in Section 5 of Sideletter No. 15 re Exhibition of Motion Pictures Transmitted via New Media. For purposes of this provision, when the license includes both the right to exhibit a High Budget SVOD Program on a domestic subscription consumer pay platform and on its related or affiliated foreign consumer pay platform(s), the Employer shall allocate a fair and reasonable portion of the license fee to the foreign territories for which related or affiliated foreign subscription consumer pay platform(s) have exhibition rights, and then make the residual payment provided herein of such allocated amount.<sup>10, 11</sup> If the Guild contends that the amount so allocated was not fair and reasonable, such claim may be submitted to arbitration. In the event the arbitrator finds that such allocation was not fair and reasonable, he or she shall determine the fair and reasonable amount to be allocated.

“c.d. Use on a Subscription Consumer Pay Platform Other Than the Domestic Platform on Which the High Budget SVOD Program

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<sup>10</sup> If the Employer is related to or affiliated with the domestic subscription consumer pay platform that is related to or affiliated with the foreign subscription consumer pay platform, the allocation shall be measured by the exhibitor’s payments to unrelated or unaffiliated entities in arms’ length transactions for comparable programs, or, if none, then the amounts received by the Employer from unrelated and unaffiliated exhibitors in arms’ length transactions, or, if none, a comparable exhibitor’s payments to comparable unrelated and unaffiliated entities in arms’ length transactions for comparable programs.

<sup>11</sup> At the DGA’s request, the Employer must make an unredacted license agreement available for inspection at the Employer’s office subject to a confidentiality agreement equivalent to those governing new media license agreement inspections as described in Sideletter No. 15 re Exhibition of Motion Pictures Transmitted via New Media.

Was Initially Exhibited and its Related or Affiliated Foreign Platforms.

“For exhibition of a High Budget SVOD Program on any subscription consumer pay platform other than the domestic subscription consumer pay platform on which the program was initially exhibited and ~~any of its related or affiliated~~ foreign subscription consumer pay platform(s), the Employer shall make a residual payment equal to 1.2% of the “Employer’s gross” as defined in Section 5 of Sideletter No. 15 re Exhibition of Motion Pictures Transmitted via New Media.

\* \* \* \*

“~~g.f.~~ Use in Traditional Media.

“The Employer shall pay residuals for the use of a High Budget SVOD Program in ‘traditional media’ (e.g., theatrical exhibition, free television, basic cable, pay television, home video) under existing BA formulas.”

**“F. Sunset Clause.**

“The parties recognize that this Sideletter is being negotiated at a time when the business models and patterns of usage of productions made for New Media are in the process of exploration, experimentation and innovation. Therefore, the provisions of Sections E.1. and 2. and E.3.c. of this Sideletter expire on the termination date of the 2017 ~~2014~~ BA and will be of no force and effect thereafter. No later than sixty (60) days before that expiration date, the parties will meet to negotiate new terms and conditions for reuse of such New Media Productions to be in effect thereafter. The parties further acknowledge that conditions in this area are changing rapidly and that the negotiation for the successor agreement will be based on the conditions that exist and reasonably can be forecast at that time.

“The terms and conditions herein applicable to High Budget SVOD Programs shall apply and remain in full force and effect, and without change, to High Budget SVOD Programs produced by the Employer hereunder, regardless of the terms or provisions of any agreement which is a modification, extension or renewal of, or substitution for, this Sideletter.”

*Make conforming changes.*



6. **First-Time Episodic Television Directors**

*Add a new Paragraph 10-116 to the Basic Agreement to provide as follows:*

**“10-116 First-Time Television Directors**

“Effective July 1, 2017, when an Employer employs a ‘first-time Director’ (as defined below) to direct an episode of a dramatic television or High Budget SVOD series, the individual must, prior to commencement of employment, attend the Television Director Orientation Course on Professional Standards for Episodic Directors (‘Orientation Program’) provided by the Guild, unless he or she is a current participant in a studio-sponsored Television Director Development Program or already completed such a program.

“The Employer shall notify the Guild no later than thirty (30) days prior to commencement of employment of the ‘first-time Director,’ unless the employment is scheduled to commence within fewer than thirty (30) days of the assignment, in which case notice shall be given as soon as practicable.

“The Orientation Program, which shall be no more than one (1) day, shall be targeted towards educating participants about the responsibilities of a dramatic episodic television Director, and shall only be available to individuals who have been offered employment by an Employer as a ‘first-time Director.’ The curriculum shall be developed by the Guild with input from the Employers. The Orientation Program shall be taught principally by highly experienced television Directors.

“The Guild shall offer the Orientation Program four (4) times per year at the DGA offices in Los Angeles and four (4) times per year at the DGA offices in New York, commencing in June of 2017. Individuals who reside in Los Angeles or New York or who are employed in Los Angeles or New York shall attend the Orientation Program before their assignment as a ‘first-time Director.’ For others who are living outside Los Angeles and New York, or for whom no Orientation Program is available in Los Angeles or New York before their assignment, the DGA shall make accommodations, such as one-on-one mentoring with an experienced television Director or other substitute orientation. An Employer shall not be required to travel a ‘first-time Director’ to attend the Orientation Program.

“For purposes of this provision, a ‘first-time Director’ means an individual who has not previously been employed as a Director of a dramatic motion picture, which includes a theatrical motion picture, an episode (including a pilot) of not less than twenty (20) minutes in length of a dramatic series (including a mini-series) made for free television, pay television, basic cable or new media, a long-form television motion picture or a made-for-

home video production. Shorts, commercials and music videos shall not be considered a dramatic television motion picture.

“This Paragraph 10-116 shall expire upon termination of the 2017 DGA Basic Agreement and shall have no force and effect thereafter.”

7. **Paramount Television – Television Director Development Program (U-9.c.)**

*Add a new subparagraph (d) to Paragraph 15-203 of the Basic Agreement to provide:*

“(d) During the term of this Agreement, Paramount Television shall establish and maintain a Television Director Development Program and comply with the provisions applicable to the ‘Major Television Studios’ as described above in this Paragraph 15-203.”

8. **Script Delivery**

The parties agreed during the 2017 Television Creative Rights Committee meeting to modify Paragraph 7-302 of the 2014 DGA Basic Agreement by incorporating the terms of Sideletter No. 25 and the parties’ agreement reached concerning the obligation of first-year series to track submission of the writer’s draft script. The parties also agreed that, prior to production of the first season of a series, the Employer shall communicate with the Executive Producer(s) of the series, whether in writing or in person, about the importance of delivering scripts on time and the new policy to track the timeliness of script delivery on first season series.

9. **Casting**

The parties agreed during the 2017 Television Creative Rights Committee meeting that the notice regarding casting in episodic television set forth in Sideletter No. 37 of the DGA Basic Agreement shall be sent by the Employer’s representative on the Television Creative Rights Committee, or, if none, an equivalent high-level creative executive, and shall be addressed to the individual Executive Producer(s) of the series.

10. **Post-Production**

During the 2017 Television Creative Rights Committee meeting, the parties discussed the inclusion of the Director in the post-production process in episodic television. In connection with that discussion, the Producer representatives agreed to communicate to the Executive Producers of their series the importance of including the Director in the post-production process in accordance with the provisions set forth in Article 7 of the Basic Agreement.

11. **High Budget Basic Cable Programs – Directors**

a. *Modify Basic Agreement Paragraph 23-102(b) as follows:*

“(b) Effective July 1, 2014<sup>7</sup>, initial compensation for Directors employed on one (1) hour dramatic programs made for basic cable with a budget of ~~\$2,500,000<sup>8</sup>~~ ~~(\$2,700,000~~ ~~(\$2,800,000 effective July 1, 2018)~~ ~~effective July 1, 2016)~~<sup>22</sup> or more but less than \$3,600,000 shall be ~~\$28,573<sup>†</sup>~~ ~~(\$30,684 effective July 1, 2015 and \$33,775~~ ~~\$32,951 effective July 1, 2016)~~ ~~(\$34,788 effective July 1, 2018 and \$35,832 effective July 1, 2019)~~ with a guarantee of seven (7) preparation days and seven (7) shooting days. The foregoing shall not apply to the first season of one (1) hour dramatic programs made for basic cable.”

b. *Add a new subparagraph (c) to Paragraph 23-102 (and re-letter existing subparagraphs “(c)” and “(d)” to “(d)” and “(e)”):*

“(c) Effective July 1, 2017, initial compensation for Directors employed on an episode of a one (1) hour dramatic series made for basic cable in its first season with a budget of \$2,700,000 or more (\$2,800,000 or more effective July 1, 2018), shall be \$24,308 (\$25,037 effective July 1, 2018 and \$25,788 effective July 1, 2019) with a guarantee of six (6) preparation days and six (6) shooting days.”

12. **“Low Budget” Dramatic Basic Cable Programs – Employees (Other than Directors) (U-6.a. and P-11.c.)**

*Modify Paragraph 23-103 to the Basic Agreement (and make conforming changes to FLTTA Article 31, Section A.3.) as follows:*

“On those one-half (½) hour film dramatic programs budgeted at ~~\$875,000 or less (\$892,500 or less effective July 1, 2018 and \$910,350 or less effective July 1, 2019)~~ ~~\$825,000 or less (\$849,750 or less effective July 1, 2016)~~, those one (1) hour dramatic programs budgeted at ~~\$1,450,000 or less (\$1,493,500 or less effective July 1, 2016)~~, those two (2) hour dramatic programs budgeted at ~~\$4,500,000 or less (\$4,635,000 or less effective July 1, 2016)~~, and those dramatic programs exceeding two (2) hours in length budgeted at a figure which is the sum of ~~\$4,500,000 (\$4,635,000 effective July 1, 2016)~~ plus an additional ~~\$1,450,000 (\$1,493,500 effective July 1, 2016)~~ for each hour or portion thereof in excess of two (2) hours, all compensation for Employees other than the Director shall be ~~83.585%~~ of the minimums provided in Article 13 or Article 24 of this

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<sup>8</sup> See text of footnote 3 on page 39.

<sup>22</sup> However, the Employer shall not reduce the terms and conditions of employment previously provided to DGA-represented employees on a program or series in existence as of June 30, 2016 that is in its second or subsequent season with a budget of \$2,500,000 or more but less than \$2,700,000.

Agreement in the first production season of the program, 90% of the minimums provided in Article 13 or Article 24, as applicable, of this Agreement in the second and third production seasons of the program and 100% of the minimums provided in Article 13 or Article 24, as applicable, of this Agreement in the fourth and subsequent production seasons of the program. However, series in existence as of June 30, 2014 that exceeded the budget test set forth in Paragraph 23-103 of the 2011 DGA Basic Agreement shall not be eligible for the discount under this provision, even if the budget of the series falls below the new budget test set forth in the 2014 DGA Basic Agreement.

“Employer may pay 85% of the minimums provided in Article 13 or Article 24, as applicable, of this Agreement to Employees other than the Director employed on a pilot provided: (a) the pilot is picked up for a series order of at least thirteen (13) episodes within one year from delivery to the network; (b) the pilot airs as an episode during the first season of the series; and (c) the pattern budget for the series is no more than the threshold set forth above in this Paragraph 23-103. In the event the pilot is not picked up, or the pilot is picked up but the pilot either does not air or the pattern budget for the series including the pilot exceeds the budget threshold set forth in Paragraph 23-103, Employer shall pay the Employees other than the Director employed on the pilot the difference between what they were paid and 100% of the minimums set forth in Article 13 or Article 24, as applicable, of this Agreement.

“Employees other than the Director employed on a program in existence as of June 30, 2017 with a budget that remains under the threshold set forth in Paragraph 23-103 of the 2014 DGA Basic Agreement shall be compensated at 83.5% of the minimums provided in Article 13 or Article 24, as applicable, of this Agreement. If, however, such program exceeds the budget threshold set forth in the 2014 DGA Basic Agreement, Employer may no longer pay 83.5% of the minimums and the program will be subject to the terms of the then-current Basic Agreement. Notwithstanding the foregoing, Employees other than the Director employed on the fourth or subsequent production seasons shall be compensated at 100% of the minimums provided in Article 13 or Article 24, as applicable, of this Agreement.

“The special conditions set forth in Sideletter 21 are not applicable to an Employee of a program for which the Employer is paying less than 100% of the minimums provided in Article 13 or Article 24, as applicable, of this Agreement pursuant to this Paragraph 23-103.”

13. **Continuity of Employment Across Multiple Areas on Single Picture (P-9)**

a. *Add a new Paragraph 14-308 to the Basic Agreement as follows:*

**“14-308** For purposes of continuity, when principal photography of a motion picture is scheduled to take place outside Southern California, and the Employer has engaged a Unit Production Manager and/or First Assistant Director not on the Southern California Qualification List for employment on such motion picture, the Unit Production Manager and/or First Assistant Director so engaged shall be allowed to prep in Southern California, notwithstanding the provisions of Paragraph 14-305, provided

that such individuals are on the Third Area or New York Area Qualification List(s) (or are eligible to work in the New York Area pursuant to Paragraphs 14-408 and 14-409).

“This provision shall not apply to anyone whose local employment address is in Southern California or who has not successfully completed mandatory Safety Passport Training.

“The Employer must provide prior written notice to the DGA to utilize this provision. Inadvertent failure to comply with this notice provision shall not be subject to grievance and arbitration.”

b. *Add a new Paragraph 14-309 to the Basic Agreement as follows:*

**“14-309** For purposes of continuity, when ninety percent (90%) of principal photography of a motion picture (or, in the case of a series, ninety percent (90%) of principal photography for that season of the series) is scheduled to take place outside Southern California, and the Employer has engaged a Unit Production Manager and/or Assistant Director not on the Southern California Qualification List for employment on such motion picture, the Unit Production Manager and/or Assistant Director so engaged shall be allowed to work on originally-scheduled principal photography and necessary prep and wrap which takes place in Southern California, notwithstanding the provisions of Paragraph 14-305, provided: (a) such person is on the Third Area or New York Area Qualification List(s) (or is eligible to work in the New York Area pursuant to Paragraphs 14-408 and 14-409) and (b) the Southern California portion of the shoot constitutes no more than 10% of originally-scheduled photography up to a maximum of five (5) shooting days.

“This provision shall not apply to anyone whose local employment address is in Southern California or who has not successfully completed mandatory Safety Passport Training.

“The Employer must provide prior written notice to the DGA to utilize this provision. Inadvertent failure to comply with this notice provision shall not be subject to grievance and arbitration.

“The DGA will give good faith consideration to requests for continuity waivers for circumstances that do not meet the criteria set forth herein.”

14. **Safety Training (U-6.e)**

*Modify Paragraph 14-114(d) to the Basic Agreement (and the second and subsequent paragraphs of FLTTA Article 9, Section C.) as follows:*

~~“The existing Directors Guild – Producer Training Plan Safety Passport Training Course, which includes the Contract Services Administration Trust Fund (“CSATF”) “A” course, is shall be made mandatory at a date to be determined by the parties for the following individuals who are hired in California: Unit Production Managers, and Assistant Directors, on the Southern California Qualification Lists; Unit Production Managers and Assistant Directors on the Southern California Eligible to Work Lists; and Associate Directors and Stage Managers. eligible to work in Southern California. Such individuals shall have ninety (90) days from their initial date of employment to successfully complete the Safety Passport Training Course.~~

“The Directors Guild - Producer Training Plan Safety Passport Training Course, which includes the CSATF ‘A’ course and any training specific to a particular region, all of which training shall be made available online, shall be mandatory as of July 1, 2017 for the following individuals who are hired in the United States (other than California): Unit Production Managers, Assistant Directors, Associate Directors and Stage Managers. Such individuals shall have until December 31, 2017 or ninety (90) days from their initial date of employment (whichever is later) to successfully complete the Safety Passport Training Course.

“It is understood and agreed that the Directors Guild – Producer Training Plans will fund all aspects of the mandatory training using existing funds ~~in~~ through their reserves.

~~“Once the Training Course becomes mandatory, t~~The Directors Guild - Producer Training Plans shall pay a stipend to ~~e~~Employees who attend the Safety Passport Training Course at a rate not less than that paid to employees covered under the Producer-IATSE Basic Agreement and West Coast Studio Local Agreements who attend safety training courses offered by CSATF.

~~“The Southern California All Qualification Lists, and Southern California Eligible to Work Lists and Employment Criteria Lists shall be updated to reflect an individual’s successful completion of the Safety Passport Training Course. For individuals not on any the Southern California Qualification Lists, or Southern California Eligible to Work Lists (i.e., Associate Directors and Stage Managers) or Employment Criteria List, the parties will devise a method to reflect the individual’s successful completion of the Safety Passport Training Course.~~

“Any Unit Production Manager, Assistant Director, Associate Director or Stage Manager Unit Production Manager or Assistant Director who fails to complete successfully complete the Safety Passport Training Course within the training deadline set forth herein (to be determined) will be suspended from the applicable Southern California Qualification List, or Southern California Eligible to Work List, or Employment Criteria List (or in the case of Associate Directors and Stage Managers who are otherwise eligible to work in Southern California, will be made temporarily ineligible for employment in



~~Southern California)~~ until he or she completes successfully the training course. Upon successful completion of the Safety Passport Training Course, any such Unit Production Manager, ~~or Assistant Director, Associate Director or Stage Manager~~ who was suspended from the applicable ~~Southern California Qualification List, or Southern California Eligible to Work List, or Employment Criteria List~~ (or in the case of an Associate Director or Stage Manager who was made temporarily ineligible for employment in ~~Southern California~~) shall regain his or her status on the applicable list. Any individual not on a Qualification List, Eligible to Work List or Employment Criteria List who fails to successfully complete the Safety Passport Training course will be ineligible to work until he or she successfully completes the training course. Upon successful completion of the Safety Passport Training Course, any individual not on the applicable Qualification List, Eligible to Work List or Employment Criteria List shall regain eligibility for employment. ~~— (or in the case of an Associate Director or Stage Manager, shall regain eligibility for employment in Southern California).~~

“Unit Production Managers, Assistant Directors, Associate Directors and Stage Managers shall continue to be permitted to attend, on a voluntary basis, any CSATF training courses if space permits, and the Southern California Qualification Lists and Southern California Eligible to Work Lists shall be updated to reflect an individual’s successful completion of such courses. For individuals not on ~~the Southern California any Qualification Lists, or Southern California Eligible to Work Lists or Employment Criteria List~~ (i.e., Associate Directors and Stage Managers), the parties will devise a method to reflect the individual’s successful completion of such courses.”

*Make conforming changes.*

15. **Sexual Harassment Prevention Training (P-19)**

The DGA and AMPTP agree to continue their discussions of the Employers’ efforts to develop an online sexual harassment prevention training course for Employees. The parties will continue to discuss issues related to funding, a stipend, administrative details and record-keeping requirements for the training course.

16. **Scenes from a Non-Dramatic DGA-Covered Program – Use in a Non-Dramatic Television Program (P-12.a)**

*Add a new Sideletter to FLTTA as follows:*

“Notwithstanding any other provision of this Agreement:

- “1. When a Director employed on a non-dramatic program (other than a strip quiz and game program) produced under a DGA collective bargaining agreement is concurrently assigned to direct scene(s) five (5) minutes or less in length as broadcast for a strip quiz and game program under this Agreement, and the Director’s services do not exceed one (1) hour, the minimum payment for the Director’s services shall be \$1,112 (\$1,145 effective July 1, 2018 and \$1,179 effective July 1, 2019) for each such assignment.

“2. When a Director employed on a non-dramatic program produced under a DGA collective bargaining agreement is assigned to direct scene(s) five (5) minutes or less in length as broadcast for a strip variety program under this Agreement, and the Director’s services do not exceed one (1) hour, the minimum payment for the Director’s services shall be the ‘less than five (5) minutes in length’ segment fee applicable to a variety program set forth in Article 6, Section B.4.”

17. **Scenes from a Non-Dramatic DGA-Covered Program – Use in a Dramatic Television Motion Picture (P-12.b)**

*Modify the sixth asterisk to the wage charts in Paragraph 10-101 of the Basic Agreement as follows:*

“\*\*\*\*\* Specially Skilled Director of Live News, Strip Quiz and Game, Strip Variety or “All Other” a Non-Dramatic Television Program. When a specially skilled Director ~~concurrently~~ employed on a live news, strip quiz and game, strip variety or “all other” non-dramatic television program produced under another DGA collective bargaining agreement is concurrently employed to direct scenes for a dramatic television motion picture covered by the BA, the Employer may credit toward the fee(s) owed under the BA an amount equal to the scale payment (or the minimum daily rate of pay, where applicable) that would apply to that Director’s work on the concurrent ~~live news, strip quiz and game, strip variety or “all other” non-dramatic~~ television program were that program produced under the DGA Freelance Live & Tape Television Agreement. This right to credit will only apply when the specially skilled Director is employed under the BA for no more than two (2) hours and the Director of the dramatic television motion picture is also present.”

18. **Scenes from Non-Dramatic DGA-Covered Program – Use in a Theatrical Motion Picture (P-12.c)**

*Add a new Paragraph to Section 3-100 of the DGA Basic Agreement as follows:*

“When a specially skilled Director employed on a non-dramatic television program produced under another DGA collective bargaining agreement is concurrently employed to direct scenes for a theatrical motion picture covered by the BA, the Employer may credit toward the fee(s) owed under the BA an amount equal to the scale payment (or the minimum daily rate of pay, where applicable) that would apply to that Director’s work on the concurrent non-dramatic television program were that program produced under the DGA Freelance Live & Tape Television Agreement. This right to credit will only apply when the specially skilled Director is employed under the BA for no more than two (2) hours and the Director of the theatrical motion picture is also present.”



19. **Scenes from the Set or Location of a Non-Dramatic DGA-Covered Program – Other Employees (P-12.d)**

*Add a new Basic Agreement Paragraph 13-221 as follows:*

“When a television or theatrical motion picture shoots one or more scenes on the set or location of a non-dramatic program produced under another DGA collective bargaining unit, the Employer shall have no obligation to retain the services of any Employee employed on the non-dramatic television program.”

20. **Low Budget Syndicated “All Other” Programs (P-13)**

*Add a new FLTTA Article 7, Section B.6. as follows:*

“For non-network syndicated ‘All Other’ series with a budget of \$150,000 or less per episode for series with episodes between 16 and 30 minutes in length or \$200,000 or less per episode for series with episodes between 31-60 minutes in length, no residuals shall be payable during the first season of the series. During the second season, residuals shall be payable at 50% of the amount otherwise due under this Agreement. During the third and each subsequent season of a series, residuals shall be payable as provided in Article 7 of the FLTTA.”

21. **Compilation Television Programs – Non-Dramatic Strip Programs (P-14.a)**

*Add a new Section B.5. to FLTTA Article 23 (and renumber the existing Section B.5. to B.6.) to provide:*

“For a television program that is the fifth episode in the week of a four-day-per-week strip program, or the sixth episode in a week of a five-day-per-week strip program, when the fifth or sixth episode consists mainly of excerpts from that week’s other episodes, the Director(s), including Segment Director(s), shall be paid, in lieu of all other compensation, an aggregate sum equal to the applicable minimum compensation for a fifth or sixth episode of the program, as applicable, prorated as determined by the Guild. The fifth or sixth episode shall be treated as a regular episode of the series, and will be subject to reuse fees as would any other episode.”

*Make other conforming changes to provide that the provisions related to compilation television programs do not apply to such programs by revising Article 23, Section B.4. as follows:*

“4. **Compilation Television Programs**

For "compilation" television programs – *i.e.*, programs whose running time (excluding commercials and title sequences) is comprised of more than fifty percent (50%) excerpts – the Director(s) of the excerpted material contained in the compilation shall be paid, prorated as determined by the Guild, an aggregate one-time-only sum equal to two hundred fifty percent (250%) of the applicable

thirty (30) minute minimum for each thirty (30) minutes of overall program length of the television program in which such excerpts are used. ~~For a compilation television program that is the sixth episode in a week of a five-day-per-week strip program that consists mainly of excerpts from that week's programs, the Director(s) of the excerpted material shall be paid, in lieu of the foregoing compilation fee, an aggregate sum equal to the applicable minimum compensation for a sixth episode of the program, prorated as determined by the Guild.~~ Exhibition of excerpts in such compilation television programs shall not be deemed reruns or other use of the television films and tapes from which the excerpts are taken. Payment pursuant to this Paragraph relating to compilations shall not reduce or affect other payments which may become due to the Directors for use of the television films and tapes from which such excerpts are taken.

"Notwithstanding the foregoing, the Director of a compilation program which utilizes excerpts from a strip variety program such as "*Jimmy Kimmel Live*" shall not be entitled to any part of the compilation fee for the use of excerpts taken from the strip variety programs he/she directed, provided that he/she has been continuously employed as a Director on that strip variety program for at least one (1) year prior to production of the compilation program.

"Programs that are the fifth episode in a week of a four-day-per-week strip program, or the sixth episode in a week of a five-day-per-week strip program, when the fifth or sixth episode consists mainly of excerpts from that week's other episodes, shall not be considered "compilation" television programs, and shall instead be subject to the payment provided in Section B.5. of this Article 23."

22. **West Coast Rerun of Awards Program (P-15)**

*Add a new paragraph to Article 7, Section B. of the FLTTA to provide:*

"In the event of a limited West Coast rerun of an awards program which has aired live and then is rerun beginning on the same day as the live broadcast, the residual payment shall be one-third of what would otherwise be payable."

23. **High Budget Basic Cable Variety Programs (U-7.a.i and 7.a.ii)**

*Add a new FLTTA Article 31, Section C. (and re-letter current Section "C." as Section "D.") as follows:*

**"SECTION C. TERMS AND CONDITIONS FOR HIGH BUDGET VARIETY PROGRAMS MADE PRIMARILY FOR THE BASIC CABLE MARKET**

**"1. High Budget Figures**

"The following terms and conditions shall be applicable only to 'high budget' variety specials, series and strip programs whose budgets equal or exceed the following amounts:

<u>Length of Program</u>	<u>'High Budget' Threshold*</u> <u>Effective July 1, 2017</u>	<u>'High Budget' Threshold*</u> <u>Effective July 1, 2019</u>
<u>30 minutes</u>	<u>\$600,000</u>	<u>\$650,000</u>
<u>60 minutes</u>	<u>\$1,300,000</u>	<u>\$1,400,000</u>
<u>More than 60 minutes</u>	<u>\$2,000,000</u>	<u>\$2,100,000</u>
<u>* Per program for variety specials; per episode for variety series; or per week for strip variety programs</u>		

"2. Residual Compensation

"(a) Domestic Basic Cable Reuse

"For purposes of this Article 31, Section C.2., an 'exhibition' is defined as two (2) runs within a 24-hour period, beginning with the first televised run. An 'Exhibition Period' is defined as a consecutive seven (7) day period during which there may be a maximum of five (5) exhibitions (including on any related or affiliated cable networks). If there are more than five (5) exhibitions during the consecutive seven (7) day period, the next Exhibition Period shall commence, regardless of whether it has been seven (7) days since the first televised run.

"Initial compensation paid to the Director of a high budget variety special, episode of a series or strip program constitutes payment for one (1) exhibition (including on any related or affiliated cable networks). Thereafter, for each Exhibition Period, the Employer will pay to the Director the following percentage of the applicable minimum initial compensation for a non-network or non-prime time program provided in FLTTA Article 6, Section B.2. or D.2., as applicable:

<u>Exhibition Period</u>	<u>Percentage of</u> <u>Applicable Minimum</u>
<u>First Exhibition Period</u>	<u>25%</u>
<u>Second Exhibition Period</u>	<u>10%</u>
<u>Third Exhibition Period</u>	<u>5%</u>
<u>Fourth and Subsequent Exhibition Periods</u>	<u>3.75%</u>

"For licenses for exhibition in basic cable only in Canada, the Employer shall pay two percent (2%) of the 'Employer's Gross' as defined in FLTTA Article 24, Section C.2."

"(b) Reuse in New Media

"Reuse of a high budget variety special, episode of a series or strip program in New Media will be paid in accordance with the provisions of FLTTA Sideletter 14 (Exhibition of Motion Pictures Transmitted Via New Media).

“(c) The residuals described in subparagraphs (a) and (b) above shall not be payable during the first season of a high budget variety series or strip program. Such residuals shall be payable at 50% of the amount otherwise due during the second season of a high budget variety series or strip program. During the third and subsequent seasons of a high budget variety series or strip program, residuals shall be paid as described in subparagraphs (a) and (b) above.”

“(d) Grandfathered Programs

“The provisions of this Article 31, Section C.2. shall not apply to any high budget basic cable variety special that commenced production prior to July 1, 2017, or any high budget variety strip program, the first episode of which commenced production prior to July 1, 2017. For purposes of subparagraph (c) above, the current season of any high budget variety series (other than a strip variety program), the first episode of which commenced production prior to July 1, 2017, shall be treated as if it is the series’ first season, and the subsequent season shall be treated as if it is the series’ second season. Any seasons thereafter shall have residuals payable as described in subparagraphs (a) and (b) above. Any program grandfathered under this subparagraph (d) will continue to be subject to FLTTA Sideletter 6, including but not limited to Paragraph 2 of that Sideletter.

“3. Production Fee and Vacation Pay

“For high budget basic cable variety specials, series and strip programs that meet the budget criteria set forth in Article 31, Section C.1. above, unless indicated otherwise on an Employee’s deal memo, Associate Directors and Stage Managers will receive a production fee and vacation pay in addition to the Employee’s negotiated salary.

“4. All other terms and conditions, including residuals in other markets (e.g., Supplemental Markets and Foreign Television), shall be governed by the provisions of FLTTA Sideletter 6.”

*Make conforming changes to the current Article 31, Section C. as follows:*

**“SECTION ~~ED~~. TERMS AND CONDITIONS FOR OTHER ENTERTAINMENT PROGRAMS MADE PRIMARILY FOR THE BASIC CABLE MARKET**

All other entertainment programs made primarily for the basic cable market (*i.e.*, entertainment programs made primarily for the basic cable market other than those covered by this Article 31, including variety programs that do not meet the ‘high budget’ criteria in Article 31, Section C.1.) shall be subject to the provisions of Sideletter 6 of this Agreement.”

24. Camera Placement for Awards Programs (U-7.c)

*Add a new FLTTA Article 10, Part 3, Section K. as follows:*

“SECTION K. CAMERA PLACEMENT FOR AWARDS PROGRAMS

“The Employer shall make good faith efforts to notify the lead Associate Director and lead Stage Manager of the placement of all camera and audio plots for ‘behind the scenes’ and related material for any awards program.”

25. Diginets (P-1.a)

*Amend Basic Agreement Sideletter No. 34 as follows:*

During the 2014<sup>7</sup> negotiations, the parties discussed the residual formula for exhibition of television motion pictures on secondary digital channels. The parties agreed that instead of a fixed residual formula, an Employer shall pay a percentage residual formula of two percent (2%) of “Employer’s gross receipts” (as defined in Paragraph 11-108) for any license to a secondary digital channel of any free television or pay television dramatic motion picture, non-dramatic program, High Budget SVOD Program, motion picture made for home video or any basic cable program not subject to Paragraph 23-104(b) of the Basic Agreement, as to which a fixed residual otherwise would be payable and that is out of production. that (i) has been out of production for at least one year three years and (ii) has not been exhibited under a fixed residual formula in syndication (except in the non-lead market) or pay television for at least one year three years in the case of a free television or pay television program or has not been exhibited under a fixed residual formula in syndication (except in the non-lead market), pay television or basic cable for at least one year three years in the case of a basic cable program. However, for any free television series consisting of sixty-eight (68) or fewer episodes or any basic cable or pay television series consisting of forty (40) or fewer episodes, the series need only have been out of production for at least two years and not been exhibited under a fixed residual formula on basic cable, pay or free television (except syndication in the non-lead market) for at least one year:

\* \* \*

“Notwithstanding any of the foregoing, the minimum payment pursuant to this Sideletter for any program, except non-dramatic programs, licensed to a related or affiliated entity shall be \$75.00~~50.00~~ for a 30-minute program, \$100.00~~150.00~~ for a 60-minute program, \$150.00~~200.00~~ for a 90-minute program, or \$200.00~~250.00~~ for a 120-minute program, as applicable; and the minimum payment pursuant to this Sideletter for any non-dramatic program licensed to a related or affiliated entity shall be \$50.00 for a 30-minute program, \$100.00 for a 60-minute program, \$150.00 for a 90-minute program or \$200.00 for a 120-minute program, as applicable.

“The foregoing applies to motion pictures, whether produced under the 2014<sup>7</sup> Basic Agreement or any prior Basic Agreement as to which residuals otherwise would be payable.”

*Make conforming changes to FLTTA Sideletter No. 18.*

26. **Basic Cable Second Sales (P-2.a and 2.b)**

*Modify Sideletter No. 7 to the Basic Agreement (and make conforming changes to the analogous Sideletter No. 10 to FLTTA) as follows:*

“Reference is made to the provisions of Paragraph 23-104 of the 2014<sup>7</sup> DGA Basic Agreement.

“During the 2014<sup>7</sup> negotiations, the parties agreed that residuals for any second or subsequent license of a high budget dramatic program or series made for basic cable to any basic cable service other than the one to which it was originally licensed shall be paid in accordance with the terms of this Sideletter, rather than pursuant to Paragraph 23-104, when the program or series is no longer in production. Specifically, with respect to any such license, the Employer shall pay two percent (2%) of ‘Employer’s gross receipts’ (as defined in Paragraph 11-108), provided that for a second or subsequent sale to the same basic cable service to which the program or series was originally licensed all runs licensed under the license agreement for the initial basic cable exhibition, and subject to a fixed residual, have been exhausted. Employer shall be deemed to have exhausted all unused runs under the initial license agreement upon payment under the run-based residual formula of a number of runs under the second license to the same basic cable service equal to the number of all unused runs under the initial license. ~~the program or series (i) has not been in production for at least two years and (ii) has not been exhibited under a fixed residual formula on basic cable or free television (except syndication in the non-lead market) for at least eighteen (18) months.~~

\* \* \* \*

“The foregoing applies to motion pictures, whether produced under the 2014<sup>7</sup> Basic Agreement or any prior Basic Agreement, as to which residuals otherwise would be payable. For purposes of this Sideletter, a ‘high budget’ dramatic program or series made for basic cable means any program or series made for basic cable before July 1, 1999 or a program or series made for basic cable on or after July 1, 1999 that meets the high budget test in effect at the time the basic cable program or series was produced.”

*Make conforming changes, including by changing the title of the Sideletters to: “Second or Subsequent Licenses of a High Budget Dramatic Program Made for Basic Cable to the Same or a Different Basic Cable Service.”*

27. **Foreign Language Basic Cable Service (P-3)**

*Insert the following as Basic Agreement Paragraph 23-104(d) (and make conforming changes to FLTTA Article 31, Section A., Paragraph 4.d.) and re-letter the existing subparagraphs (d), (e), and (f):*



“(d) Whenever a payment is due under the provisions of this Paragraph 23-104 for exhibition of an English language “high budget” dramatic program made for basic cable that is subsequently exhibited on a foreign language basic cable channel in a language or languages other than English (dubbed, not subtitled) in the United States or Canada, the payment due to the Director of such television motion picture shall be an amount equal to two percent (2%) of the ‘Employer’s gross’ derived from the distribution of such basic cable program for such exhibition. This payment shall not affect the Employer’s obligation to make the applicable rerun payments for the basic cable exhibition of the motion picture in English.

“When the ‘Employer’s gross’ derived from such exploitation is received from a related or affiliated entity that acts as the Distributor or exhibitor of the program, then the ‘Employer’s gross’ received by the Employer from the licensing of such rights shall be measured by the Distributor/exhibitor’s payments to unrelated and unaffiliated entities in arms’ length transactions for comparable programs, or, if none, then the amounts received by the Employer from unrelated and unaffiliated Distributors/exhibitors in arms’ length transactions for comparable programs or series, or, if none, a comparable Distributor/exhibitor’s payments to comparable unrelated and unaffiliated entities in arms’ length transactions for comparable programs or series.

“Notwithstanding any of the foregoing, the minimum payment pursuant to this subparagraph for any program licensed to a related or affiliated entity shall be \$50 for a 30-minute program, \$100 for a 60-minute program, \$150 for a 90-minute program, or \$200 for a 120-minute program, as applicable.

“This subparagraph will apply to all basic cable programs produced under this 2017 BA or any prior BA, as to which residuals otherwise would be payable.”

*Make conforming changes.*

28. **Radio Use (P-4)**

*Modify Article 9, Section A.1. of FLTTA as follows:*

“When a television program is transmitted via radio, the Employer shall pay the Director additional compensation in the amount of two percent (2%) of ‘Employer’s gross’ derived from the distribution of the program for such transmission. ‘Employer’s gross’ shall have the same meaning as set forth in Article 24, Section C.2. No separate payment shall be due if the program is subsequently made available via a ‘podcast’. For the purpose of this provision, a ‘podcast’ is defined as an audio file made available via a computer, tablet, mobile or other device.

“When the ‘Employer’s gross’ derived from such transmission is received from a related or affiliated entity that acts as the Distributor or exhibitor of the program, then the ‘Employer’s gross’ received by the Employer from the licensing of such rights shall be measured by the Distributor/exhibitor’s payments to unrelated and unaffiliated entities in

arms' length transactions for comparable programs, or, if none, then the amounts received by the Employer from unrelated and unaffiliated Distributors/exhibitors in arms' length transactions for comparable programs or series, or, if none, a comparable Distributor/exhibitor's payments to comparable unrelated and unaffiliated entities in arms' length transactions for comparable programs or series."

"The Director of a simulcast shall be paid, in addition to the applicable minimum, additional compensation of thirty-three and one-third percent (33 1/3%) thereof."

29. **Theatrical Use Fee (P-5)**

*Modify Paragraph 11-201 of the Basic Agreement to read as follows:*

**"Section 11-200      ADDITIONAL COMPENSATION FOR THEATRICAL EXHIBITION**

**"11-201**      Additional compensation shall immediately accrue and be payable to the Director of a television motion picture film when such motion picture film is used for theatrical exhibition as follows (excepting the "bridging" of television motion pictures films for theatrical release, trailers, promos or second units, for which there will be no additional compensation):

**"(a)**      If a television motion picture film is exhibited theatrically outside of the United States and Canada, then upon the release of such television motion picture film for theatrical exhibition, the Director shall be paid an amount equal to one hundred percent (100%) of the applicable theatrical minimum. If such motion picture film is released theatrically in the United States or Canada, the Director shall be paid one hundred fifty percent (150%) of such applicable theatrical minimum; provided, however, that the maximum payment under the provisions of this Paragraph 11-201 for theatrical release of a television motion picture film shall be one hundred fifty percent (150%) of applicable theatrical minimum.

**"(b)**      In lieu of the payment prescribed by the foregoing paragraph:

**"(1)**      If one or more episodes of a free television, pay television or basic cable series or one or more episodes of a High Budget SVOD series or mini-series (as defined in Sideletter No. 35 to the Basic Agreement), either alone or in combination with another episode of the same or different series, or a long-form television motion picture made for free television, pay television or basic cable (but not one that is a High Budget SVOD Program), is exhibited theatrically with an admission charge after its initial exhibition on television (or, initial availability on a subscription consumer pay platform in the case of a High Budget SVOD series or mini-series), the Employer shall



pay to the Director an amount equal to three percent (3%) of the Employer's gross (as defined in Paragraph 18-103(b)) derived from licensing the theatrical exhibition rights. "Employer's gross," for this purpose, shall include the fair market value of any in-kind consideration, provided that:

- "(i) The theatrical exhibition shall take place at least twenty-four (24) hours after the episode's initial telecast (or, for a High Budget SVOD series or mini-series, at least twenty-four (24) hours after the episode has been made available for viewing on the streaming service) or at least thirty (30) days after the initial telecast of a long-form television motion picture;
  - "(ii) The theatrical exhibition shall not exceed eight (8) days, which need not be consecutive, unless the initial theatrical exhibition takes place more than one year after the initial telecast or streaming availability, in which case there is no limit on the length of the theatrical exhibition;
  - "(iii) The original Director, subject to his or her reasonable availability, shall supervise any additional editing at no additional salary, and be offered employment to shoot any additional footage that may be required at the *pro rata* daily rate applicable to the television or High Budget SVOD motion picture.
- "(2) If one or more episodes of a 30-minute or 60-minute free television, pay television or basic cable series or one or more episodes or a 20-35 minute or 36-65 minute High Budget SVOD series, either alone or in combination with another episode of the same or different series, is exhibited theatrically with an admission charge no more than thirty (30) days in advance of or simultaneous with its exhibition on television (or, in the case of an episode of a High Budget SVOD series, thirty (30) days in advance of or on the same date that it is made available for exhibition on a streaming service), the Employer shall pay to the Director an amount equal to three percent (3%) of the Employer's gross (as defined in Paragraph 18-103(b)) derived from licensing the theatrical exhibition rights. "Employer's gross," for this purpose, shall include the fair market value of any in-kind consideration, provided that:

- “(i) The theatrical exhibition shall not exceed six (6) days, which need not be consecutive;
- “(ii) The episode, including the pilot, is part of a series order of at least six (6) episodes;
- “(iii) When Employer has reached an agreement in principle for theatrical exhibition prior to the completion of the Director’s Cut of the episode or pilot, the Director shall be entitled to two (2) consecutive days added to the Director’s Cut period provided in Paragraph 7-505 to complete his or her Director’s Cut of the episode and the theatrical version at no additional salary;
- “(iv) When Employer has reached an agreement in principle for theatrical exhibition after the completion of the Director’s Cut, the original Director, subject to his or her reasonable availability, shall be entitled to three (3) additional days for editing for theatrical exhibition at no additional salary;
- “(v) The Director shall be offered employment to shoot any additional footage that may be required at the *pro rata* daily rate applicable to the television or High Budget SVOD motion picture.
- “(3) Employer shall provide the Director and the Guild with notice of any theatrical exhibition covered under this subparagraph (b) as soon as possible after an agreement in principle has been reached for the theatrical exhibition.
- “(4) The provisions of subparagraphs (b)(1) and (2) apply to a double-length episode, a pilot of any length for which a series has been ordered and any ‘supersized’ episode of a series.
- “(5) In the case of dispute as to the manner of allocation of the payment between Directors, or as to who will perform the editing services, the Guild will make the determination.
- “(6) The provisions of Paragraph 11-202 are superseded by the this subparagraph (b).
- “(7) The theatrical use fee provided in subparagraph (a) of this Paragraph 11-201, less the amount of the percentage residual payment already paid, shall apply if the foregoing

conditions are not met or if the television motion pictures or High Budget SVOD series or mini-series as theatrically exhibited are submitted for theatrical award consideration.

- “(8) The provisions of this subparagraph (b) shall apply to the use after July 1, 2017 of any television episode, High Budget SVOD Program or long-form television motion picture for which a theatrical release payment is due, regardless of when produced.
- “(9) Within ten days of a request by the Guild, the Employer shall provide for inspection by DGA’s designated employee or auditor, at Employer’s premises, full access to all unredacted agreements related to the theatrical exhibition of the television motion picture. The information provided to the DGA will be treated as confidential pursuant to Basic Agreement Section 17-400.
- “(10) The provisions of this subparagraph (b) shall expire on the termination date of the 2017 Basic Agreement and will be of no force and effect thereafter; however, this subparagraph (b) shall continue to apply to any license agreement entered into before July 1, 2020.

“(c) [Moved from Paragraph 11-208] When a motion picture is exhibited at a film festival or a charitable event and an admission fee is charged, but no monies are paid to the Employer or the Employer’s licensee in consideration of the use of the film, no payment shall be due hereunder.

“(d) The foregoing shall not apply to the incidental use of a television excerpt (as that term is generally used in the industry) in a theatrical exhibition. The following provisions shall apply to use of such a television excerpt:

“(a)(1) For use of such an excerpt in a theatrical motion picture, the following payments will be made:

“(1)(A) Excerpt less than thirty (30) seconds, ~~\$499~~ ~~\$484~~ ~~(\$514-\$499 effective July 1, 20185);~~

“(2)(B) Excerpt thirty (30) seconds to two (2) minutes, ~~\$998~~ ~~\$969~~ ~~(\$1,028 \$998 effective July 1, 20185);~~

“(3)(C) Excerpt over two (2) minutes, ~~\$998~~ ~~\$969~~ plus ~~\$402~~ ~~\$390~~ for each additional minute or fraction thereof ~~(\$1,028 \$998 plus \$414 \$402~~

for each additional minute or fraction thereof  
effective July 1, 201~~8~~5).

~~“(b)(2)~~ The provisions of this Paragraph 11-201 relating to the use of excerpts apply to the use after July 1, 201~~4~~7 of any excerpt from a television motion picture, whenever produced.

~~“(c)(3)~~ The actual production company which produces the program or motion picture containing the excerpt requiring payment is obligated to make the payment, provided the company is signatory to this BA. Employer shall otherwise remain liable for the payment due.

~~“(d)(4)~~ If two (2) or more Directors are entitled to share any payment, the Guild shall determine the allocation among the Directors.

~~“(e)(5)~~ If an excerpt is used in a local program and the program is broadcast in no more than one (1) market, the payment for such use shall be fifty percent (50%) of the amount provided in this Paragraph 11-201. If the program is broadcast later in another market, the Director shall be paid the remaining fifty percent (50%).”

*The foregoing applies to non-dramatic programs as well.*

*Make conforming changes in other portions of Section 11-200 of the DGA Basic Agreement (and analogous provision(s) of the FLTTA).*

30. **vMVPD Services (P-6.b)**

*Add a Sideletter to the Basic Agreement and FLTTA to provide:*

“During the course of the 2017 negotiations, the parties discussed how the landscape of the free television marketplace has evolved from the past – when the exhibition of a given television program was only available to the viewer in the home on a television set on a linear channel at a specific scheduled time – to the current marketplace, commonly referred to as ‘TV everywhere’ where the viewing public, in addition to viewing a program on a linear channel at a scheduled time, is also provided the time-shifted option to view the same program on a variety of digital devices on a video-on-demand (‘VOD’) basis. In addition, in the past, the bargaining parties agreed that television exhibitions on a linear channel provided through an MVPD, whether such channel was a free broadcast channel or a basic cable channel, were considered exploitation of free television rights even though the consumer paid a monthly fee to access such programming.

“Consistent with the above, the bargaining parties agree that with respect to new internet-delivered ‘virtual MVPD’ services, such as Sling TV and Sony’s PlayStation Vue, and

other like services, such as CBS All Access, (collectively referred to hereafter as ‘vMVPD Services’), any VOD rights which are associated with exhibition of the program on a linear channel on the vMVPD Service (commonly referred to as ‘stacking rights’) shall be considered exploitation of free television rights and not a form of pay or subscription television. Such ‘stacking rights’ shall be treated the same as if such programs were exhibited on traditional MVPDs.

“Under this framework, the parties clarified the treatment of covered television motion pictures<sup>1</sup> on vMVPD Services as follows:

- “1. When the License for Linear Channel Exhibition of the Covered Television Motion Picture or Series on the vMVPD Service Includes On-Demand Availability
  - “a. When a linear channel on an MVPD is also offered on an vMVPD Service (such as when ABC is offered on Sling TV), no additional payment is required for the linear channel availability on the vMVPD Service.
  - “b. When a covered television motion picture is available on demand on the vMVPD Service pursuant to a license agreement with a channel or network that includes the right to exhibit the covered television motion picture or other episodes of the same series on a linear channel on the vMVPD Service, the same free streaming windows and residual formulas that apply to the on-demand availability of a covered television motion picture on an MVPD are applicable. (See Section 3.A. of Sideletter No. 15 to the Basic Agreement and the analogous provisions of Sideletter No. 14 to the FLTTA re: Exhibition of Motion Pictures Transmitted via New Media.)
  - “c. The use of excerpts from a covered television motion picture on the vMVPD Service pursuant to a license agreement with a channel or network that includes the right to exhibit the covered television motion picture or other episodes of the same series on a linear channel on the vMVPD Service shall likewise be governed by the provisions of Sections 3.A.(3), (5) and 4 of Sideletter No. 15 to the Basic Agreement and the analogous provisions of Sideletter No. 14 to the FLTTA re: Exhibition of Motion Pictures Transmitted via New Media.
  - “d. The fixed residual payment applicable under Section 3.A.(4) of Sideletter No. 15 to the Basic Agreement (and the analogous provisions of Sideletter No. 14 to the FLTTA) covers on demand availability on a free-to-the-consumer, advertiser-supported new media service and on an

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<sup>1</sup> It is understood by the parties that the provisions set forth herein apply to television motion pictures, the principal photography of which commenced on or after July 1, 1971, whether produced under the 2017 BA or FLTTA or any prior BA or FLTTA, as to which free television residuals are still payable.

MVPD (or any similar service that exists or may hereafter be developed) and vMVPD Service.

“e. The on-demand availability provisions under Section 3.A. of Sideletter No. 15 to the Basic Agreement and the analogous provisions of Sideletter No. 14 to the FLTTA re: Exhibition of Motion Pictures Transmitted via New Media apply regardless of whether there are advertisements.

“f. When the Employer directly licenses the right to exhibit a covered television motion picture on a linear channel available only on an vMVPD Service(s), the supplemental exhibition on such channel, as well as any associated stacking rights and the use of excerpts, shall be treated in the same manner as a license of a free television motion picture to basic cable. The exhibition rights on the linear channel shall be subject to a residual formula of two percent (2%) of Employer’s gross (as defined in Paragraph 18-103(b)), and the stacking rights and use of excerpts shall be subject to the same free streaming windows and residual formulas that apply to the on-demand availability and use of excerpts of a covered television motion picture on an MVPD. (See Sections 3.A. and 4 of Sideletter No. 15 to the Basic Agreement and the analogous provisions of Sideletter No. 14 to the FLTTA re: Exhibition of Motion Pictures Transmitted via New Media.)

“2. When the License Is for On-Demand Availability on the vMVPD Service

“By contrast, when the Employer licenses the right to exhibit a covered television motion picture, or one or more episodes of a covered television series, on an on-demand basis on the vMVPD Service, and such rights are not associated with the right to exhibit the motion picture or episodes of the series on a linear channel on the vMVPD Service, the parties agree that Section 1 of Sideletter No. 15 to the Basic Agreement (and the analogous provision of Sideletter No. 14 to the FLTTA), which governs licenses to consumer pay new media platforms for a limited period or fixed number of exhibitions, shall apply.

“In addition, when a program is made exclusively for on-demand availability on an vMVPD Service, it shall be treated as having been made for a subscription consumer pay new media platform subject to the provisions of Sideletter No. 35 re: Programs Produced for New Media.”

*Make conforming changes.*

31. **Pay Television OTT Services (P-6.c.)**

*Modify the Basic Agreement and FLTTA, either by Sideletter or otherwise, to provide as follows: [Not in contract language]*

The parties confirmed that when a pay television service (such as HBO, Showtime or Starz) is delivered to subscribers over-the-top (“OTT”) without an additional subscription

fee (such as HBO Go, Showtime Anytime or Starz Play), the OTT service is treated as part of the linear pay television service for all purposes under the DGA Basic Agreement (and FLTTA). It is understood that foreign sales of traditional pay television will be combined with foreign sales of OTT pay television for purposes of applying the two percent (2%) formula set forth in Paragraph 20-403.

When a subscription fee is charged for the over-the-top ("OTT") delivery of a pay television service (such as for HBO Now and the standalone New Media subscription services of Showtime and Starz), the OTT service shall be treated as part of the linear pay television service for all purposes under the DGA Basic Agreement (and FLTTA), and the additional subscribers to the OTT service shall be included in the count of total subscribers for all purposes under the DGA Basic Agreement (and FLTTA). It is understood that foreign sales of traditional pay television will be combined with foreign sales of OTT pay television for purposes of applying the two percent (2%) formula set forth in Paragraph 20-403.

For example, during the first exhibition year on HBO and HBO Now of a pay television program produced for HBO, the subscriber residual payment is based on the total number of subscribers to HBO and HBO Now. In the event that an HBO program is available on HBO Now and not HBO during a subsequent exhibition year, the subscriber residual payment for the particular exhibition year is based on the cumulative subscribers to HBO Now and HBO, even if the exhibition is solely on HBO Now.

32. **California Sick Leave**

*Add the following to a new Section 17-700 of the DGA Basic Agreement to apply to Employees other than Trainees (and make analogous changes to the FLTTA by adding a new subparagraph 23 to Article 9, Section B. of the FLTTA):*

**"17-701 California Sick Leave**

**"(a) Accrual.** Commencing July 1, 2017, eligible Employees (as described in paragraph (b) below) shall accrue one (1) hour of paid sick leave for every thirty (30) hours worked in California for the Employer, up to a maximum of forty-eight (48) hours or six (6) days. Employees are deemed to work forty (40) hours per week if they work on a weekly basis or eight (8) hours per day if they are employed on a daily basis or work for a partial workweek. (In lieu of the foregoing hourly accrual of paid sick leave, and provided that advance notice is given to the Employee, an Employer may elect to provide Employees, upon their eligibility to use sick leave as provided below (*i.e.*, upon working thirty (30) days in California for the Employer within a one (1) year period and after their ninetieth (90th) day of employment in California with the Employer (based on days worked or guaranteed)), with a bank of twenty-four (24) hours or three (3) days of sick leave at the beginning of each year, such year to be measured, as designated by the Employer, as either a calendar year or starting from the Employee's anniversary date. Under this elected option, such banked sick leave days may not be carried over to the following year.) An Employee



shall not forfeit sick leave earned during employment with the Employer before July 1, 2017; however, such sick leave shall be counted towards the maximum accrued sick leave set forth above. Nothing herein alters the administration of any sick leave accrued before July 1, 2017.

“(b) To be eligible to accrue paid sick leave, the Employee must have worked for the Employer for at least thirty (30) days in California within a one (1) year period, such year to be measured, as designated by the Employer, as either a calendar year or starting from the Employee's anniversary date. Sick leave may be used in minimum increments of four (4) hours upon oral or written request after the eligible Employee has been employed by the Employer in California for ninety (90) days (based on days worked or guaranteed), such period to be measured, as designated by the Employer, as either a calendar year or starting from the Employee's anniversary date. Reasonable advance notification of the need for sick leave is required if the use is foreseeable; otherwise, notice is required as soon as practicable. Sick days accrued on an hourly basis shall carry over to the following year of employment; however, the Employer may limit the use of such accrued time to no more than twenty-four (24) hours or three (3) days during each year of employment as defined by the Employer in advance.

“(c) For Employees employed on a daily or weekly basis, a day of sick leave pay shall be equal to one-fifth (1/5th) of the Employee's minimum weekly rate or one-seventh (1/7th) of the Employee's minimum weekly rate on distant location, as applicable (or fifty percent (50%) thereof for a four (4) hour increment of sick leave taken).

“Replacements may be hired on a *pro rata* daily basis regardless of any contrary provision in this Agreement. The Employee shall not be required to find a replacement as a condition of exercising his right to paid sick leave.

“(d) Sick leave may be taken for the diagnosis, care or treatment of an existing health condition of, or preventive care for, the Employee or the Employee's ‘family member.’<sup>19</sup> Sick leave also may be taken by an Employee who is a victim of domestic violence, sexual assault or stalking.

“(e) Accrued, unused sick leave is not paid out on termination, resignation or other separation from employment. If an Employee is rehired by the Employer within one (1) year of the Employee's separation from

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<sup>19</sup> “‘Family member’ means any of the following: (1) a biological, adopted or foster child, stepchild, legal ward or a child to whom the Employee stands *in loco parentis*; (2) a biological, adoptive or foster parent, stepparent or legal guardian of the Employee or the Employee's spouse or registered domestic partner or a person who stood *in loco parentis* when the Employee was a minor child; (3) a spouse; (4) a registered domestic partner; (5) a grandparent; (6) a grandchild; or (7) a sibling.”



employment, the Employee's accrued and unused sick leave shall be reinstated, and the Employee may begin using the accrued sick leave upon rehire if the Employee was previously eligible to use the sick leave or once the Employee becomes eligible as provided above.

“(f) At the Employer's election, the Employer shall either:

“(1) Show the amount of available paid sick leave on the Employee's pay stub or a document issued together therewith; or

“(2) Include in the Employee's start paperwork the contact information for the designated Employer representative whom the Employee may contact to confirm eligibility and the amount of accrued sick leave available.

“The Employee's start paperwork shall also include information with respect to the year period (i.e., calendar year or the Employee's anniversary date) that the Employer selected to measure the thirty (30) day and ninety (90) day eligibility periods and the cap on accrual set forth in subparagraph (b) above or, alternatively, if the Employer elected to provide Employees with a sick leave bank, the year period (i.e., calendar year or the Employee's anniversary date) that the Employer selected for the bank of three (3) sick days as provided in subparagraph (a) above.

“(g) Any Employer that has a sick leave policy, or paid leave or paid time off policy that permits the use of paid sick time and exceeds or substantially meets the requirements of this Paragraph 17-701, as of June 30, 2017, may continue such policy in lieu of the foregoing. Nothing shall prevent an Employer from negotiating a sick leave policy with better terms and conditions. There shall be no discrimination or retaliation against any Employee for exercising his or her right to use paid sick leave.

“(h) Any dispute with respect to sick leave for Employees covered under this Agreement shall be subject to the grievance and arbitration procedures provided herein.

*Make conforming changes, including to the last sentence of Section P.3 of Article 6 of the FLTTA to provide that any sick leave accrued pursuant to the above shall be applied towards the obligation on the Company provided therein. Additionally, modify Section 14-100 to clarify that the foregoing Paragraph 17-701 does not apply to Trainees.*

33. **Waiver of Sick Time Laws (P-18)**

*Modify Section 17-125 of the Basic Agreement and Article 9, Section B.22. of the FLTTA as follows:*

“\_. Waiver of New York Earned Sick Time Act and Similar Laws

“In consideration of the fact that Employees employed under this Agreement are entitled to contributions for pension and health plan coverage, vacation pay, and premium pay, including for work on holidays and on Employees’ sixth or seventh day of work in a workweek, tThe DGA expressly waives, to the full extent permitted by law, the application of the New York City Earned Sick Time Act of 2013 following to all Employees employed under this Agreement; the New York City Earned Sick Time Act of 2013; Section 1-24-045 of the Municipal Code of Chicago; the San Francisco Paid Sick Leave Ordinance (San Francisco Administrative Code Section 12W); the Paid Sick Leave Ordinance of Berkeley, California (Municipal Code Chapter 13.100); all requirements pertaining to “paid sick leave” in Chapter 37 of Title 5 of the Municipal Code of Emeryville, California (including, but not limited to, Chapter 37.0.1.e), 37.03, 37.07.a)1)B.ii, and 37.07.f)); the Oakland Sick Leave Law (Municipal Code Section 5.92.030.); Chapter 4.62.025 of the Santa Monica Municipal Code (enacted by Ordinance No. 2509); the Seattle Paid Sick and Safe Time Ordinance (Ordinance No. 123698); Chapter 18.10 of Title 18 of the Municipal Code of the City of Tacoma, Washington (enacted by Ordinance No. 28275); Article 8.1 of Title 23, Chapter 2 of the Arizona Revised Statutes; Chapter 160 of the Ordinances of the Township of Bloomfield, New Jersey (enacted by Ordinance No. 15-10); the Paid Sick Time for Private Employees Ordinance of East Orange, New Jersey (Ordinance No. 21-2014; East Orange Code Chapter 140, Section 1 *et seq.*); the Paid Sick Time Law of Jersey City, New Jersey (Chapter 4 of the Jersey City Municipal Code); Chapter 8.56 of the Revised General Ordinances of the City of New Brunswick, New Jersey; Chapter 8, Article 5 of the Municipal Code of the City of Plainfield, New Jersey; the Sick Leave for Private Employees Ordinances of Elizabeth, New Jersey (Ordinance No. 4617); Irvington, New Jersey (Ordinance No. MC-3513); Montclair, New Jersey; Morristown, New Jersey (Ordinance No. O-35-2016); Newark, New Jersey (City Ordinance 13-2010); Passaic, New Jersey (Ordinance No. 1998-14); Paterson, New Jersey (Paterson Code Chapter 412) and Trenton, New Jersey (Ordinance No. 14-45; and any other ordinance, statute or law requiring paid sick leave that is hereafter enacted. It is understood that the DGA and the AMPTP shall memorialize any such waiver for any newly-enacted law by letter agreement.”

34. **Hold Harmless (U-6.b.)**

*Modify Paragraph 17-118 of the DGA Basic Agreement (and make conforming changes to Article 9, Section B.(11) of the FLTTA) as follows:*

**“17-118      Hold Harmless**

“The Employer shall save the Employee harmless from liability and necessary costs, including by providing the Employee a legal defense or, at the Employer’s discretion, by the payment of reasonable attorneys’ fees, resulting from any claim of injury to or loss or damage suffered by any person including any member of the cast, or crew or any bystander, occurring in the performance of his or her duties, within the scope of his or her employment, during the production of a motion picture he or she

directs or assists in directing or in connection with which he or she renders services to the Employer as a UPM or Associate Director, as the case may be, provided, however, and subject to the conditions that:

- “(a) this Paragraph 17-118 shall not apply in any instance in which such injury, loss or damage is the result of or caused by, in whole or in part, the gross negligence or willful misconduct of such Employee ~~(except that in the case of such negligence the Employer will provide such Employee involved with a legal defense);~~
- “(b) immediately upon such Employee, or his or her representative, being informed of any claim or litigation, he or she shall notify the Employer thereof and deliver to the Employer every demand, notice, summons, complaint or other process received by him or her or his or her representative; and
- “(c) the Employee shall cooperate fully in the defense of the claim or action, including the attending of hearings and trials, securing and giving evidence, and obtaining the attendance of witnesses.
- “(d) Employer agrees that it will arrange to have each Employee ~~Director~~ who renders services to Employer under the BA named or covered as an insured or an additional insured under its Errors and Omissions (Producer's Liability) Insurance.
- “(e) The Employer shall obtain and keep in force during the term of employment of any Employee ~~a policy of comprehensive public liability insurance~~ coverage insuring the Employee against any liability arising out of the performance by the Employee in the course and scope of his/her employment under this BA under the direction and control of the Employer. Such insurance shall be in the amount of not less than ~~\$1,000,000~~ \$2,000,000 for injury to or death of one person in any one accident or occurrence and in an amount not less than ~~\$2,000,000~~ \$4,000,000 for injury to or death of more than one person in any one accident or occurrence. Such insurance shall further insure the Employee against liability for property damage of at least ~~\$250,000~~ \$500,000. The foregoing insurance coverage may be satisfied by a combination of primary and excess insurance policies. Upon request of the Employee or the Guild, Employer shall provide evidence of such insurance coverage.”

35. **Residuals Issue re “Slotting Fees”**

In consideration of the agreements made by the parties during the 2017 negotiations, the Guild waives and forever relinquishes all residuals claims to date concerning “slotting fees.” The parties agree that an Employer may exclude “slotting fees” from “Employer's gross” when making Supplemental Markets payments under Paragraph 18-104 of the

2017 Basic Agreement and the 2017 FLTTA Article 24, Section D. and predecessor Agreements.

The Guild also agrees to recommend to the DGA-Producer Pension and Health Plans that they withdraw all claims heretofore made for inclusion of slotting fees in the calculation of Supplemental Markets residual payments under Paragraph 18-104 and FLTTA Article 24, Section D. and that no such additional claims be made.

Notwithstanding the foregoing, if an Employer has heretofore included "slotting fees" in "Employer's gross" when remitting any residuals payments prior to July 1, 2017, it shall have no right to recoup the excess amounts paid by reason of such inclusion nor to credit or offset those excess amounts against other obligations due to an Employee or the DGA-Producer Pension and Health Plans.

36. **Legal and Administrative Issues**


- a. Qualified Distributor and Qualified Residuals Payor Lists – See Attachment #3 (Qualified Distributor List) and Attachment #4 (Qualified Residuals Payor List).
- b. Deal Memos – The parties have agreed to revisions to certain deal memos.
- c. Pay Television Fund Administrator – The parties have agreed to the removal of the Pay Television Fund Administrator from the Agreements.
- d. Tri-Guild Audit Program – conditional agreement to renew funding at current levels.
- e. Arbitrators – Modify the Los Angeles Arbitrator lists in Paragraph 2-304(a)(1) and Sideletter No. 16 of the Basic Agreement, and Article 20, Section C.4(a)(1) and Sideletter No. 16 of the FLTTA by adding Andria Knapp and Norman Brand, and removing Joseph Gentile.
- f. The parties agreed to renew the outdoor advertising provision regarding billboards and bus sides.
- g. Sideletters
  - (a) *Renew the following Sideletters to the DGA Basic Agreement:*
    - (1) Sideletter No. 12 re: Experiment in Syndication of Half-Hour Series in Markets Representing 50% or Fewer of U.S. Television Households
    - (2) Sideletter No. 15 re: Exhibition of Motion Pictures Transmitted via New Media subject to modifications herein.
    - (3) Sideletter No. 35 re: Programs Made for New Media subject to modifications herein.

- (b) *Renew the following Sideletters to the DGA FLTTA:*
- (1) Sideletter No. 14 re: Exhibition of Motion Pictures Transmitted via New Media subject to modifications herein.
  - (2) Sideletter No. 19 re: Experiment in Syndication of Half-Hour Series in Markets Representing 50% or Fewer of U.S. Television Households
  - (3) Sideletter No. 28 re: Programs Made for New Media subject to modifications herein.
- (c) All other sideletters remain unchanged except as otherwise provided herein.
- h. The parties agreed to the removal of a limited number of obsolete sideletters and two provisions of the agreements.

**For the Directors Guild America, Inc.**

  
\_\_\_\_\_  
Date

**For the Alliance of Motion Picture  
and Television Producers**

  
\_\_\_\_\_  
February 3, 2017  
Date

**ATTACHMENT #1**  
**2017 DGA BASIC AGREEMENT AUTHORIZATION LIST**

12:05 AM Productions, LLC  
7 Friends Pictures Inc.  
28 Awards Productions, Inc.  
300 Pictures, Inc.  
1440 Productions LLC  
8899 Productions, Inc.

ABC Signature Studios, Inc.  
Abominable Pictures, Inc.  
Academy of Motion Picture Arts and Sciences  
Acid Zoo Productions, LLC  
Adobe Pictures, Inc.  
AEG Ehrlich Ventures, LLC  
Alcon Entertainment, LLC  
Alive and Kicking, Inc.  
American Lion Productions, Inc.  
American Summer Productions, Inc.  
Anonymous Content, LLC  
Ashland Productions, Inc.  
Auckland Productions, Inc.  
Avoca Productions, Inc.

Bad Moms Louisiana, LLC  
BCurious Productions Inc.  
Bell-Phillip Television Productions, Inc.  
Blue Collar Productions, Inc.  
Bonanza Productions Inc.  
Brad Lachman Productions, Inc.  
Breakthrough Awards Productions, Inc.  
Bum Wheel Productions, LLC

Califon Productions, Inc.  
Canada Premiere Pictures Inc.  
Casual Productions, Inc.  
CBS Films Inc.  
CBS Studios Inc.  
Charlestown Productions LLC  
Chew Productions, Inc.  
Chime Productions, LLC  
Classic Films Inc.  
Colony Way Productions, Inc.  
Columbia Pictures Industries, Inc.  
Company Prime LLC  
Corday Productions, Inc.

Country Music Association, Inc.  
CPT Holdings, Inc.  
Crown City Pictures Inc.  
Crushed Productions, Inc.

Dakota North Entertainment, Inc.  
DANJAQ, LLC  
Delta Blues Productions LLC  
dick clark productions, inc.  
Digital 49 Productions, Inc.  
Digital 360 Productions, Inc.  
Direct Court Productions, Inc.  
DW Dramatic Television L.L.C.  
DW SKG TV L.L.C.  
DW Studios Productions L.L.C.  
DW Television L.L.C.  
DWP Productions, Inc.

Earlham Productions, Inc.  
Egregious Entertainment, LLC  
ELP Communications  
Entrada Productions, Inc.  
Evolutionary Pictures, LLC  
Expanding Universe Productions, LLC  
Eye Productions Inc.

Film 49 Productions, Inc.  
Focus Features Productions LLC  
Foreigner, LLC  
Fox Sports Productions, Inc.  
Fox Square Productions, Inc.  
Fox Television Studios, Inc.  
FTP Productions, LLC

GC Films Inc.  
Goosebumps Productions, LLC  
Graves Productions, Inc.  
GWave Productions, LLC

Hazardous Productions, LLC  
HDReady LLC  
Hi'ilawe Productions, Inc.  
Honors Productions, Inc.  
Hop, Skip & Jump Productions, Inc.  
Horizon Productions, Inc.

Horizon Scripted Television Inc.  
Hostage Productions, Inc.

I.B.C.C. Films, Inc.  
Icon Productions LLC  
Innovation Movie, LLC  
Interborough, Inc.  
Interloper Films Inc.  
Interpol Pictures, LLC  
It's A Laugh Productions, Inc.

Just Rewards Productions, Inc.

Keep Calm and Carry On Productions, Inc.  
Kelley Productions, Inc. dba David E.  
Kelley Productions  
Kent Gordis Productions, Inc.  
Kiki Tree Pictures Inc.  
Knight Takes King Productions, LLC

Lady Prison Productions, Inc.  
Lakeshore Entertainment Group, LLC  
Legendary Pictures Funding, LLC  
Lennox House Pictures Inc.  
LGDG Films Inc.  
LGTV Productions, Inc.  
Lincolnwood Drive, Inc.  
Lions Gate Television Development LLC  
Living Proof Productions, LLC  
Louisiana Premiere Productions LLC  
Love Child Pictures, LLC

Madison Productions, Inc.  
Mars Boys, LLC  
Marvel Eastern Productions LLC  
Marvel Film Productions LLC  
Marvel Picture Works LLC  
Mesquite Productions, Inc.  
Metro-Goldwyn-Mayer Pictures Inc.  
MGM Television Entertainment Inc.  
Michael Jaffe Films, Ltd.  
Michael Rose Productions, Inc.  
Minim Productions, Inc.  
Monet Lane Productions, Inc.  
Montrose Productions, Inc.  
Moxie Pictures, Inc.  
Music City Productions, Inc.  
Mutiny Pictures Inc.

New Line Productions, Inc.  
New Regency Productions, Inc.  
Ninjutsu Pictures Inc.  
NS Pictures, Inc.

O Positive TV, Inc.  
Ocotillo Productions, Inc.  
October Holdings, Inc.  
On The Brink Productions, Inc.  
Only One Productions, Inc.  
Open 4 Business Productions LLC  
Orange Plank Road, LLC  
Original Content Productions LLC

Pacific 2.1 Entertainment Group, Inc.  
Paramount Overseas Productions, Inc.  
Paramount Pictures Corporation  
Partially Important Productions LLC  
Perdido Productions, Inc.  
Pet II Productions Inc.  
Peter Rosen Productions, Inc.  
Pool Mate Pictures, LLC  
Preach Productions, Inc.  
Privileged Productions Limited  
Prodco, Inc.  
Produced Bayou, Inc.  
Profiler Productions, Inc.

Quadra Productions, Inc.

Ralph Edwards Productions  
Ralph Edwards/Stu Billett Productions  
Random Pictures Inc.  
Red Zone Pictures, Inc.  
Redemption Pictures, Inc.  
ReelWorks Studios, LLC  
Relief Productions  
Remote Broadcasting, Inc.  
Right Here Right Now Productions, LLC  
Riverboat Productions, LLC  
Riverside Olive Productions, Inc.  
River Road Entertainment Productions, LLC  
Rose City Pictures, Inc.  
Royals Productions, Inc.  
Rozar Pictures, LLC  
Rush Hour Productions, Inc.  
(dba Rush Hour P.I.)



S&K Pictures, Inc.  
 Salty Pictures, Inc.  
 Sample Size, Inc.  
 San Vicente Productions, Inc.  
 Scope Productions, LLC  
 Screen Gems Productions, Inc.  
 Shorty Pics LLC  
 Sidestreet Entertainment, Inc.  
 Sleepless Nights Productions LLC  
 SLO Productions Inc.  
 Snapper Productions, LLC  
 Somma Productions, Inc.  
 St. Giles LLC  
 Stage 6 Films, Inc.  
 Stage 29 Productions, LLC  
 Storyteller Production Co., LLC  
 Studio 601 LLC  
 Summerdale Productions  
 Summit Productions, LLC  
 Sunny Television Productions, Inc.  
 Superstar Productions USA Inc.  
  
 That's Fantastic LLC  
 Theoretical Pictures, Inc.  
 Thoreau LLC  
 Tibernia Productions, Inc.  
 Topanga Productions, Inc.  
 Touchstone Television Productions, LLC  
     dba ABC Studios  
 Trackdown Productions, Inc.  
 Triage Entertainment, LLC  
 TriStar Television, Inc.  
 TSM, LLC  
 Turner Films, Inc.  
 Turner North Center Productions, Inc.  
 Twentieth Century Fox Film Corporation  
  
 Undiscovered North American  
     Ape Pictures, Inc.  
 Universal Cable Productions LLC  
 Universal City Studios LLC  
 UPI Pictures LLC  
 Upside Down Productions Inc.  
  
 Valleycrest Productions LTD

Walt Disney Pictures  
 Warner Bros. Pictures  
 Warner Bros. Television  
 Warner Specialty Productions Inc.  
 Warner Specialty Video Productions Inc.  
 We are Besties, LLC  
 White Famous Productions, Inc.  
 Woodridge Productions, Inc.  
 WWE Films Development, Inc.  
  
 YANDR Productions, LLC

**ATTACHMENT #2**  
**2017 DGA FLTTA AUTHORIZATION LIST**

12:05 AM Productions, LLC  
28 Awards Productions, Inc.  
1440 Productions LLC  
8899 Productions, Inc.

ABC Signature Studios, Inc.  
Abominable Pictures, Inc.  
Academy of Motion Picture Arts and Sciences  
Acid Zoo Productions, LLC  
AEG Ehrlich Ventures, LLC  
Alcon Entertainment, LLC  
Alive and Kicking, Inc.  
American Lion Productions, Inc.  
American Summer Productions, Inc.  
Anonymous Content, LLC  
Ashland Productions, Inc.  
Auckland Productions, Inc.  
Avoca Productions, Inc.

Bad Moms Louisiana, LLC  
BCurious Productions Inc.  
Bell-Phillip Television Productions, Inc.  
Blue Cat Productions, LLC  
Blue Collar Productions, Inc.  
Bonanza Productions Inc.  
Brad Lachman Productions, Inc.  
Breakthrough Awards Productions, Inc.  
Bum Wheel Productions, LLC

Califon Productions, Inc.  
Casual Productions, Inc.  
CBS Films Inc.  
CBS Studios Inc.  
Chew Productions, Inc.  
Colony Way Productions, Inc.  
Columbia Pictures Industries, Inc.  
Company Prime LLC  
Corday Productions, Inc.  
Country Music Association, Inc.  
CPT Holdings, Inc.  
Crushed Productions, Inc.

Dakota North Entertainment, Inc.  
DANJAQ, LLC

Delta Blues Productions LLC  
dick clark productions, inc.  
Digital 49 Productions, Inc.  
Digital 360 Productions, Inc.  
Direct Court Productions, Inc.  
DW Dramatic Television L.L.C.  
DW SKG TV L.L.C.  
DW Studios Productions L.L.C.  
DW Television L.L.C.  
DWP Productions, Inc.

Earlham Productions, Inc.  
Egregious Entertainment, LLC  
ELP Communications  
Entrada Productions, Inc.  
Evolutionary Pictures, LLC  
Expanding Universe Productions, LLC  
Eye Productions Inc.

Film 49 Productions, Inc.  
Focus Features Productions LLC  
Foreigner, LLC  
Fox Sports Productions, Inc.  
Fox Square Productions, Inc.  
Fox Television Studios, Inc.  
FTP Productions, LLC

Goosebumps Productions, LLC  
Graves Productions, Inc.  
GWave Productions, LLC

HDReady LLC  
Hi'ilawe Productions, Inc.  
Honors Productions, Inc.  
Hop, Skip & Jump Productions, Inc.  
Horizon Productions, Inc.  
Horizon Scripted Television Inc.  
Hostage Productions, Inc.

I.B.C.C. Films, Inc.  
Interborough, Inc.  
Interpol Pictures, LLC  
It's A Laugh Productions, Inc.

Just Rewards Productions, Inc.

Keep Calm and Carry On Productions, Inc.  
Kelley Productions, Inc. dba David E.  
Kelley Productions  
Kent Gordis Productions, Inc.  
Knight Takes King Productions, LLC

Lady Prison Productions, Inc.  
Lakeshore Entertainment Group, LLC  
Legendary Pictures Funding, LLC  
LGTV Productions, Inc.  
Lincolnwood Drive, Inc.  
Lions Gate Television Development LLC  
Living Proof Productions, LLC  
Love Child Pictures, LLC

Madison Productions, Inc.  
Marvel Eastern Productions LLC  
Mars Boys, LLC  
Mesquite Productions, Inc.  
Metro-Goldwyn-Mayer Pictures Inc.  
MGM Television Entertainment Inc.  
Michael Jaffe Films, Ltd.  
Michael Rose Productions, Inc.  
Minim Productions, Inc.  
Monet Lane Productions, Inc.  
Montrose Productions, Inc.  
Moxie Pictures, Inc.  
Music City Productions, Inc.

New Regency Productions, Inc.  
NS Pictures, Inc.

O Positive TV, Inc.  
Ocotillo Productions, Inc.  
October Holdings, Inc.  
On The Brink Productions, Inc.  
Only One Productions, Inc.  
Open 4 Business Productions LLC

Pacific 2.1 Entertainment Group, Inc.  
Paramount Overseas Productions, Inc.  
Paramount Pictures Corporation  
Partially Important Productions LLC  
Perdido Productions, Inc.  
Pet II Productions Inc.  
Peter Rosen Productions, Inc.  
Pool Mate Pictures, LLC  
Preach Productions, Inc.

Privileged Productions Limited  
Proco, Inc.  
Produced Bayou, Inc.  
Profiler Productions, Inc.

Quadra Productions, Inc.

Ralph Edwards Productions  
Ralph Edwards/Stu Billett Productions  
ReelWorks Studios, LLC  
Relief Productions  
Remote Broadcasting, Inc.  
Right Here Right Now Productions, LLC  
Riverside Olive Productions, Inc.  
Royals Productions, Inc.  
Rush Hour Productions, Inc.  
(dba Rush Hour P.I.)

Salty Pictures, Inc.  
Sample Size, Inc.  
San Vicente Productions, Inc.  
Screen Gems Productions, Inc.  
Shorty Pics LLC  
Sidestreet Entertainment, Inc.  
Sleepless Nights Productions LLC  
Somma Productions, Inc.  
Stage 6 Films, Inc.  
Stage 29 Productions, LLC  
Storyteller Production Co., LLC  
Studio 601 LLC  
Summerdale Productions  
Sunny Television Productions, Inc.  
Superstar Productions USA Inc.

Tibernia Productions, Inc.  
Topanga Productions, Inc.  
Touchstone Television Productions, LLC  
dba ABC Studios  
Trackdown Productions, Inc.  
Triage Entertainment, LLC  
TriStar Television, Inc.  
TSM, LLC  
Turner Films, Inc.  
Turner North Center Productions, Inc.  
Twentieth Century Fox Film Corporation

Undiscovered North American  
Ape Pictures, Inc.

Universal Cable Productions LLC  
Universal City Studios LLC

Valleycrest Productions LTD

Walt Disney Pictures  
Warner Bros. Television  
We are Besties, LLC  
White Famous Productions, Inc.  
Woodridge Productions, Inc.

YANDR Productions, LLC

**ATTACHMENT #3**  
**LIST OF QUALIFIED DISTRIBUTORS**

Columbia Pictures Industries, Inc.  
CBS Films Inc.  
Focus Features LLC  
Home Box Office, Inc.  
Hostage Productions, Inc.  
Metro-Goldwyn-Mayer Distribution Co. aka MGM Distribution Co.  
Paramount Pictures Corporation  
Showtime Networks Inc.  
Sony Pictures Studios, Inc.  
TriStar Pictures, Inc.  
TNT Originals, Inc.  
Turner Films, Inc.  
Turner Pictures Worldwide Distribution, Inc.  
Twentieth Century Fox Film Corporation  
Universal City Studios LLC  
Walt Disney Pictures  
Warner Bros. Pictures

**ATTACHMENT #4**  
**LIST OF QUALIFIED RESIDUALS PAYORS**

ABC, Inc.  
Alive and Kicking, Inc.  
American Broadcasting Companies, Inc.  
Big Ticket Pictures Inc.  
Big Ticket Productions Inc.  
Big Ticket Television Inc.  
Bonanza Productions, Inc.  
Columbus Circle Films LLC  
CBS Broadcasting Inc.  
CBS Studios Inc.  
CPT Holdings, Inc.  
ELP Communications  
Eye Productions Inc.  
Fox Broadcasting Company (FBC)  
Home Box Office, Inc.  
Horizon Scripted Television Inc.  
MGM Television Entertainment Inc.  
Paramount Pictures Corporation  
Showtime Networks Inc.  
Sony Pictures Television Inc.  
Telepictures Distribution  
Touchstone Television Productions, LLC dba ABC Studios  
TNT Originals, Inc.  
Turner Films, Inc.  
Turner North Center Productions, Inc.  
Turner Pictures Worldwide Distribution, Inc.  
Twentieth Century Fox Film Corporation  
Twentieth Television, Inc.  
Universal City Studios LLC  
Universal Television LLC  
Universal Television Enterprises LLC  
Very Funny Productions, Inc.  
Walt Disney Pictures  
Warner Bros. Domestic Television Distribution  
Warner Bros. International Television Distribution, Inc.  
Warner Bros. Pictures  
Warner Bros. Television  
Wilshire Court Productions LLC