2013 SAG-AFTRA RADIO RECORDED COMMERCIALS CONTRACT MEMORANDUM OF AGREEMENT

Memorandum of Agreement ("MOA") made by and between SAG-AFTRA (herein called the "Union") and the ANA-4A's Joint Policy Committee on Broadcast Talent Union Relations (herein called the "JPC") on this _____ day of _____, 2013. This MOA sets forth the agreed upon revisions to the Radio Recorded Commercials Contract based upon the draft 2009 AFTRA Radio Recorded Commercials Contract exchanged by the JPC and the Union on February 14, 2013 and dated September 22, 2011 (the "2009 Contract"). Except as otherwise set forth herein and in that certain drafting agreement made by and between the Union and the JPC (the "Drafting Document"), the terms and conditions set forth in the 2009 Contract remains unchanged.

1. Amend the last ¶ under <u>Recognition and Coverage</u> as follows:

This Contract shall be known as the 2009<u>13</u> <u>SAG-AFTRA</u> Radio Recorded Commercials Contract.

2. Amend <u>¶ 1 of subsection A. of Section 2, Penalty for Late Payment</u> as follows:

In the event Producer fails to make timely payment, as herein provided, the following cumulative penalty payments shall be due and payable to the Performer for each day, beginning with the day following the date of default: $\frac{2.50}{3.60}$ per day up to $30 \ 25$ days (excluding Saturdays, Sundays and holidays which Producer observes) up to a maximum of $\frac{575.00}{990.00}$. Thereafter, the penalty payment shall cease unless either <u>the Union AFTRA</u> or the principal performer gives written notice to Producer of nonpayment. In the event such notice is given and full payment, including accrued penalties, is not made within 12 working days thereafter, the Producer shall be liable for an immediate additional penalty of $\frac{575.00}{990.00}$ plus further penalty payments at the rate of $\frac{55.00}{910.00}$ per day from the date of the receipt of notice of nonpayment, which shall continue without limitation as to time until the delinquent payment, together with all penalties, are fully paid. Such penalties shall be in addition to any and all other remedies which <u>the Union AFTRA</u> may have against Producer under this Contract.

3. Add new subsection C. to Section 2, Penalty for Late Payment as follows:

The penalty payments set forth in subsection A. shall increase by the same percentage as any agreed upon wage increase applicable to Section 6, Minimum Compensation – Fees Per Commercial – "Session Fees" in future negotiations.

- 4. Amend <u>subsection D. to Section 12. Dealer Commercials</u> as follows:
 - A. Renumber ¶ 1 in Section 12.D. as "12.D.1".
 - B. Add the following new ¶ as Section 12.D.2 to add an 8-week cycle at 50% of the 6 month rate:

2. Rates for an 8-week period of use only, except that dealer commercials may be renewed for additional periods of eight (8) weeks by again making the applicable payments specified herein as follows:

Actor, Announcer		\$xxx.xx
Solo, Duo		\$xxx.xx
Group Singers:	3-5	\$xxx.xx
	6-9	\$xxx.xx
	9 or more	\$xxx.xx
Sound Effects Performers		\$xxx.xx

5. Amend <u>¶ 1 of sub¶ 3 of subsection A. of Section 16, Internet ("Move Overs")</u> as follows:

Provided the right to Radio and/or New Media use of the commercial has not terminated, Producer may initiate Internet use of the commercial for an initial cycle of either an 8-week cycles of use or a-one-year cycles of use, in any combination, or until termination of the Maximum Period of Use ("MPU"), if earlier.

6. Amend-¶ 2 of sub¶ 3 of subsection A. of Section 16, Internet ("Move Overs") as follows:

Upon conclusion of either the 8-week cycle of use or the 1-year cycle of initial Internet use, Producer may use the commercial for an additional 1-year cycle or consecutive 8-week cycles of use for the remainder, if any, of the MPU for the same rates set forth in Section 16.A.4.

- 7. Amend <u>sub¶ 4 of subsection A. of Section 16, Internet ("Move Overs")</u> as follows:
 - a) 8-Week Cycle of Use not less than 133% 150% of the applicable session fee.
 - b) One-Year Cycle of Use not less than 350% 400% of the applicable session fee.

8. Amend <u>sub¶ 1 of subsection B. of Section 16, Internet ("Made Fors")</u> as follows:

- Effective April 1, 2011, Producer shall pay performer compensation in such amount as shall be agreed by direct bargaining with the performer or the performer's agent. In no event shall such compensation be less than the minimum rates for sessions set forth in Section 6 and the minimum use rates set forth in Section 16.A.4. Performers shall be compensated at not less than the minimum rates for session set forth in Section 6 and at not less than the minimum use fee set forth in Section 37.A.4below. Session fee may be credited for Internet use if such use occurs within the initial use cycle.
 - a) 8-Week Cycle of Use not less than 133%—of the applicable session fee

- b) One-Year Cycle of Use not less than 350% of the applicable session fee
- 9. Add a <u>new sub¶ 7 to subsection B. of Section 16, Internet ("Made Fors")</u> as follows:

7) The maximum period of use for commercials produced under this Section 16.B. shall be 21 months commencing with the date of first service.

10. Amend <u>¶ 1 of sub¶ 3 of subsection A. of Section 17, New Media ("Move Overs")</u> as follows:

Provided the right to Radio and/or Internet use of the commercial has not terminated, Producer may initiate New Media use of the commercial for an initial cycle of either an 8-week cycle<u>s</u> of use or a one-year cycle<u>s</u> of use, <u>in any</u> <u>combination</u>, or until termination of the MPU, if earlier.

11. Amend ¶ 2 of sub¶ 3 of subsection A. of Section 17, New Media ("Move Overs") as follows:

Upon conclusion of either the 8-week cycle of use or the 1-year cycle of initial New Media use, Producer may use the commercial for an additional 1-year cycle or consecutive 8-week cycle of use for the remainder, if any, of the MPU for the same rates set forth in Section 17.A.4.

- 12. Amend sub¶ 4 of subsection A. of Section 17, New Media ("Move Overs") as follows:
 - a) 8-Week Cycle of Use not less than 133%–150% of the applicable session fee
 - b) One-Year Cycle of Use not less than 350% 400% of the applicable session fee
- 13. Amend <u>sub¶ 1 of subsection B. of Section 17, New Media ("Made Fors")</u> as follows:
 - b. Effective April 1, 2011, Performers shall be compensated at not less than the minimum rates for session set forth in Section 6 and at not less than the minimum use fee rates set forth in Section 37.A.4below. Session fee may be credited for New Media use if such use occurs within the initial use cycle.
 - a) 8-Week Cycle of Use not less than 133% of the applicable session fee
 - b) One-Year Cycle of Use not less than 350% of the applicable session fee
- 14. Add a <u>new sub¶ 6 to subsection B. of Section 17, New Media ("Made Fors")</u> as follows:

6) The maximum period of use for commercials produced under this Section 17.B. shall be 21 months commencing with the date of first service.

15. Amend <u>subsection B. of Section 24</u>, Editing and Dubbing as follows:

Legal Changes. Recordings recorded to incorporate changes made in commercial announcements necessitated by **legal requirements**-rules, regulations or orders of the Federal Trade commission, or those of any other governmental regulatory agency, whether Federal, State or Municipal; or recorded to incorporate changes made solely for broadcast continuity acceptance requirements. Recordings revised in accordance with this Section 24.B. shall be considered as the same commercial for purposes of use payments provided the original commercial is withdrawn and substitution of the revised commercial takes place during the cycle established by the original commercial. Recordings made in accordance with this Section 24.B. shall require payment of an additional Session Fee to any Performers rendering services to accommodate such change if such change is not recorded at the time of the original session.

16. Amend the <u>subsection D. of Section 24, Editing and Dubbing</u> as follows:

Factual Changes. Commercials re-recorded to make copy changes necessitated by local geographic circumstances (limited to a local dealer's name, address, **URL, QR Code, or similar Internet, mobile and digital media identifiers**, or telephone number; pricing, or local timetable). Such copy changes may be inserted in the body or beginning or ending of the commercial, provided, however that the commercial shall in all other respects remain the same. These commercials may be used for the balance of any use period for which payment has already been made. Performers recording such changes at the time of the session for the original commercial shall be paid for each such rerecording as follows:

17. Amend subsection F. of Section 24, Editing and Dubbing as follows:

<u>Contact Information</u>. Commercials re-recorded only to make copy changes to indicate identifiers (*e.g.*, 800 numbers, <u>URLs</u>, <u>QR Codes</u>, <u>Internet</u>, <u>mobile or digital media identifiers</u>). Such copy changes may be placed anywhere in the commercial, provided however, that the commercial shall in all other respects remain the same. These commercials may be used for the balance of the use period for which payment has already been made. Performers recording such changes at the time of the session for the original commercial shall be paid for each such re-recording as follows...

18. Add the following as the last sentence in <u>subsection B. of Section 34</u>, <u>Maximum Period</u> of Use of Commercials – Actors, Announcers and Singers:

<u>Copies of the notice shall be sent to the Union electronically to an address</u> <u>designated by the Union.</u> However, whether or not the notice was sent to the

Union shall not be deemed conclusive evidence of whether the notice was sent in compliance with this Contract. Upon request, the Union will provide a copy of the notice to Producer, talent agent or performer.

19. Amend <u>Section 38, Effective Date and Term</u> as follows:

A. This Contract shall be for a three (3) year term commencing April $\underline{1}$, 2013 and continuing to and including March 31, 20<u>16</u>, and shall continue in effect thereafter until terminated by either party by 60 days' notice in writing to the other. Except as otherwise specifically provided, the terms and provisions hereof shall apply to all commercials produced on or after April $\underline{1}$, 20<u>13</u>.

B. For services performed in commercials made between April- $\underline{1}$, 20 $\underline{13}$ and June $\underline{22}$, 20 $\underline{13}$, all retroactive payments must be made no later than 30 days following ratification.

20. Amend sub¶ 1 of subsection A. of Section 61, Required Records and Reports as follows:

All payments of compensation for the services of Performers hereunder and for the use of commercials shall be made by check to the Performer entitled thereto, and sent to the <u>Union AFTRA</u> office as provided in Section 3. A check voucher or statement shall accompany each check and shall contain complete information identifying commercials, <u>Ad-ID</u>[®], advertiser, dates numbers of sessions. Producer shall maintain adequate records showing each commercial produced and delivered by it hereunder, the name of the advertiser for whom it was made, the <u>Ad-ID</u>[®] for that commercial, the names of the Performers employed therein, the amount of the session fee, the date of completion of the Performers' services, and the number of commercials for which payment is required. In addition, with respect to an inquiry regarding proper payment for use of a specific commercial, Producer shall, upon request, provide <u>the Union AFTRA</u> information or documents in its possession relevant to the use of the commercial (*e.g.*, network, wild spot, regional and local program, internet). Any dispute with respect to the provision of such information shall be referred to the IUSC.

21. Amend sub¶ 2 of subsection A. of Section 61, Required Records and Reports as follows:

Producer shall furnish to AFTRA and the Health and Retirement Fund Office a Production Report, in the form attached hereto and marked Exhibit B, within twelve (12) working days after the completion of the Performers' services in the commercial. If any of the Performers listed on such Production report is employed by an advertising agency and not by Producer, that fact shall be noted on the Production Report and in such event the agency shall forthwith furnish to the Union AFTRA copies of the individual employment contracts of such Performers. Upon delivery of the commercial or commercials, but in any event not later than thirty (30) days after the completion of the Performers' service therein, Producer shall give to the Union AFTRA a copy of the Production Report containing the following additional information:

(a) The <u>Ad-ID[®] and</u> production number or any other appropriate identification of the commercial or commercials delivered;

(b) The number of commercials delivered and the date of delivery; **and**

(c) The number of versions of each commercial delivered.

Producer shall also furnish the same information to the Union in electronic form, based on the file layout attached hereto and marked EXHIBIT B2. This information shall also be furnished within 12 working days after the completion of the performer's services in the commercial.

The requirement to utilize Ad-ID[®] and electronic reporting shall be effective immediately but implementation shall occur no later than March 31, 2014. The Union shall be responsible for the enforcement of the foregoing requirements and may excuse a Producer from the requirements only for legitimate business reasons. Should all or any portion of such requirements be excused, the Union will provide the name and address of the noncompliant entity to the JPC.

22. Amend <u>subsection C. of Section 61, Required Records and Reports</u> as follows:

A report for each commercial produced hereunder, in the form of EXHIBIT B, shall be furnished to AFTRA and the Health and Retirement Office of the AFTRA Health and Retirement Funds, and to the Union in the form of an electronic file as specified by EXHIBIT B2 by each Producer, purchaser, assignee or transferee, within 15 working days after the commencement of the second fixed cycle and at 13-week intervals thereafter, as long as such commercial is used. In the event any Producer, purchaser, assignee or transferee of a commercial produced hereunder shall willfully and intentionally fail or refuse to keep such records or shall willfully and intentionally fail or refuse to make any payments due any Performer, or shall be guilty of repeated and intentional breaches of any of its obligations hereunder, AFTRA the Union, at its option, and in addition to all other remedies which it or any performer may have at law or equity, may after notice to such party, giving a reasonable time to cure such default, order its members thereafter to refuse to perform services for any producer in commercials which are to be made for such Producer, purchaser, assignee or transferee. Whenever credit is taken for any prior overpayment, Producer shall report the pertinent data regarding such credit to the Union and to the Health and Retirement Funds office within 15 working days after the credit is taken. Such report shall include the detailed information required for reports of compensation payments to Performers.

23. Delete the last ¶ of subsection E. of Section 64, Arbitration: This subsection E. shall sunset at the end of the term of this Agreement and shall be deemed not to be a part of

this agreement for purposes of future contract negotiations unless otherwise mutually agreed by the parties.

24. Amend <u>subsection H. of Section 64</u>, <u>Arbitration</u> as follows:

It is the policy of AFTRA the Union not to process unduly late claims. <u>Claims</u> regarding audition, travel or recording-related session claims (e.g., overtime, change of Performer category at the recording session, etc.) shall be submitted to Producer no later than 6 months from the date of such audition, travel or session, or, if the claim is related to payment, 6 months from the date the payment is made. It shall be the understanding of the parties that the term "recording-related session claims" is meant to identify those session-related claims where the contract violation can be ascertained at the time of session or at the time that the session payment is received.

25. Amend <u>1 of subsection A. of Section 66, AFTRA Health and Retirement Funds</u> as follows:

With respect to services performed under this Contract and with respect to commercials produced under this Contract and broadcast on or after April <u>1</u>, 20<u>13</u>, the Producer shall pay to the AFTRA Health and Retirement Funds (the "H&R Funds") and the AFTRA Industry Cooperative Fund (the "AFTRA ICF") (collectively the "Funds"), <u>and to any successor of any of the Funds</u>, a sum equal to <u>15.50-16.8</u>% of the gross compensation <u>(as herein defined)</u> paid to each Performer <u>(including deceased Performers)</u> for such services and/or use of such commercials. The parties agree that:

- 1. Fifteen and fifteen one hundredths percent (15.15%) **<u>16.05</u>** % of such contribution shall be allocated to the AFTRA H&R Fund.
- 2. <u>.50% (.35%)</u> to the AICF; <u>and</u>
- 3. .25% to the Administrative Maintenance Fund (defined below).
- 26. Amend <u>sub¶ 6 of subsection C. of Section 66, AFTRA Health and Retirement Funds</u> as follows:
 - 6. That the Trustees of the Funds, <u>acting as agents for the signatories of</u> <u>this Contract and not as fiduciaries of the Funds</u>, shall be authorized to allocate contributions made hereunder between the Health Fund and the Retirement Fund, <u>and between those Funds and to any successor Fund</u>, in amounts (expressed as dollars or percentages) that they may consider necessary and appropriate.
- 27. Add a <u>new subsection I. to Section 66, AFTRA Health and Retirement Funds</u> as follows:

I. The Administrative Maintenance Fund ("AMF") shall be utilized solely for the JPC costs (including, but not limited to Contract

administration, legal fees, consultant fees, staff costs, and labor relations), and disputes and grievances between the JPC and the Union. Producers agree monies in the AMF will not be used to support non-union productions, discourage or undermine membership in the Union, or fund any actions or activities, other than those taken in connection with the administration or negotiation of the Contract, that are adverse to the interests of the Plans, the Union or the Union's members including, but not limited to, litigation, administrative proceedings, lockouts or strikes, and legislative activities.

The AMF contributions shall be submitted to the AFTRA Health and Retirement Funds ("H&R Funds") together with all other benefits as delineated in the Contract. The AMF shall pay to the H&R Funds all costs incurred by the H&R Funds in connection with the administration, receipt and distribution of the AMF contributions, provided that the H&R Funds have agreed in writing to receive and distribute the AMF contributions as set forth herein. The H&R Funds shall distribute the AMF contributions to the JPC in accordance with the written agreement between the ANA and the H&R Funds c/o the Association of National Advertisers ("ANA") at 708 Third Avenue, New York, New York 10017 Attn: Chief Financial Officer ("CFO").

All AMF contributions shall be held in a segregated account by the ANA and administered as determined by the ANA subject to and in accordance with the requirements set forth hereunder. The ANA CFO shall also be the AMF Administrator. In the event any Producer is delinquent in submitting the required contribution to AMF, the AMF Administrator shall have the authority to recover any contributions, along with any attorney fees, court costs, and interest at one percent (1%) per month from the delinquent Producer. The enforcement for the delinquent contributions to the AMF shall be the sole responsibility of the AMF, not the Union. The JPC, at its sole expense, shall retain a reputable independent auditor and provide to the Union a copy of the annual audit detailing the AMF receipts and expenditures including, but not limited to, all contributions to and expenses of the AMF. The independent auditor shall additionally provide its professional opinion to the Union as to whether the AMF's expenditures are consistent with the limitations as set forth in this subsection. The JPC agrees to defend, indemnify and hold harmless the Union and the H&R Funds from any and all claims, actions and/or proceedings arising out of or in connection with any aspect of the creation, administration or maintenance of the AMF including, but not limited to, any claims pertaining to the obligation of **Producers to contribute to the AMF or the use of AMF contributions.**

28. Amend <u>Section 67, Public Service Announcements/Government Agency Messages</u> as follows:

In seeking a waiver for public service messages, Producer shall obtain the consent of the Union before seeking the consent of a Performer. The Union, cognizant of the importance of public service announcements and government agency messages to the welfare of our Country, will follow a liberal policy in granting waivers of additional compensation for the use of messages produced and used under the auspices and/or on behalf of the various Federal, State and local governmental agencies, non-profit public service organizations, 501(c)(3) charities, and museums. The Federal, State or local governmental agencies, non-profit public service organizations, 501(c)(3) charities, or museums that are the subject of the public service announcement or government agency message shall be permitted to display advertiser logos/IDs on their website (including on the landing page). Producer shall obtain the Performers' consent to the presence of advertiser logos/IDs on the landing page at the time of engagement. Producer may include such agreement in the Special Provisions section of the applicable employment contract.

Provided that a Performer consents in writing to the waiver of additional compensation beyond the amounts set forth below, the Union will grant the right to unlimited national use of the message for one (1) year beginning with the first air date<u>; provided, however that Producer may request a waiver for such fees from celebrities:</u>

Actors, Announcers	\$ <u>xxx.xx</u>
Solos, Duos	\$ <u>xxx.xx</u>
Group Singers	
3-5	\$ <u>xxx.xx</u>
6-8	\$ <u>xxx.xx</u>
9 or more	\$ <u>xxx.xx</u>

Additional one-year use periods will be granted by the Union contingent upon Performers written consent.

All media time must be donated. Should the public service announcement or government agency message be utilized on purchased time, the waiver of additional compensation for the use of such messages will be revoked and full use and reuse fees must be paid to the performer(s) in accordance with the applicable provisions of the Contract beginning with the first use on purchased media time, subject to Section 34, Maximum Period of Use of Commercials – Actors, Announcers and Singers.

The Union waives the application of this Contract to persons regularly employed by and volunteers regularly serving a sponsoring organization, as well as members and beneficiaries of such organization. As used herein, the term "beneficiary" shall apply only to non-profit public service organizations and 501(c)(3) charities, and shall mean a person for whose benefit the organization is authorized to receive and disburse funds and/or benefits in accordance with such organization's stated purpose.

Ad Council public service announcements may contain solicitations for donations. Other non-profit organizations who are not members of the Ad Council may apply for a similar waiver by utilizing the "PSA Waiver Template" attached as Exhibit G.

29. Delete the cities listed in <u>subsection C. of Section 72</u>, <u>Professional Recognition –</u> <u>Preference of Employment</u> and substitute the following list:

	100 miles from the center of city
*Atlanta, Georgia	100 miles from center of city
Boston, Massachusetts	100 miles from center of city
Chicago, Illinois	100 miles from center of city
Cincinnati, Ohio	100 miles from center of city
*Cleveland, Ohio	100 miles from center of city
Dallas, Texas	100 miles from center of city
Denver, Colorado	150 miles from center of city
Detroit, Michigan	100 miles from center of city
<u>Orlando, Florida</u>	100 miles from center of city
Coral Gables, Florida	150 miles from center of city
Honolulu, Hawaii	100 miles from center of city
Houston, Texas	100 miles from center of city
Kansas City, Missouri	100 miles from center of city
Las Vegas, Nevada	100 miles from center of city
Los Angeles, California	300 miles from center of city
Miami, Florida	100 miles from center of city
Minneapolis, Minnesota	100 miles from center of city
Nashville, Tennessee	100 miles from center of city
New Orleans, Louisiana	100 miles from center of city
New York, New York	100 miles from center of city
Philadelphia, Pennsylvania	100 miles from center of city
Phoenix, Arizona	150 miles from center of city
Pittsburgh, Pennsylvania	100 miles from center of city
Portland, Oregon	100 miles from center of city
St. Louis, Missouri	100 miles from center of city
San Diego, California	100 miles from center of city
San Francisco, California	100 miles from center of city
*San Juan, PR	100 miles from center of city
*Seattle, Washington	100 miles from center of city
*Tucson, Arizona	150 miles from center of city
Washington, DC	100 miles from center of city
Wilmington, NC	100 miles from center of city
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Add new paragraph:

In the event the Union establishes offices in cities other than those listed above, and Producer claims that there is not a sufficiently large professional talent pool in the area of any office hereafter established by the Union to warrant application of Preference of Employment, or if Producer so claims with respect to any of the 5 (five) cities identified by an asterisk above, the matter shall be submitted to the Industry-Union Standing Committee for determination. The Union shall notify the Joint Policy Committee in writing whenever it establishes an office in any city not listed above. Preference of Employment shall apply in an area within 100 miles of the center of each such city from and after the sixtieth (60th) day of such notification.

30. Amend <u>Radio Exhibit A</u> to reflect an itemized list of work as follows:

Number of Tags: <u>Number of Demos:</u> Number of Commercials:

31. Amend Exhibit G, :PSA Approval Letter Template as follows:

DATE

Signatory Company Company Address City, State Zip

To Whom it May Concern:

In response to your request, SAG<u>-AFTRA</u> agrees to grant a Public Service Announcement ("PSA") waiver on media covered under the SAG-<u>AFTRA</u> Radio Recorded Commercials Contract for a one-year period of use, subject to performers' consent, <u>subject to the terms and conditions set forth in Section 67</u> <u>of the SAG-AFTRA Radio Recorded Commercials Contract</u> and the following conditions:

- 1. Performer(s) must be notified at the time of audition or engagement that <u>SAG-</u>AFTRA has granted a waiver and that the applicable PSA rate allows for unlimited use not to exceed one year beginning not later than 15 working days after the first delivery of the PSA to any covered media or 13 weeks after commencement of the maximum use period, whichever occurs first.
- 2. All Performer(s) must be compensated at not less than the applicable minimum fee(s) pursuant to Section 6 of the <u>2013</u> <u>SAG-AFTRA</u> Radio Recorded Commercials Contract. AFTRA Health & Retirement contributions are payable on the gross compensation paid to performer.
- 3. All media time must be donated. Should the PSA be utilized on purchased time, full use and reuse fees must be paid to the performer(s) in accordance

with the applicable provisions of the <u>SAG-AFTRA</u> Radio Recorded Commercials Contract, beginning with the first use on purchased media time, subject to Section 33, "Maximum Period of Use of Commercials."

- 4. <u>Producer shall be permitted to display advertiser logos/IDs on the non-profit's website (including on the landing page). Producer shall obtain performer consent to the presence of advertiser logos/IDs on the landing page at the time of engagement.</u>
- 5. PSAs may not contain solicitations for donations unless specifically approved by **<u>SAG</u>**-AFTRA.
- 6. Should Producer wish to utilize the PSA(s) beyond the initial one-year period, Producer shall obtain written consent from <u>SAG</u>-AFTRA and the principal performer(s) for such extended use. Any individual performer shall have the right to negotiate for compensation for such extended use.
- 32. Amend/delete the Sideletters as follows and renumber the remaining Sideletters:
 - A. Sideletters 1 (Diversity/Casting): Remove. The parties agree to have a single meeting covering diversity issues during the term of the 2013 SAG-AFTRA Radio Recorded Commercials Contract.
 - B. Sideletter 2 (Arbitration Decisions): Remove. Substance of Sideletter added to Section 64, Arbitration.
 - C. Sideletter 3 (PSA): Remove. The JPC and the Union have agreed to make this waiver a permanent part of the Contract (see Exhibit G and Section 67).
 - D. Sideletter 4 (Spanish): No change. Renumber as Sideletter 1.
 - E. Sideletter 5 (Streaming): No change. Renumber as Sideletter 2.
 - F. Sideletter 6 (H&R Deceased Performers): Remove. Substance of Sideletter added to Section 66, AFTRA Health and Retirement Funds.
 - G. Sideletter 7 (Internet/New Media Study): Remove and replace with the following and new Sideletter 3 (GRP, Clearinghouse, and Internet/New Media Studies):

Dear Mr. Wood,

As reflected in the GRP and Clearinghouse Letter Agreement, dated January 29, 2013, the parties agree that during the 2013 to 2016 term of this Contract, they shall conduct the Clearinghouse Project and the analysis of the adoption of the GRP-E compensation model as reflected in that letter. In addition, over the 2013 to 2016 term of this Contract, the parties agree to update the Internet and New Media Model Study to reflect industry and technological changes. Should the parties, upon the conclusion of that update, identify alternative payment structures for the Internet and/or New Media that they believe to be feasible, they may direct the consultant to more fully develop that alternative so that the parties may consider it at a future negotiation. The parties agree to recommend to the IACF and the AICF trustees that the IACF and AICF fund the updated Study as well as costs related to any further developments as a result of the study. The parties shall proceed on these studies on the basis of mutual cooperation and agreement.

Very truly yours,

SAG-AFTRA

<u>ACCEPTED AND AGREED:</u> JOINT POLICY COMMITTEE

SAG-AFTRA

Douglas J. WoodDavid P. WhiteANA-4A's Joint Policy CommitteeNational Executive Directoron Broadcast Talent Union RelationsNational Executive Director

- H. Sideletter 8 (Monitoring): No change. Renumber as Sideletter 4.
- I. Add a new Sideletter 5 as follows:

Sideletter re: Experimental Coverage Waiver for Made for Internet and New Media Commercials

Dear Mr. Wood,

This letter will confirm the Union's agreement to an experimental waiver regarding coverage of persons in Made for Internet and Made for New Media commercials. This waiver shall expire on March 31, 2016 and shall not be citable or precedential in future negotiations or in the interpretation of any other provision of the Contract.

This waiver will not apply with respect to those persons who are cast and/or who are scripted for the commercial(s).

<u>A Producer of a Made for Internet or Made for New Media commercial(s) may</u> record activities of persons in public without covering such persons under the Contract, provided such persons are neither scripted to speak any dialogue nor cast for the commercial(s).

Notwithstanding the foregoing, this waiver is limited to the following:

a. <u>Live Events – "Live Events" are events attended by at least 20 persons</u> who are neither hired nor cast by Producer to attend the event. However, such Live Events (1) shall not be staged for the purpose of producing a <u>commercial(s); and (2) non-covered participants at the live event may not</u> <u>receive individual direction but may be directed as a group.</u>

- b. <u>Man on the Street Commercial A "Man on the Street Commercial"</u> means a commercial(s) where an interviewer interviews people on the street, at public venues, or at live events and asks them questions or makes statements or gestures to elicit a response or reaction from them. The interviewer is a Covered Person for purposes of the Contract whether or not they appear or perform in the commercial(s).
- c. <u>Hidden Recording Commercials A "Hidden Recording Commercial"</u> <u>means a commercial(s) comprised of recordings captured by a hidden</u> <u>microphone(s) without direction to the individual(s) being recorded. An</u> <u>individual(s) performing in such footage shall not be a Covered Person(s)</u> <u>for purposes of the Contract. Any person(s) performing in the capacity of</u> <u>an interviewer(s), however, shall be a Covered Person(s) whether or not</u> <u>their performance remains in the commercial.</u>

As a material condition of this waiver, Producer shall notify the Union that it has applied the waiver and provide the Union with an electronic or physical copy of the commercial(s) within 60 days of the first exhibition of the commercial.

If a commercial produced pursuant to this waiver is subsequently exhibited other than on the Internet or New Media where such use is otherwise covered by the Contract, anyone qualifying as a principal in the commercial as subsequently exhibited shall be a Covered Person under the Contract and compensated accordingly.

Very truly yours,

ACCEPTED AND AGREED: SAG-AFTRA

Douglas J. Wood ANA-4A's Joint Policy Committee on Broadcast Talent Union Relations <u>David P. White</u> <u>National Executive Director</u>

- 33. All wages subject to Health and Retirement contributions shall be increased 6%, as reflected in attached rate sheet.
- 34. The new working conditions and all other non-economic provisions shall be effective not later than 30 days following ratification by the Union.

Except as modified herein, the terms and conditions set forth in the 2009 Contract remain unchanged.

ANA-4A's Joint Policy Committee on Broadcast Talent Union Relations SAG-AFTRA

Douglas J. Wood Lead Negotiator

Date: _____

David P. White National Executive Director

Date: _____