MEMORANDUM OF AGREEMENT BETWEEN THE SCREEN ACTORS GUILD-AMERICAN FEDERATION OF TELEVISION AND RADIO ARTISTS AND THE ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS FOR THE 2018 PRODUCER–SAG-AFTRA BASIC CABLE AGREEMENT FOR ANIMATED MOTION PICTURES

This Memorandum of Agreement is entered into between the Screen Actors Guild-American Federation of Television and Radio Artists, Inc. (hereinafter referred to as "SAG-AFTRA" or "the Union"), on the one hand, and the Alliance of Motion Picture and Television Producers (hereinafter referred to as the "Alliance" or the "AMPTP"), on behalf of the Producers listed on Exhibit "A" attached hereto (each hereinafter respectively referred to as "the Producer" and collectively referred to as "the Producers"), on the other hand.

This Memorandum of Agreement reflects the complete understanding reached between the parties. The language in this Memorandum of Agreement is not contract language, except where the context clearly indicates otherwise. As soon as practicable, this Memorandum of Agreement will be reduced to formal contract language.

The provisions of this Memorandum of Agreement represent modifications to the 2014 Producer–SAG-AFTRA Basic Cable Agreement for Animated Motion Pictures (the "2014 Agreement"). Except as modified herein, the terms of the 2014 Agreement shall remain the same, subject to conforming changes.

Given that the SAG-AFTRA membership ratified the parties' agreement and on November 20, 2018, notified the AMPTP of such ratification, without any intervening labor dispute, work stoppage or other interference with work, this Memorandum of Agreement shall be effective as of the dates hereinafter set forth, except that when no date is specified, such provisions shall be effective as of the date that the AMPTP receives notice of ratification.

1. <u>Term</u>

The term of the 2018 Producer–SAG-AFTRA Basic Cable Agreement for Animated Motion Pictures shall commence on the date that the AMPTP receives notice of ratification and shall terminate on June 30, 2020.

2. <u>Incorporation of Terms and Conditions from the 2018 SAG-AFTRA Television</u> <u>Animation Agreement</u>

Modify Paragraph 1 of the 2014 SAG-AFTRA Basic Cable Agreement for Animated Motion Pictures to provide:

"1. Producer agrees that, except as modified below, all terms and conditions of the 2014-2018 SAG-AFTRA Television Animation Agreement (hereinafter "the Television Animation Agreement") shall apply to performers employed as offcamera voice actors in animated basic cable motion pictures, the principal recording of which commence on or after [insert the date that the AMPTP receives notice of ratification], and are incorporated herein by reference. All terms and conditions set forth in the Television Animation Agreement that are applicable to 'Legacy AFTRA Television Animation Series' shall be applicable to 'Legacy AFTRA Basic Cable Animation Series.'"

Make conforming changes.

3. Late Payments

Renew the Sideletter to the 2014 SAG-AFTRA Basic Cable Agreement for Animated Motion Pictures regarding "Payment of Residuals for Animated Basic Cable Programs on a Basic Cable Service," as follows:

"SIDELETTER

"As of July 1, 2014 "Renewed as of *[Need effective date]*

"David P. White National Executive Director SAG-AFTRA 5757 Wilshire Boulevard Los Angeles, California 90036-3600

"Re: Payment of Residuals for Animated Basic Cable Programs on a Basic Cable Service

"Dear David:

"During the term of the 2014 2018 Agreement, the Union shall identify to the AMPTP any Producer it believes has chronically failed to pay residuals on a timely basis for runs of an animated basic cable program on a basic cable service. The Union shall meet with

the Producer and provide the Producer with the documents in its possession which support its belief that the Producer has been chronically paying late. The Producer shall then have an opportunity to investigate the existence and/or cause of the late payments. The Producer shall meet with the Union thereafter to advise of the findings of its investigation and any corrective action that it deems appropriate.

"The AMPTP will use its good offices to facilitate the foregoing process."

[Signature Blocks Omitted]

4. Animated Programs Made for New Media

Modify Paragraph 15 of the 2014 SAG-AFTRA Basic Cable Agreement for Animated Motion Pictures to provide:

- "15. Article XXII of the 2014 2018 SAG-AFTRA Television Animation Agreement regarding animated programs made for new media shall be applicable to animated motion pictures covered under this Agreement, except:
 - "A. The definition of 'Derivative New Media Production" shall be changed to read:

"A 'Derivative New Media Production' ('DNMP') is an animated production for New Media based on an existing animated motion picture produced for initial exhibition on a basic cable service (the 'Original Production'), to the extent that such production is covered under the terms of the Agreement.'

"B. The reference in Paragraph J ('Sunset Clause') to 'the <u>2014-2018</u> SAG-AFTRA Television Animation Agreement' shall be changed to 'this Agreement.'

Make conforming changes.

5. Requests to Record Additional Voices Without Required Payment

The AMPTP will issue the following bulletin to Producers signatory to the 2018 SAG-AFTRA Basic Cable Agreement for Animated Motion Pictures:

"NOTICE TO PRODUCERS REPRESENTED BY THE AMPTP IN NEGOTIATIONS FOR THE 2018 PRODUCER-SAG-AFTRA TELEVISION ANIMATION AND BASIC CABLE ANIMATION AGREEMENTS

"Re: Requests to Record Additional Voices Without Required Compensation

"During the 2017-2018 negotiations, the Union raised a concern that voice actors who are already at a recording session are sometimes asked by the Producer 'as a favor' to record additional voices without paying the compensation required under the Producer-SAG AFTRA Television Animation Agreement or the Producer-SAG AFTRA Basic Cable Agreement for Animated Motion Pictures (the 'Agreements').

"This is a reminder that all work performed by voice actors must be compensated as provided in the Agreements. While the Producers may certainly request that a voice actor perform additional services during a session, they may not request that a voice actor perform a 'favor' or provide any additional work during a session without complying with the payment obligations under the Agreements. However, the parties acknowledge that not all additional voice work requires payment.

"Please ensure that a copy of this bulletin is distributed to the appropriate Company representatives to ensure compliance with the foregoing."

THE ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS ON BEHALF OF THE PRODUCERS LISTED IN EXHIBIT "A" ATTACHED HERETO

Carol A. Lombardini

Date: April 21 2023

SCREEN ACTORS GUILD-AMERICAN FEDERATION OF TELEVISION AND RADIO ARTISTS

By:

Date: April 18, 2023

Duncan Crabtree-Ireland

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EXHIBIT "A" 2018 PRODUCER--SAG-AFTRA BASIC CABLE ANIMATION AGREEMENT AUTHORIZATION LIST

40 North Productions, LLC

Abominable Pictures, Inc. Adelaide Productions, Inc. Alameda Productions, LLC (d/b/a Legendary Alameda Productions, LLC)

Big Indie Pictures, Inc.

Cartoon Network Studios, Inc.

Digisynd, Inc. Disney Television Animation DreamWorks Animation LLC DreamWorks Animation Television, LLC

Egregious Entertainment, LLC

Film 49 Productions, Inc.

Got Talent, LLC

Halfworld Productions LLC Harmony Gold Productions, Inc. Helmer Prexy Productions LLC Hostage Productions, Inc.

In Development, LLC

Just Rewards Productions, Inc.

Katy Mac Session Productions Kerner Films, LLC

Lake Hartwell Productions, Inc. Lakeshore Entertainment Group LLC

Magnificent Videos, LLC Mako Entertainment, Inc. Marvel Animation Studio LLC Metro-Goldwyn-Mayer Animation Inc. Muddy Water Entertainment, Inc.

NonCal Animation, Inc. Northwest Shadow, LLC

Partricks Road Productions II, Inc. Picrow, Inc. Picrow Features Inc. Picrow Streaming Inc. Pixar Talking Pictures

Reassembled Productions LLC Retro, Inc. Rutherford Bench Productions, Inc.

Shadow Animation, LLC STX Animation, LLC

Talent Court Productions Inc. Thwip Productions LLC Turner Films, Inc. Twentieth Century Fox Film Corporation

Undiscovered North American Ape Pictures, Inc. Universal Animation Studios LLC

WAG Pictures Inc. Walt Disney Pictures Warner Bros. Animation Inc. Warner Specialty Productions Inc. Warner Specialty Video Productions Inc. West Coast Animation, Inc. Williams Street Productions, LLC Woodridge Productions LLC