GENERAL MEMORANDUM OF AGREEMENT OF JANUARY 20, 2024 BETWEEN IATSE LOCAL 873 AND THE NEGOTIATING COMPANIES FOR A NEW IATSE LOCAL 873 (TORONTO) LONG TERM AGREEMENT

This Memorandum of Agreement is entered into as of January 20, 2024 between Motion Picture Studio Technicians, Local 873 of the International Alliance of Theatrical Stage Employees and Motion Picture Technicians, Artists and Allied Crafts of the United States and Canada (hereinafter referred to as "the Union") and the Canadian Affiliates of the Alliance of Motion Picture and Television Producers on behalf of the Negotiating Companies consisting of Almanack Productions, LLC; Apple Studios Canada Inc.; CBS Canadian Film and Television Inc.; CN Pilot Productions Inc.; Gabriel Simon Production Services Limited; GEP Productions Inc.; Jellystone Films Inc.; Legendary Features Productions US, LLC; Legendary Pictures Productions, LLC; MGM Production Services (Canada) Ltd.; MGM Television Productions (Ontario) Ltd.; Netflix Studios, LLC; Next Step Productions LLC; Over the Pond Productions, Inc.; Paramount Pictures Corporation (Canada) Inc.; Random Films Inc.; RSVP Productions Ltd.; Screen Gems (Canada) Limited; South Circle Productions LLC; South Rock Productions LLC; Stage 49 Ltd.; Third Act Productions Inc.; Turner Films, Inc.; Twentieth Century Fox Canada Limited; Universal Studios Canada Inc.; Warner Bros. Entertainment Canada Inc.; wiip Productions, LLC and XOF Studios, LLC (hereinafter referred to individually as "the Company" and collectively as "the Companies").

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

Except when another effective date is specified, the provisions herein shall be effective as of the April 1, 2024 or the first Sunday after receipt of notice of ratification by the AMPTP, whichever is later.

All of the provisions of the Collective Agreement between the parties expiring on March 31, 2024 are renewed and/or modified, subject to the following:

1. **Article 30 – Term (U-29)**

Modify Article 30 as follows:

"This Collective Agreement shall be binding from April 1, 20212024 and remain in full force and effect through March 31, 20242028. It shall be renewed automatically from year to year thereafter unless, during the last ninety (90) days of the Agreement, either party gives notice in writing of its intention to propose changes to the Agreement. Except

when another effective date is specified, the provisions of this Collective Agreement shall be effective as of April 18, 2021 [insert April 1, 2024 or the first Sunday following the AMPTP's receipt of notice of ratification, whichever is later]."

2. **Wages (U-34)**

- a. Increase wage rates for Feature Films (including Low Budget Features) by five percent (5%) effective March 31, 2024; by an additional four percent (4%) effective March 30, 2025; by an additional three and one-half percent (3.5%) effective March 29, 2026; and by an additional three percent (3%) effective April 4, 2027. These increases shall be compounded.
- b. Increase the wage rates by seven percent (7%) effective March 31, 2024; by an additional four percent (4%) effective March 30, 2025; by an additional three and one-half percent (3.5%) effective March 29, 2026; and by an additional three percent (3%) effective April 4, 2027, for:
 - i. a motion picture (other than a Feature Film or Low Budget Feature), a mini-series or a season of a series which, prior to April 1, 2024, meets one of the following criteria: (A) the Company has made or obtained a firm commitment for the production, exhibition or distribution of the motion picture, the mini-series or the season of the series; or (B) principal photography of the motion picture, or the first episode of the season in the case of a series (or first part in the case of a mini-series), has commenced; and
 - ii. a program or series that is a Legacy High Budget SVOD Program or series under Paragraph D.(1)(a) or (b) of the 2021 Local 873 Agreement.

These increases shall be compounded.

Make a conforming change to Paragraph D(1) of Sideletter #5 as set forth in Exhibit 1 to this Memorandum of Agreement.

- c. Other than as set forth in subparagraph b. above, calculate the wage rates for Network Episodic Series (and High Budget SVOD Programs that pay the Network Episodic Series rates) as follows:
 - i. <u>For the 3rd and Subsequent Seasons of a Series</u> ("Television Production Rate Card"):
 - (1) For classifications other than those in the Transportation
 Department, the rates will be calculated based upon the following

percentage discounts from the "Feature Film" rates: a nineteen and one-half percent (19.5%) discount effective March 31, 2024; an eighteen and one-quarter percent (18.25%) discount effective March 30, 2025; a seventeen percent (17%) discount effective March 29, 2026; and a sixteen percent (16%) discount effective April 4, 2027.

- (2) For the Transportation Department, rates will be calculated as follows:
 - (A) Coordinator: Rate calculated as the "Feature Film" rate discounted by seventeen percent (17%) effective March 31, 2024; by fifteen and one-half percent (15.5%) effective March 30, 2025; by fourteen percent (14%) effective March 29, 2026; and by thirteen percent (13%) effective April 4, 2027.
 - (B) Transport Captain and Picture Vehicle Captain: Rates calculated as the "Feature Film" rates discounted by fourteen percent (14%) effective March 31, 2024, by twelve and one-half percent (12.5%) effective March 30, 2025, by eleven percent (11%) effective March 29, 2026, and by ten percent (10%) effective April 4, 2027.
 - (C) Transport Co-Captain and Driver: Rates calculated as the "Feature Film" rates discounted by eleven percent (11%) effective March 31, 2024, by nine and one-half percent (9.5%) effective March 30, 2025, by eight percent (8%) effective March 29, 2026, and by seven percent (7%) effective April 4, 2027.
 - (D) Tractor Trailer Driver/Bus Driver: Rate calculated as fifty cents (\$0.50) per hour more than the Driver rate.
- ii. <u>For the Second Season of a Series</u> The applicable rates in the Television Production Rate Card for the third and subsequent seasons of a series (i.e., the rates listed in subparagraph c.i. above) for the period immediately preceding the period in question shall apply.
- iii. <u>For the First Season of a Series</u> Rates will be seven percent (7%) less than the applicable rates in the Television Production Rate Card for the third and subsequent seasons of a series (i.e., the rates listed in subparagraph c.i. above).

- d. Effective March 31, 2024, on television productions and Low Budget Features:
 - i. The wage rate for the Head of Department in the Make-Up Department shall be individually negotiable.
 - ii. The wage rate for the Assistant Head of the Department in the Make-Up Department shall match the rate for the Key Hair Stylist.

3. Article 5 – Application for Work Permits (P-1)

Modify Article 5 as follows:

"(e) Guaranteed Permits

"The following shall apply to the Companies on the list of signatories supplied to Local #873 by the AMPTP on January 18, 2021 January 5, 2024, and/or their related or affiliated entities and those entities for which they have provided a letter of guarantee:

"The Company shall be allowed two (2) four (4) permits per production, with a limit of one (1) per department."

"When practicable, the Company shall notify the Union of its intent to utilize this provision a minimum of five (5) business days prior to the commencement of work for the individual and provide the Union with a completed Local 873 Work Permit Application signed by the applicant prior to commencement of work for the individual. It is further understood that nothing in the foregoing language is intended to limit the Company's ability to employ additional non-Member permit workers upon consent of the Union as contemplated in Article 5 of this Agreement."

4. <u>Article 7 – Location Boundaries (U-4 and P-3)</u>

a. Add the following to the end of Article 7(b):

"The Union shall not unreasonably deny a request from a Company to treat a location as being within the Studio Zone if such location is within five (5) kilometres from the northern or eastern boundary of the Studio Zone."

- b. *Modify Article 7(d) as follows*:
 - "(d) The following boundaries shall be referred to as the Hamilton Zone: Winston Churchill Boulevard to Highway 401 to the Hamilton-Wentworth border to Lake Ontario. (See Appendix 2.)

4

"In lieu of payments set out in this Article Seven, Employees travelling between the Studio Zone and the Hamilton Zone who are not otherwise on work time shall receive a flat fee of twenty-five dollars (\$25.0020.00) for travel into the Hamilton Zone, and twenty-five dollars (\$25.0020.00) for travel back to the Studio Zone, which shall not form part of gross earnings. For greater clarity, call and wrap time shall be in the Hamilton Zone (i.e., call time at set and dismissal at set). It is agreed that the Company will not unreasonably deny a request for hotel room accommodations when working in the Hamilton Zone.

"Work in the Hamilton Zone, or in both the Hamilton Zone and the Studio Zone, shall be considered as work within the Studio Zone for purposes of Article Seven (d) only, except as follows:"

5. Article 8 – Workweek Shifts (P-4)

Modify Article 8(e) to allow for three (3) workweek shifts within each six (6) week period during a production (on all types of production, both Features and television) so long as the crew receives no less than thirty-four (34) hours off between the shifted workweeks.

6. **Per Diems**

a. Article 10 – Meal Breaks and Monies (U-5)

Modify Article 10(f)(1) as follows:

- "(f) When an Employee is required to work at a location outside the Studio Zone:
 - "(1) The Company shall pay each Employee fifteen dollars (\$15.00) for breakfast, seventeen twenty dollars (\$20.0017.00) for lunch, and thirty-three dollars (\$33.00) for supper, when the Employee is entitled to that meal period."

b. <u>Article 17 – Travel and Accommodation (Overnight Location Per Diem)</u> (U-19)

5

Modify Article 17(i) as follows:

"(i) When Employees are on location and are required to remain overnight or longer, first class accommodation equal to current A.A.A. (American

Automobile Association) or C.A.A. (Canadian Automobile Association) shall be available. The most current list of the Association shall be used. The Company shall pay each Employee sixty-five-eight dollars (\$68.0065.00) per diem: fifteen dollars (\$15.00) for breakfast, seventeen twenty dollars (\$20.0017.00) for lunch, thirty-three dollars (\$33.00) for supper. The sixty-five eight dollars (\$68.0065.00) per diem shall be for a twenty-four (24) hour period if and as it becomes due."

7. Article 10 – Twelve-Minute Grace Period (P-5.b.)

Modify Article 10(a) to provide that the twelve (12) minute grace period can be used for any meal.

8. Article 10 – Ontario Hours (P-5.c.)

Modify Article 10(i) as follows:

"The Company may, in its sole discretion, institute 'Ontario Hours' scheduling from May 1 to October 31. In such circumstances, the Company shall provide the Union and the affected crew members with no less than twelve twenty-four (24 12) hours' notice of 'Ontario Hours' scheduling being instituted. The Company shall make reasonable efforts to provide such notice by no later than one (1) hour after camera wrap.

"From November 1 to April 30, the Company may institute "Ontario Hours" scheduling provided the consent of a majority of the affected crew members is obtained by way of a workplace vote. Should a vote of affected crew members result in consent to "Ontario Hours" scheduling, the Company shall provide the Union with notice of same immediately following any such vote. Inadvertent failure to provide the Union with such notice shall not prevent the Company from instituting 'Ontario Hours' scheduling.

"For clarity, 'Ontario Hours' scheduling consists of:

- "(1) An eleven (11) hour period of elapsed time commencing with the general crew call and ending after camera wrap, which includes one (1) hour of paid meal period before work begins; or includes one-half (½) hour paid meal period before the shift begins and two (2) fifteen (15) minute paid breaks during the rest of such eleven (11) hour period. This eleven (11) hour period shall not be considered a guarantee of eleven (11) hours of work or pay.
- "(2) Should work continue past the eleventh (11th) hour, such work shall be paid for by the additional payment of the applicable rates of overtime pay.

- "(3) Any Company that institutes Ontario Hours will provide a continuing hot buffet accessible to the Employees.
- "(4) Meal penalties shall apply if camera wrap occurs past eleven (11) hours of elapsed time commencing with the general crew call, in which case meal penalties shall be paid commencing at the end of the sixth (6th) hour from the beginning of the general crew call. The grace period set forth in Article 10, Section (h) may not be applied.
- "(5) All employees not on scheduled Ontario hours pursuant to this Article 10 Section (i) shall be accorded the meal standards set forth in Article 10."
- 9. Article 11 Rest Periods and Days Off (Weekend Rest Period) (U-7)

Modify Article 11(b) as follows, effective for motion pictures, episodes of a series or parts of a mini-series commencing principal photography on or after April 1, 2024:

- "(b) The minimum amount of time off on a five (5) day workweek shall be **fifty (50)** consecutive hours for television productions and, for feature productions, fifty-two (52) consecutive hours free from work.
 - "On television productions, the weekend rest period may be reduced to fifty (50) hours, inclusive of the daily rest period, in the following circumstances:
 - "(1) the fifth day of the workweek is no longer than twelve (12) hours worked; and either
 - "(2) (i) exterior night shooting, as called for in the script, is scheduled for the fifth day of the workweek;
 - "(ii) work on the fifth day of the workweek takes place at a shooting location, access to which is limited to certain hours; or
 - "(iii) work on the fifth day of the workweek is delayed due to health and safety concerns as a result of weather or a natural hazard that occurs during the course of the employee's work shift.
 - **"(3)** Company may utilize the foregoing exceptions:
 - "(i) once on a one-time television motion picture 66 minutes or more but less than 85 minutes in length;

- "(ii) no more than once every six (6) weeks on episodic series and mini-series;
- "(iii) twice on a one-time television motion picture 85 minutes or more in length."

10. Article 12 – Premiums and Penalties (Meal Penalties) (U-9)

Modify Article 12(a) as follows:

- "(a) Calculation of Meal Penalty: If any Employee is unable to commence a meal period by the end of each sixth (6th) hour of work, the Employee shall be paid a meal penalty as per the following scale until such time as the meal period is forthcoming:
 - "(i) First 2/10 (.2) of an hour: no penalty, but shall not be scheduled or abused.
 - "(ii) Next 3/10 (.3) of an hour: \$7.50 for any portion thereof.
 - "(iii) Next one (1) hour: \$2.50 for each 1/10 (.1) hour increment.
 - "(iv) Thereafter: \$3.00 for each 1/10 (.1) hour increment.
 - "(v) For any workweek in which an employee is entitled to more than ten

 (10) hours of cumulative meal period penalties, all subsequent meal
 period penalties for that employee in that workweek shall be
 compensated at one (1) hour of pay at the prevailing rate for each
 one-half (½) hour of meal delay or fraction thereof."

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11. **Article 13 – Holidays (U-12)**

Modify Article 13 as follows:

"ARTICLE THIRTEEN "Holidays

"(a) The following days are recognised as paid Statutory or Proclaimed Holidays:

New Year's Day
Good Friday
Canada Day
Labour Day
Christmas Day
Poving Day
Reving Day
Christmas Day
Christmas Day
Christmas Day
Christmas Day

Christmas Day Boxing Day

National Day for Truth and Reconciliation is recognised as a Proclaimed Holiday. If Ontario recognises National Day for Truth and Reconciliation as a Statutory Holiday, it will be recognised as a Statutory Holiday under this Agreement.

When a Statutory Holiday is not worked, all Employees who work the scheduled work day before and the scheduled work day after the Statutory Holiday will get paid the minimum daily call for the Holiday. In the event that any of the above paid Holidays falls on a scheduled day off, the next work day immediately following shall be deemed the day celebrated. This shall not apply to a Statutory Holiday that occurs within a hiatus period.

When a Proclaimed Holiday falls on an employee's scheduled workday and is not worked, all Employees who work the scheduled work day before and the scheduled work day after the Proclaimed Holiday will get paid the minimum daily call for the Holiday. This shall not apply to a Proclaimed Holiday that occurs within a hiatus period.

- "(b) The minimum hourly rate for work performed on a Statutory or Proclaimed Holiday shall be two and one-half times (2½x) the basic hourly rate for the first eight (8) working hours (nine (9) working hours for Transportation). Work performed after eight (8) working hours (nine (9) working hours for Transportation) shall be paid for at the rate of three times (3x) the basic hourly rate.
- "(c) When a Statutory or Proclaimed-Holiday falls on an Employee's normal scheduled day off (i.e., the 6th or 7th day of the work week), the Union and the Producers shall determine whether the holiday should be observed on the first previous work day or the next regular work day, which shall be deemed the Holiday and subject to payment as stated in Section (b), above. If a Proclaimed Holiday falls on an Employee's scheduled day off, it shall not be subject to payment under Section (a) above. A paid sStatutory Holiday or Proclaimed Hholiday shall be considered as a day worked for the purpose of calculating consecutive days."

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Make conforming changes as necessary.

12. **Training**

a. <u>Article 14 – Additional Payments and Deductions (Training Centre Contributions) (U-14)</u>

Modify Article 14(q) as follows, effective for motion pictures, programs, episodes and parts of a mini-series commencing principal photography on or after April 1, 2024:

- "(q) The Company shall contribute five cents (\$.05) per hour (except that the Company shall contribute seven ten cents (\$.07.10) per hour on MOWs

 and Features that commence principal photography on or after April
 1,2021) to the Toronto Motion Picture Technicians' Training Centre up to the following maximums:
 - "(i) \$2,5001,500 per television episode, High Budget SVOD Program or episode, MOW, mini-series part or home video;
 - "(ii) No more than \$10,000 \$20,000 per MOW or feature or miniseries:
 - "(iii) No more than \$10,000 \$40,000 per season for each episodic television series, or High Budget SVOD series or miniseries (except no more than \$20,000 per season for seasons of an episodic television series or High Budget SVOD series, the first episode of which commences principal photography on or after April 1, 2021);
 - "(iv) No contributions for pilots or new media productions other than High Budget SVOD productions, as described in items (i) th<u>r</u>ough (iii) above; and
 - "(v) Flats are to be based on a twelve (12) hour day."

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b. Sideletter #3 – Supervisor Training (U-28)

Modify Sideletter #3 as follows:

"SIDELETTER #3

"Re: Safety and Supervisor Training

"The parties recognize that a well-trained workforce is desirable for the benefit of the **CompanyProducer**, the Union and the **individual eE**mployees, and

promotes the safety of all persons employed in the industry. Therefore, the Producer and Union agree to participate in a Joint Cooperative Committee on Safety and Training ("Committee") composed of representatives of the Union and Producers. The Committee will be responsible for exploring sources of funding for training and education of employees working within the scope and jurisdiction of this Agreement, and examining and planning the structure of such training and education. Such training could include instruction on safety as well as skills training.

"The Committee may meet telephonically and/or by videoconference as well as in person.

"Therefore, beginning April 1, 2025, the Company shall ensure that any head of department who is directly selected by the Company pursuant to Articles 6(d), (e) and (f) has successfully completed the Supervisor Health and Safety Training course provided by the Toronto Motion Picture Technicians' Training Centre. In addition, the Company shall ensure that the Costume Supervisor, Set Decorating Lead Person and Transport Captain have taken the course.

"This shall not apply to employees working temporarily in a higher classification in the manner set forth in Article 6(l).

"The **Producer** Company and Union acknowledge the Ontario Film and Television Section 21 Advisory Committee's efforts to formulate safety guidelines for the film and television industry in Ontario. The parties hereto agree to foster the industry-wide dissemination of said guidelines."

c. The parties shall meet periodically during the term of the agreement, so that the Companies may receive updates regarding the operation of the Training Centre and provide input on training-related matters such as the need for new training courses, the subject matter covered in existing courses and other training-related matters as may arise from time to time.

d. <u>Article 29 – Inclusion and Diversity (Hair and Make-Up) (P-9.b.)</u>

The parties acknowledge that the industry's need for Employees in the hair and make-up departments to develop and improve knowledge, skills and experience in styling and/or cutting natural textured hair and applying make-up to individuals of all skin tones must be addressed.

Accordingly, the parties commit that the Training Centre shall continue its existing hair styling program, which is designed to enable individuals to acquire these skills through training and to evaluate their skill level upon completion. The parties encourage the Training Centre to make improvements or modifications to the program as needed. The parties acknowledge that the Training Centre is in the process of developing training courses focused on training make-up artists to apply make-up to individuals of all skin tones, and that those efforts should take priority. The parties agree that these training courses should conduct an evaluation of the skills of individuals who complete the course.

The parties shall meet shortly after April 1, 2025 to discuss the progress made by the Training Centre in these efforts.

13. Article 15 – Paid Sick Leave (U-15)

Modify Article 15(a) as follows:

"Effective January 1, 2022 April 1, 2024:

- "(a) An Employee covered by this Agreement who has worked for a Company within the province of Ontario under this Agreement for at least thirty (30) days on or after January 1, 2022 within a one (1) year period (such year to be measured, as designated by the Company, as either a calendar year or starting from the Employee's anniversary date) shall accrue paid sick leave under one of the following options:
 - "(i) The Company may elect to allow eligible Employees to accrue one (1) hour of paid sick leave for every thirty (30) hours worked in the province of Ontario for the Company, up to a maximum of forty-eight (48) hours or six (6) days. Sick leave accrued on an hourly basis may be carried over to the following year of employment, but in no event shall an Employee have more than forty-eight (48) hours or six (6) days of paid sick leave available for use during each year of employment at any time. The Company may limit the use of sick leave accrued on an hourly basis to no more than twenty-four (24) hours or three (3) days during each year of employment. A "year of employment" shall be defined by the Company in advance as either a calendar year or starting from the Employee's anniversary date.
 - "(ii) The Company may elect to provide an eligible Employee with a bank of twenty-four (24) forty (40) hours or three (3) five (5) days of sick leave per year, such year to be measured, as designated by the Company, as

either a calendar year or starting from the Employee's anniversary date. Such banked sick leave days may not be carried over to the following year.

"The Company shall provide the Employee with advance notice of the option it has elected."

14. Article 16 – Remuneration and Payment of Wages (Timesheets) (P-7)

Modify the second paragraph of Article 16(b) as follows:

"(b) ***

"The Company shall affix a copy of the Employee's time sheet to the paycheque or deliver an electronic copy of the time sheet to the Employee, showing earnings in detail. The Company shall provide a copy of the Employee's time sheet to the Employee upon request, unless the time sheet is already available for the Employee to access electronically (e.g., via a website). Copies of said time sheets shall be provided to the Union upon request."

15. Article 22 – Working Conditions (Breast Feeding Space) (U-24)

Add a new Article 22(d) to the Agreement as follows:

"(d) An Employee may request suitable private space for breast feeding or pumping by giving reasonable advance notice of the Employee's need to Human Resources and/or the appropriate individual designated by the Company for the receipt of such requests. Upon receiving the Employee's request, the Company shall make best efforts to accommodate the Employee's request by providing a suitable private space. It is understood that the availability and type of spaces that may be used to accommodate the Employee's request may vary depending on factors such as the location at which production is operating."

16. Article 22 – Working Conditions (Menstrual Products) (U-25)

Add a new Article 22(e) to the Agreement as follows:

"(e) The Company shall make best efforts to provide menstrual products at no cost to the Employee, including clean and hygienic tampons and menstrual pads. The Company may make the products available in restrooms or other areas readily accessible to all employees that offer a reasonable amount of privacy or may give

such products to an appropriate individual (e.g., a member of First Aid) for distribution upon request. The Company shall also make best efforts to provide an appropriate container for the disposal of menstrual products."

17. Generative Artificial Intelligence (U-26)

Add a Sideletter to the Agreement as follows:

"re: Generative Artificial Intelligence

"During the negotiations for the 2024 Local 873 Long Term Agreement, the parties discussed the use of Generative Artificial Intelligence ('GAI') in the production of motion pictures. The parties acknowledged that definitions of GAI vary, but agreed that the term generally refers to a subset of artificial intelligence that learns patterns from data and produces content based on those patterns (e.g., ChatGPT4, MidJourney, Dall-E2). It does not include 'traditional AI' technologies programmed to perform specific functions, such as those already used during all stages of motion picture production (e.g., CGI and VFX).

"The parties recognize that this Sideletter is being entered into at a time when the use of GAI is in the process of exploration, experimentation and innovation. Furthermore, the parties acknowledge that the use of GAI may be discussed during the negotiations for successor Agreements to the 2021 IATSE Basic Agreement and the Area Standards Agreement.

"Should the parties to the IATSE Basic Agreement agree upon terms and conditions specific to GAI during the negotiations for a successor Agreement to the 2021 IATSE Basic Agreement, the parties agree that the terms and conditions of the Local 873 Agreement shall be modified to reflect those terms and conditions, to the extent that those terms and conditions are applicable to the Local 873 Agreement. Additionally, should the parties to the IATSE Area Standards Agreement agree upon terms and conditions specific to GAI with respect to individuals employed in the Transportation Department during the negotiations for a successor Agreement to the 2021 IATSE Area Standards Agreement, the parties agree that the terms and conditions of the Local 873 Agreement shall be modified to reflect those terms and conditions, to the extent that those terms and conditions are applicable to individuals employed in the Transportation Department under the Local 873 Agreement.

"If either the AMPTP or the Union believes that the terms and conditions specific to GAI which are negotiated in the 2024 IATSE Basic Agreement negotiations or the 2024 IATSE Area Standards Agreement negotiations, as applicable, do not apply to the Local 873 Agreement, that party will notify the other party in writing within thirty (30) days after the AMPTP's receipt of notice of ratification of the applicable Agreement.

Thereafter, the parties will meet and endeavor to resolve any issues no later than sixty (60) days after the AMPTP's receipt of notice of ratification of the applicable Agreement."

18. Article 29 – Inclusion and Diversity (U-27)

Modify Article 29(b) as follows:

"(b) The Union shall develop maintain a training program to educate individuals on respect in the workplace, to be provided through its Training Centre. The Union shall preview the training program with the Companies prior to its implementation, which shall occur no later than June 30, 2022. Beginning April 1, 2023, tThe Union shall ensure that all individuals dispatched (including those directly selected by the Company pursuant to Articles 6(d) and 6(e)) have successfully completed the program prior to dispatch. In addition, individuals must successfully complete such training program once every two years in order to remain eligible for dispatch. Each Company may also require that its employees complete Company-provided training on matters concerning respect in the workplace."

19. Inclusion and Diversity (New Sideletter) (P-9.a.)

Add a Sideletter as follows:

"Sideletter – Reconciliation, Equity, Diversity and Inclusion

"The Companies on the list of signatories supplied to Local #873 by the AMPTP, on the one hand, and the Union, on the other hand (collectively referred to as the 'Parties'), recognize their joint interest in promoting reconciliation, equity, diversity, and inclusion in the workplace, so that people from disadvantaged and under-represented groups are provided with employment opportunities and greater representation in the film and television industry in Ontario. The Parties' goal in pursuing these initiatives is to increase measurably the diversity in the active workforce in the film and television industry in Ontario, at all times guided by the Ontario Human Rights Code and its principles.

"Committee

"In furtherance of this goal, the Parties shall form a committee ('Committee') within thirty (30) days of the Companies' receipt of notice of ratification consisting of:

- "a. four representatives from the Union; and
- "b. four representatives from the Companies.

"The Committee shall be co-chaired by one Union representative and one Company representative.

"The Committee's first meeting shall take place within 30 days of its formation and shall meet as needed to accomplish its work, which shall include the matters described in this Sideletter.

"The parties recommend that funding of costs associated with the application for the special program described in paragraphs 1 through 9 below be provided by the Toronto Motion Picture Technicians' Training Centre, and that the Training Centre take any necessary steps to effectuate its provision of funding. The Committee will discuss funding for costs associated with the work of the Committee which are not otherwise borne by the Company or the Union.

"Special Program

"The Parties agree to make a joint application for a special program under Section 14 of the Ontario Human Rights Code ('OHRC'). The Committee will promptly develop and mutually agree on the elements of the special program.

- "1. The goals of the special program include to:
 - "(a) address under-representation and/or barriers in the industry faced by persons or groups with one or more protected characteristics;
 - "(b) provide meaningful employment opportunities for residents of Ontario, that will allow such persons to establish and maintain a career in the industry; and
 - "(c) establish accountability and monitoring, including ways to measure and track success in increasing diversity in the active workforce.

"2. The Committee will:

- "(a) no later than three (3) months after its formation, conduct a voluntary, anonymous survey to establish which groups with protected characteristics as set out in the OHRC ('Protected Characteristics') are statistically underrepresented in the Ontario film industry as compared to the general Ontario labour pool, understanding that the purpose of examining the general Ontario labour pool is to ascertain where gaps exist in representation within the industry;
- "(b) no later than one (1) month after the completion of the work described in subparagraph (a) above, identify those groups the Parties intend to prioritize with the special program, including groups identified in Paragraph 2.(a) above or other groups deemed to be a priority by the Committee (the 'Target Group(s)'), and make such recommendations as it considers necessary to ensure that hires under the special program as set out in this Sideletter reflect these priorities;
- "(c) develop mechanisms to allow the Union to collect and maintain a database of persons on the Union hiring rosters who voluntarily self-identify as having one or more Protected Characteristics;
- "(d) allow Companies to provide meaningful employment opportunities to such persons;
- "(e) identify and ameliorate specific barriers to entry and retention in the industry, including accommodations;
- "(f) identify how to track, and regularly report to the Parties, success in increasing diversity in the active workforce; and
- "(g) agree on the time frame in which the special program shall be in effect, subject to a mutual agreement to make a renewal application to, or otherwise, extend it in whole or in part.

"The Parties agree that the Committee will complete its preliminary work and submit the joint application for the special program no later than six (6) months after the formation of the Committee.

"3. As part of the Parties' shared commitment to the goal of increasing diversity, the Parties agree to cooperate in providing whatever additional information the

- Committee and/or the Ontario Human Rights Commission may require while complying with Ontario privacy and other applicable law.
- "4. Subject to approval of the application for the special program, the Parties agree that:
 - "(a) Companies will be permitted to seek candidates who already possess the skills necessary for work in the industry for employment based on Protected Characteristics;
 - "(b) Companies may hire Employees based on membership in the Target Groups as set out in this Sideletter.
 - "(c) The special program will permit collection of information regarding the Protected Characteristics of the existing and future workforce by asking Employees to self-identify, so that the Parties can measure whether they are making progress towards the goal of increasing diversity.
 - "(d) The Parties further agree that implementation of special programs approved under this Sideletter will not constitute a violation of Article 28 of the Local #873 Agreement.
- "5. For greater clarity, and subject to approval under the special program, the following will permit the Company and the Union to agree to hire persons who have voluntarily self-identified as being a member of a Target Group(s) on specific productions as set out below:
 - "(a) If the Company is directly hiring Employees, the Company shall request from the Union a list of those in a particular classification on the Group 1 Members Availability List who are from a Target Group(s). In the event there are no Group 1 Members available from a Target Group, the Company may request a list of those in the same classification on the Group 2 non-Members Availability List who are from a Target Group(s). If the Union is unable to fulfill the Company's request from those on the Group 1 Members Availability List or Group 2 non-Members Availability List, the Company may engage a qualified individual from the Target Group from outside Group 1/Group 2 pursuant to the special program under this paragraph 5(a). During the first year of the special program, the maximum number of individuals hired pursuant to the preceding sentence at any given time shall be limited to no more than one (1) per department. Thereafter, these numbers shall be increased as determined by the

Committee. Further, a Company may only hire an individual from outside Group 1/Group 2 pursuant to this paragraph 5(a) in a particular department if at least one (1) individual on the Group 1 Members Availability List is engaged in that department, provided that a qualified individual from Group 1 is available.

- "(b) If the Company is requesting Employees through dispatch, the Company may request priority dispatch under the special program of individuals from the Target Group(s), and the Union will dispatch individuals in the Target Group(s), if any are available. Such requests shall be limited at any given time to one (1) per department.
- "(c) Any individual hired under (a) shall be included in the aggregate number of persons dispatched under (b).
- "(d) For purposes of this paragraph 5, the departments shall be as follows: Construction/Scenic/Paint; Costume; Electric; Grips; Hair; Make-Up; Property/Set Decorating/Greens; Script; Sound; Special Effects; Transportation.
- "(e) An individual not on the Group 1 Members Availability List or Group 2 non-Members Availability List who has worked at least one (1) day pursuant to the special program provisions of paragraph 5(a) above shall be entitled to the same priority in hiring pursuant to the 'Order of Dispatch' provisions in Article 6(f) as is applicable to any individual on the Group 2 non-Members Availability List in the same classification. That is, that individual may be hired directly by the Company notwithstanding the fact that qualified persons on the Group 2 non-Members Availability List may be available. The individual may also continue to be hired pursuant to the special program provisions of paragraph 5(a) above. The Union shall maintain a listing of individuals who, by virtue of their employment under paragraph 5(a) above, are entitled to the same priority in hiring as any person on the Group 2 non-Members Availability List. The Union shall make the list freely available to Companies, upon request.
- "6. Persons hired pursuant to the special program shall work under the Local #873 Agreement.

- "7. An individual hired pursuant to the special program must successfully complete the Workplace Hazardous Materials Information Systems (WHMIS), Worker Health and Safety Awareness courses, STEP UP: Respect in the Workplace, Permit Orientation course and any mandatory departmental requirements on or prior to the individual's first day of employment.
- "8. If an individual hired pursuant to the special program completes a course specified in paragraph 7 above while in the employ of a Company, the Company shall reimburse the individual for the costs incurred in connection with the course, if any, and shall compensate the individual for time spent in completing the course at the individual's straight time contracted hourly rate.
- "9. Any individual hired pursuant to the special program whose job duties cannot be performed without fulfilling a statutory entrance requirement(s) must satisfy the requirements prior to working on a production.
- "10. The parties agree that the foregoing special program is not the only special program permitted under this Agreement; rather, a Company and the Union may mutually agree to additional special program(s) on a Company-by-Company basis. Such special programs shall be guided by the Ontario Human Rights Code and its principles and shall apply and be subject to the provisions of Paragraphs 4 through 9, above. It is further understood that such special program(s) may prioritize other disadvantaged and under-represented groups than those prioritized by the Committee under Paragraph 2(b), and in such case, these other groups shall be deemed 'Target Group(s)' as defined herein.

"Training Program - Ontario Residents Only

- "11. The Parties hereby agree to establish a training program(s) which allows a Company to hire trainees either from among the Target Group(s) established by the Committee pursuant to Paragraph 2(b) above or from such other disadvantaged and under-represented groups as the Company and the Union may agree to prioritize ('Trainees'), so that they will have opportunities for hands-on training and continued work in the film and television industry in Ontario. The training program(s) shall not be part of the special program application nor subject to its approval. The training program(s) may be implemented on a Company-by-Company basis, and shall contain the following elements:
 - "(a) With notice to the Union, on each production, the Company may place one Trainee in each recognized department of the Union. No Trainee shall be placed as a Production Labourer. During the assignment, the Trainee may learn and perform bargaining unit work within an otherwise fully staffed department. Trainees in this capacity will not displace any crew members

working under the terms of the Local #873 Agreement and will be an additional position in the department. The Company will consult the department head about the placement. Trainees are not to be utilized to displace experienced Employees and shall work under the supervision of the appropriate department head.

- "(b) Any such Trainee must successfully complete the Workplace Hazardous Materials Information Systems (WHMIS), Worker Health and Safety Awareness courses, STEP UP: Respect in the Workplace, Permit Orientation course and any mandatory departmental requirements on or prior to the individual's first day of employment.
- "(c) The Company shall reimburse the Trainee for the costs incurred in connection with the course, if any, in paragraph 11(b) above and shall compensate the Trainee for time spent in completing such courses at the rate specified in paragraph 11(e) below.
- "(d) Any Trainee whose job duties cannot be performed without fulfilling a statutory entrance requirement(s) must satisfy the requirement(s) prior to placement on a production.
- "(e) Trainees shall work under the Local #873 Agreement and shall be compensated at the rate of \$25.00 per hour. This rate shall be increased to \$26.00 per hour effective March 30, 2025; to \$26.91 per hour effective March 29, 2026; and to \$27.72 per hour effective April 4, 2027. These increases shall be compounded.
- "(f) A Company may employ a Trainee on a participating production on a weekly basis of five (5) days per week on a single production in any single department.
- "(g) A Company has discretion to continue to employ a Trainee up to a maximum of one hundred twenty (120) days and may allow a Trainee to rotate to another of its productions (or a production of an affiliated or related Company).
- "(h) In accordance with Article 6, Section (c), a Trainee who works under a Local #873 Agreement and who has applied for and been accepted into membership with the Union (which membership shall not be unreasonably withheld) will be added to the Group 1 Members Availability List, and

will be removed from the Trainee Program. In the event that a Company (or its related or affiliated Companies) does not have sufficient work to employ a Trainee for the work days necessary to obtain placement on the Group 1 Members Availability List, other unrelated or unaffiliated Companies may hire that individual as a Trainee under the provisions of this paragraph 10, or, if the Trainee has completed sixty (60) work days as a Trainee, under the provisions of paragraph 5 above. A Company shall notify the Union of any Trainee who has not yet completed the work days necessary to obtain placement on the Group 1 Members Availability List and who is no longer working for that Company (or a related or affiliated Company) due to insufficient work and indicate the number of work days that the Trainee has completed in each department in which the Trainee worked. The Union shall maintain a list of such Trainees, as well as the number of work days each Trainee has completed in a given department and shall make the list freely available to Companies, upon request.

"(i) The training program shall not constitute a violation of Article 28 of the Local #873 Agreement.

"Communications Plan

"12. The Parties acknowledge the importance of receiving the support of the membership of the Union in achieving the goal of creating a welcoming and inclusive environment for Employees from the Target Groups or other disadvantaged and under-represented groups prioritized by the Parties.

"Ongoing Review

"13. As part of the ongoing review and assessment of the special program, and based on recommendations from the Commission and the Committee, the Parties may mutually agree to modify the provisions herein, including changes to the maximum number of hires or trainees, by production or department, as the case may be, in order to achieve the goal of increased representation of persons in the Target Groups or other disadvantaged and under-represented groups prioritized by the Parties."

20. Sideletter #5 – Productions Made for New Media (U-31)

a. Delete the second introductory paragraph to Sideletter #5, as follows:

"The parties mutually recognize that the economics of New Media production are presently uncertain and that greater flexibility in terms and

conditions of employment is therefore mutually beneficial. If one or more business models develop such that New Media production becomes an economically viable medium, then the parties mutually recognize that future agreements should reflect that fact."

- b. *Modify Paragraph D.4. of Sideletter #5 as follows:*
 - "(4) Minimum Wages and Fringe Rate
 - "(a) The minimum wages and fringe rates for Employees employed on a High Budget SVOD Program in Tier 1, as defined in subparagraph (3) above, that are intended for initial exhibition on a subscription video-on-demand consumer pay platform with twenty million (20,000,000) or more subscribers in the United States and Canada shall be as provided in the 20212024 IATSE Local 873 Long Term Agreement for Network Television Productions.

"However, with respect to High Budget SVOD Programs that meet the following conditions:

- <u>"(i)</u> <u>T</u>the minimum wages and fringe rates shall be as provided in the <u>20212024</u> IATSE Local 873 Long Term Agreement for Feature Films for Employees employed on a High Budget SVOD Program (other than a pilot, episode of a series or part of a mini-series) that is:
 - "(a)(A)96 minutes or more in length;
 - "(b)(B)budgeted at over \$41,000,000 43,496,900 CAD [to be increased by the wage and fringe increases in each year of the Agreement] [Footnotes Omitted.]
 - "(e)(C) intended for initial exhibition on a subscription video-on-demand consumer pay platform with twenty million (20,000,000) or more subscribers in the United States and Canada; and
 - "(d)(D) subject to a license agreement entered into on or after October 1, 2021 (or, in the absence of a license agreement, the principal photography of which commences on or after October 1, 2021).

- "(ii) The minimum wage rates shall be as provided in the 2024 IATSE Local 873 Long Term Agreement under the "Television Production Rate Card" for the third and subsequent seasons of a Network Television series for Employees employed on a High Budget SVOD Program (other than a pilot, episode of a series or part of a mini-series) that is:
 - "(A) 85 minutes or more in length;
 - "(B) budgeted at \$27,000,000 CAD or more [to be increased by the wage and fringe increases in each year of the Agreement]; and
 - "(C) subject to a license agreement entered into on or after April 1, 2024 (or, in the absence of a license agreement, the principal photography of which commences on or after April 1, 2024)."
- "(b) The minimum wages and fringe rates for Employees employed on a High Budget SVOD Program in Tier 2, as defined in subparagraph (3) above, or those Employees employed on a High Budget SVOD Program in Tier 1, as defined in subparagraph (3) above, that are intended for initial exhibition on a subscription video-on-demand consumer pay platform with fewer than twenty million (20,000,000) subscribers in the United States and Canada shall be those applicable to Cable Television Series under the IATSE Local 873 Supplemental Agreement. However, the minimum wage rates shall be as provided in the 2024 IATSE **Local 873 Long Term Agreement under the "Television** Production Rate Card" for the third and subsequent seasons of a Network Television series for Employees employed on a High Budget SVOD Program (other than a pilot, episode of a series or part of a mini-series) that is:
 - "(i) 85 minutes or more in length;
 - "(ii) budgeted at \$27,000,000 CAD or more [to be increased by the wage and fringe increases in each year of the Agreement]; and

The budget shall be determined as described in footnote 5 to Paragraph D.(4) above.

"(iii) subject to a license agreement entered into on or after

April 1, 2024 (or, in the absence of a license agreement,
the principal photography of which commences on or
after April 1, 2024)."

21. <u>Schedule "A" Job Classifications (U-32) and Schedule "B" Name-Hire Positions (U-33)</u>

Change the name of the following classifications, in both Schedule "A" and "B:"

- a. "Costume Set Supervisor" changed to "Costume Set Key"
- b. "Cutter" changed to "Costume Cutter"
- c. "First Hand Sewer" changed to "First Hand Seamster"
- d. "Sewer" changed to "Seamster"

22. Housekeeping – Gender Neutral Language (U-35)

Eliminate gender-specific pronouns throughout the Agreement, provided that such replacement does not result in any grammatical errors or substantive changes.

23. Force Majeure (P-10)

Add a new Article as follows:

"Force Majeure

"The Company may declare a Force Majeure, cancelling work calls, laying off Employees during a work day, or otherwise suspending production without prospective obligations to Employees, as the result of an inability to provide work because of an unforeseen circumstance beyond its reasonable control. Force Majeure includes, but is not limited to: riot, war, fire, earthquake, hurricane, flood, labour dispute, strike, or the injury, illness or death of a key cast member, or of a family member of a key cast member, for which the key cast member is anticipated to be absent for a period of one (1) week or longer, or governmental regulation or order in a national emergency. In such unforeseen circumstance, the Company shall furnish a statement in writing to the Union within twenty-four (24) hours, or as soon thereafter as practicable, as to the reason for the Force Majeure. Employees will be paid no less than the minimum call should the Force Majeure occur during working hours."

² The budget shall be determined as described in footnote 5 to Paragraph D.(4) above.

24. Sunset Clauses (P-12)

- a. Delete Paragraph E of Sideletter #5 (Productions Made for New Media) in its entirety.
- b. Renew the sunset clause in Article 14(q), re: the Toronto Motion Picture Technicians' Training Centre.

FOR THE CANADIAN AFFILIATES OF THE ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS, ON BEHALF OF THE NEGOTIATING COMPANIES

Carol A. Lombardini, President

FOR MOTION PICTURE STUDIO TECHNICIANS, LOCAL 873 OF THE INTERNATIONAL ALLIANCE OF THEATRICAL STAGE EMPLOYEES AND MOTION PICTURE TECHNICIANS, ARTISTS AND ALLIED CRAFTS OF THE UNITED STATES AND CANADA

Glen Gauthier, Business Agent on behalf of the IATSE Local 873 Bargaining Committee listed below

Angela Mastronardi, President

on behalf of the IATSE Local 873 Bargaining Committee listed below

Local 873 Bargaining Committee

Fiona Andrew John Lewis

Jeff Bell Monty Montgomerie Anthony Baird Jasmine Mujkanovic Lisa Pacitto-Russo Peter Daprato Teresa Donato David Tellez Vince Donato Marilyn Terry Ernie Schirru Glenn Hughes Etheline Joseph John Vrakking Sheryl Willock Sydney Kondruss

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EXHIBIT 1

Modify Paragraph D.(1) of Sideletter #5 as follows:

- "D. Terms and Conditions of Employment for "High Budget" Original and Derivative Dramatic Motion Pictures and Series Made for Subscription Consumer Pay New Media Platforms
 - "(1) (a) The terms and conditions set forth in this Section D. shall not apply to any series that qualified as a "Legacy" High Budget SVOD Series¹ pursuant to Section D.(1) of the New Media Sideletter in the 2018 IATSE 873 Long Term Agreement. Any such series shall continue to be subject to the terms of the New Media Sideletter in the 2015 IATSE 873 Long Term Agreement if it meets the applicable test in Section D.(1) of the 2018 IATSE 873 Long Term Agreement. However, any such series shall apply the wage rate percentage discounts in the 2015 IATSE 873 Supplemental Agreement in effect on April 2, 2017 for Cable Television Series to the applicable rates in the Television Production Rate Card in the 2021 IATSE 873 Long Term Agreement for the period beginning April 1, 2023 and ending March 30, 2024, increased by [the wage increases set forth in Item 2.b. of this Memorandum of Agreement].
 - "(b) In addition, the terms and conditions set forth in this Section D. shall not apply to a High Budget SVOD Program or episode of a High Budget SVOD series, the license agreement for which is was entered into prior to April 1, 2021 and that did not qualify as a "Legacy" High Budget SVOD Series pursuant to Section D.(1) of the New Media Sideletter in the 2018 IATSE 873 Long Term Agreement. Any such program or series shall continue to be subject to the terms of the New Media Sideletter in the 2018 IATSE 873 Long Term Agreement and the terms and conditions incorporated therein, except that:
 - "(i) Any such series that is subject to the minimum wage rates for Network Television Productions shall apply the minimum wage rates for Network Television Productions under the 2021 IATSE

¹ During the 2021 negotiations, the parties agreed as a matter of housekeeping to rename "grandfathered" High Budget SVOD Programs and series as "Legacy" High Budget SVOD Programs and series.

873 Long Term Agreement for the period beginning April 1, 2023 and ending March 30, 2024, increased by [the wage increases set forth in Item 2.b. of this Memorandum of Agreement]; and

"(ii) Any such series that is subject to the minimum wage rates for Cable Television Series shall apply the wage rate percentage discounts in the 2018 IATSE 873 Supplemental Agreement in effect on March 31, 2021 for Cable Television Series to the applicable rates in the Television Production Rate Card in the 2021 IATSE 873 Long Term Agreement for the period beginning April 1, 2023 and ending March 30, 2024, increased by [the wage increases set forth in Item 2.b. of this Memorandum of Agreement].

* * *