

# 2022 SAG-AFTRA CORPORATE/EDUCATIONAL & NON-BROADCAST CONTRACT MEMORANDUM OF AGREEMENT

Memorandum of Agreement ("MOA") made by and between SAG-AFTRA ("SAG-AFTRA" or the "Union") and American Residuals & Talent, Inc., CMC/Forecast, Inc., Extreme Reach Talent, Inc., JoRon 2000/BLAPOP RECORDS USA, Krause Sautter & Associates dba The Production Asylum, SIMULATIONS, Inc., Talent Direct LLC, Talent Solutions LLC, and The Team Companies LLC("Producers") on this 11th day of January 2023.

- 1. Remove reference to Producers Group Ltd. and replace with Producers.
- 2. Add the following as a new subsection A to <u>Section 3, Commercials Not Permitted Under This Agreement:</u>

The definition of a commercial shall be consistent with the definition of the then-current SAG-AFTRA Commercials Contract.

3. Add to Section 5.C.2, Categories: Category I as follows:

<u>Category I programs may be used in perpetuity. However,</u> a Producer shall consider in good faith a request from a performer to remove from public view a Category I program that has been in use for more than 10 years.

4. Amend Section 5.D.4, Categories: Category II as follows:

A three (3) year use limitation, which begins with the earlier of first use or ninety (90)-days following the first production day, applies to all Category II programs, with the exception of Audio Programs (Section 7.F) which allow use in perpetuity. **Up to three (3)** Aadditional three (3)-year use periods may automatically be renewed at 100% of the total Applicable Salary unless negotiated otherwise at the time of engagement, based on the original rate of pay. At the time of engagement a Performer may agree that one or more of such use periods are included in their overscale compensation, provided that such agreement is clearly stated in the Performer's contract and the Performer's compensation, excluding amounts paid for additional use, is not reduced beyond two (2) times the applicable daily minimum. Contributions to the AFTRA Health & Retirement Funds AFTRA Retirement Fund and SAG-AFTRA Health Plan shall be paid at the rate in effect at time of renewal or payment whichever is earlier.

5. Add the following as a new subsection 5 to <u>Section 5.D. Categories: Category II</u> and renumber accordingly:



When any Performer's daily rate is five and one-half (5 ½) times the applicable daily minimum or more, the Performer may agree that such compensation includes two (2) additional three (3) year use periods and Supplemental Use rights described in Section 9 (but not Section 9.C.8 or Section 9.C.9), provided that such agreement is stated in Performer's contract.

6. Amend <u>Section 6.B.1.a</u>, <u>Undirected Scenes</u>, <u>Backgrounds or Persons: Crowds at Public Events</u> as follows

Members of the public shall not be directed by Producer nor notified by Producer in any way that they will appear in a program, provided that Producer may post reasonable and customary legal notices indicating that filming is occurring in the area.

7. Amend <u>Section 6.B.2.c(2)</u>, <u>Undirected Scenes</u>, <u>Backgrounds or Persons</u>: <u>Undirected Scenes and Undirected Persons</u> as follows

Members of the public shall not receive direction from, or be cued by, Producer other than to pursue their own normal activities, nor shall they be notified that a program is being made, provided that Producer may post reasonable and customary legal notices indicating that filming is occurring in the area.

- 8. Amend <u>Section 7. Minimum Compensation</u>, <u>Fees Per Program</u> to reflect that except as otherwise provided herein, effective January 11, 2023, all compensation for all performers shall increase by 12%. Additionally, the 12% increase shall apply to Section 29.C. Per Diem; Section 35, Wardrobe Allowance; and Section 42.B.8 (Hazard), and 10 (Footwear) Employment of Dancers/Swimmers/Skaters Dancer.
- 9. Add a new subsection 10 to Section 7.A, Minimum Compensation, Fees Per Program as follows:

#### 10. Behind the Scenes

A performer otherwise engaged to perform services in a commercial subject to the SAG-AFTRA Commercials Contract and being paid under such contract for the day or days that behind-the-scenes footage is being shot, shall be entitled to a fee equivalent to a single day of pay as a Category II Day Performer.

10. Replace current Section 7.F.3.a, Audio Programs: Interactive Voice Recording (IVR)/Phone



<u>Prompt Systems</u> with the following and add a box to the Employment Contract.

## a) Compensation

Each time a performer is hired to record for an IVR/Phone Prompt System they shall be paid an Engagement Fee, which includes up to 5 prompts. A prompt is defined as a single, recorded file.

Engagement Fee: \$300.00

Per Prompt Fee after 5 prompts: \$7.00 per prompt
These rates permit an unlimited period of use.

11. Amend <u>Section 7.G.2, Payment - All Performers: Liquidated Damages for Late Payment</u> as follows:

## 2. Liquidated Damages for Late Payment

a) In the event Producer fails to make timely payment, as herein provided, the following cumulative liquidated damage payments shall be due and payable to the Performer for each <a href="mailto:business">business</a> day, beginning with the day following the date of default: \$3.00\$5.00 per day up to thirty (30) days (excluding Saturdays, Sundays and holidays), to a maximum of \$90.00\$150.00. Thereafter, the liquidated damages payment shall cease to accrue unless either SAG-AFTRA or the Performer gives written notice to Producer of nonpayment. In the event such notice is given and full payment, including accrued liquidated damages, is not made within <a href="mailto:twelve">twelve</a> (12) fifteen (15) <a href="mailto:workingbusiness">workingbusiness</a> days thereafter, the Producer shall be liable for an immediate additional liquidated damages payment of \$75.00\$150.00 plus further liquidated damage payments at the rate of \$5.00 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 liquidated damages is fully paid. Such liquidated damages shall be in addition to any and all other remedies which SAG-AFTRA may have against Producer under this Agreement.

b) The liquidated damages herein provided shall not be invoked if the performer, having received copies of necessary employment forms on or before the date of employment, is at fault for failure to return their properly completed tax documents or 19 Form, or if the performer, having been furnished a contract on or before the date of employment, fails to return the signed contract promptly, or, if applicable, a parent or guardian fails to provide bank documentation of a legally required minor's trust account, or when there is a bona fide dispute as to compensation.

- c) In the event of a claim, any undisputed sums due and payable to the Performer shall nevertheless be paid within the time periods specified in this Agreement. Failure to make timely payments shall activate the liquidated damages provision above.
- **d)** Liquidated damages for late payment shall begin to accrue **twelve (12)** fifteen (15) business days after the settlement of a disputed claim.



**e)** In the event Producer fails to make timely payments as required hereunder, SAG-AFTRA may, by written notice, require the payments to be sent to Performers in care of a designated SAG-AFTRA office.

The form individual employment contract shall be modified to include the following language in bold print and capital letters: "PERFORMER MUST RETURN SIGNED CONTRACTS, TAX DOCUMENTS AND 19 FORMS, AS APPROPRIATE, TO FACILITATE TIMELY PAYMENT. LIQUIDATED DAMAGES FOR LATE PAYMENT SHALL NOT APPLY IF THE PERFORMER FAILS TO TIMELY RETURN THE FOREGOING DOCUMENTS."

- 12. Amend <u>Section 8.A</u>, <u>AFTRA Retirement Fund & SAG-AFTRA Health Plan</u> to reflect a 1.5% increase to the total contribution rate as of January 11, 2023. All increases shall be directed to the SAG-AFTRA Health Plan.
- 13. Amend <u>Section 8.A.3</u>, <u>AFTRA Retirement Fund & SAG-AFTRA Health Plan Contributions</u> as follows:

3. Except as provided below, if a performer is working under a Multi-Service Agreement that includes services covered under either or both of the Commercials Contracts, the contribution rate will be the applicable Commercials Contract contribution rate, allocation guidelines and contribution cap will apply. In the event, however, that a performer is working under a Multi-Service Agreement that does not includes or contemplate Commercials Contracts services, but services covered by the Commercials Contracts are nevertheless rendered and those services are of minor value relative to the services covered by the Corporate/Educational & Non-Broadcast Contract, then the Corporate/Educational & Non-Broadcast Contract contribution rate and allocation guidelines shall apply. An example of relative minor value is a Multi-Services Agreement in which a trainer is engaged under the Corporate/Educational & Non-Broadcast Contract to record exercise classes that are available online or through a home exercise device, which Multi-Services Agreement also includes appearance in one or two commercials (including versions thereof) that promote the website on which the exercise classes appear or the home exercise device, provided that the trainer is not widely known either to the public or to the target audience of the commercial at the time that the Multi-Service Agreement is entered into (to be reassessed at the time of any renegotiation, option exercise or extension).

Effective November 1, 2019, Producer shall not be obligated to make contributions on gross compensation in excess of \$250,000 paid to any performer for any individual program. Effective November 1, 2022, Producer shall not be obligated to make contributions on gross compensation in excess of \$250,000 paid to any performer in a contract year where all such compensation has been paid on the basis of a single contract with a single Producer. With respect, however, to multi-service agreements



that include services covered under the Commercials Contract, the Commercials Contract contribution cap will apply.

14. Add to Section 9.B.1.d, Supplemental Use -Principal Performers Only as follows:

When any Performer's daily rate is five and one-half (5 ½) times the applicable daily minimum or more, the Performer may agree that such compensation includes two (2) additional three (3) year use periods and Supplemental Use rights described in this Section 9 (but not Section 9.C.8 or Section 9.C.9), provided that such agreement is stated in Performer's contract.

15. Add to <u>Section 9.C.6, Supplemental Use -Principal Performers Only: Integration/Customization</u> as follows:

If the additional program(s) are considered and paid for as a separate Category II program(s), then the three-year use period for such separate program(s) shall commence on the date of first use of each such program, provided that the Integration and/or Customization of programs or portions of programs occurring more than nine (9) years from the commencement of the first use cycle shall require principal performer consent.

16. Amend Section 15.K. Casting & Auditions and Section 16 by adding the following language:

Producer shall make best efforts to provide a pronunciation guide to performers for both the audition and the session to assist with industry-specific terms that appear in the script (ex: pharmaceutical terms, technical terms).

17. Amend **Section 15, Casting & Auditions** as follows:

Except as otherwise specified below, the following shall apply to in-person auditions and self-taped or live-remote auditions ("virtual auditions"):

- B. Any audition must be scheduled by Producer for a specific time <u>(or for a self-taped audition, a due date for Producer's receipt of the self-taped audition must be specified)</u> and the Performer or Performer's representative notified thereof. A call, <u>text, or email</u> to the principal performer's representative shall be deemed sufficient.
- C. If, at either a first or second audition, the Performer is required to remain for more than one (1) hour from the time of call or arrival, whichever is later, the Performer shall be compensated for all time on said call in excess of one (1) hour, at straight time, in half (½) hour units, at the rate of one-sixteenth (1/16) of the Day Performer rate per unit. The payments set forth in this subparagraph (C) shall not apply to self-tape auditions.



D. Third and all subsequent auditions may not be self-taped. For the third and each subsequent audition, the Performer shall be paid a minimum of one-eighth (1/8) of the Day Performer rate. For all time in excess of one (1) hour, the Performer shall be paid at straight time in half (½) hour units, at the rate of one-sixteenth (1/16) of Day Performer rate per unit.

. . .

K. Performers shall be provided with scripts or storyboards at time of audition sign-in. An ample supply of scripts or storyboards shall be available at auditions. In the event there are problems with respect to the confidentiality of the material, cue cards shall be used.

<u>For virtual auditions, performers shall receive relevant audition copy (e.g., script) in a format that can be used with screen reading software at least 24 hours prior to the audition or at the time of audition notice, whichever is later.</u>

For self-tape auditions for both on-camera and off-camera performers, audition copy shall be limited to 300 words except for scenes involving more than one character.

O. During a virtual audition, performers shall not be requested to perform a stunt or to perform a dangerous activity, such as driving, riding a bicycle, skateboarding, roller skating, interacting with fire, balancing on an elevated surface that is over 18 inches high, or using power tools. The foregoing shall not prevent Producer from requesting that a performer mime or replicate any of the foregoing activities in a safe manner or from requesting that a professional or expert demonstrate a skill for which they are trained, provided that the Producer is clear that they are seeking such a professional/expert, e.g., a Producer seeking a professional chef may ask for a self-taped audition demonstrating knife skills, a Producer seeking a professional carpenter may ask for a self-taped audition demonstrating the use of power tools, etc.

P. In addition to any specific references above, the following shall apply to virtual auditions:

- (i) For virtual auditions, the Producer or casting director shall provide a virtual "waiting room" or other arrangement that allows performers to be notified of any delays. For example, using the chat function of a virtual meeting platform to communicate with performers.
- (ii) Performers shall not be requested to travel to different locations as part of a virtual audition; provided that, requests to move to different rooms/areas in or outside of a performers' home are permitted. Performers shall not be required to provide any location other than a well-lit background. Producer may, however, provide context regarding the nature of the commercial. Additionally, Producer shall not require any angle changes within a single



take.

(iii) <u>Performers may not be required to possess or obtain equipment including props or paid services in order to audition.</u>

### 18. Amend <u>Section 15.I, Auditions</u> as follows:

If an audition is videotaped, it is agreed that such videotape audition shall be used only to determine the suitability of the Performer for a specific project. If a performer who has been individually interviewed or auditioned for a specific role desires to have the recording of such interview or audition erased, the Producer will do so upon written request of the performer. If two (2) or more performers are so interviewed or auditioned together on the same recording, the Producer will erase such recording upon the written request of all such performers. In either case, the erasure will take place after completion of the casting process.

### 19. Amend <u>Section 15.J, Auditions</u> as follows:

When a Performer is given an audition call, the Performer shall be given complete information as to the nature of the role or roles to be cast and the nature of the performance desired and shall also be advised of unusual working conditions, work involving animals, stunts, hazardous work or conditions, improvisations or <u>depiction of performer engaging in sex acts, partial nudity (e.g., shirtless or pantless, only wearing a bathing suit or underwear, sheer or transparent clothing) and/or required nudity.</u>

## 20. Amend Section 19.A.6, Engagement of Performers as follows:

The Producer's representative will notify the Performer (or his/her representative) of any nudity, <u>partial nudity</u>, or sex acts expected in the role (if known by the Producer at the time) prior to the interview or audition. <u>Producer may not request a performer to audition nude (including pasties and genital socks)</u>, <u>but may request partial nudity with advance notice</u>.

During any production involving nudity or sex scenes, the set shall be closed to all persons having no business in connection with the production. No still photography of nudity, **partial nudity**, or sex acts will be authorized by the Producer to be made without the consent of the Performer.

The appearance of a Performer in a nude, <u>partially nude</u>, or sex scene or doubling of a Performer in such a scene shall be conditioned upon Performer's prior written consent. Such consent may be obtained by letter or other writing prior to a commitment or written contract being made or executed. <u>A member of production shall be made available prior to Performer's consent to answer questions about the nature of any sex acts, partial nudity and/or nudity required of the performer. Producer's failure to comply with the foregoing with respect to sex acts, partial nudity and/or nudity shall entitle the performer to refuse to work and to be paid a full day's pay. If a Performer</u>



has agreed to appear in such scenes and then withdraws consent, Producer shall have the right to double, but consent may not be withdrawn as to film or tape already photographed.

21. Amend Section 28, Retakes, Added Scenes, Looping, Etc. as follows:

As an exception to the consecutive employment requirements of Section 27. of this Agreement, compensation for services in connection with retakes, added scenes, sound track (including looping), process shots, transparencies, trick shots, trailers, unfinished photography, changes in foreign versions, shall be paid only for the days on which the Performer is actually so employed subject to individual Performer's availability. If such services are commenced within three (3) months after the prior termination of employment, compensation therefor shall be at the daily rate originally agreed upon, except:

- (a) a Weekly Performer may be recalled to loop (record sound track) after completion of principal photography at one-half (½) day's pay pro rata (one-tenth [1/10] of the Performer's weekly base rate) for a four (4) hour looping session If the session exceeds four (4) hours, a full day's pay pro rata (one-fifth [½] of the Performer's weekly base rate) shall be payable;
- (b) in case of conversion from Day Performer to the weekly basis, in which event the compensation shall be pro rated on the weekly rate originally agreed upon, and paid as detailed in (a) above for a looping session:
- (c) an On-Camera Narrator/Spokesperson may be recalled to loop (record sound track) after completion of principal photography at the Voice-Over Compensation rates provided in Section 7.B.1, unless better terms for looping are negotiated at the time of engagement.
- 22. Add section a new section A to <u>Section 38</u>, <u>Body, Makeup, Skull Cap, Hair Goods, Haircuts</u> as follows:

## A. All Performers

- 1. Producer will utilize only qualified hair stylists and makeup artists for cutting and styling a performer's hair and applying their makeup. Producer must provide qualified hair stylists and makeup artists and the appropriate products so that the needs of performers may be met. With respect to diverse hair and makeup, "qualified" means hair stylists with proven ability and experience styling a variety of textures and styles, (e.g. tight curls, curly, wavy, straight, tapered, braids, locks, twists, fades, locked hairstyles, etc.) and makeup artists who are experienced in working with diverse skin pigments and features.
- 2. A performer who is engaged and is requested by Producer to report to set with a manicure and/or specific hairstyle, shall be entitled to reimbursement for the reasonable cost of the manicure and/or salon services (in the relevant



market), provided that such reasonable cost has been pre-approved in writing by the Producer (which approval cannot be unreasonably withheld). The performer must submit the cost for pre-approval within one (1) business day of engagement, unless agreed otherwise. If Producer does not respond within one (1) business day to the performer's timely request for approval, the reasonable cost shall be deemed approved. If Producer and the performer are unable to timely agree on the cost of services, Performer shall arrive to set with same manicure/hairstyle as at the audition.

In order to be reimbursed for such cost, performer must submit the receipt for the services and a detail of the date and times of services within one (1) week of the date of such services.

<u>In addition to the above-described reimbursement of the approved cost of services, the performer shall receive compensation for the time for such manicure or salon services consistent with Section 37.</u>

23. Add the following language to <u>Section 51.a.1</u>, <u>Required Records and Reports</u>:

Producer shall maintain adequate records showing each program produced and delivered by it hereunder, the name of the client for whom it was made, the names of Performers employed therein, the amount of wages paid, the date of the Performer's service, <u>if it was a Spanish language program</u>, the date of delivery and the number of programs for which payment is required.

24. Amend the <u>Standard Form Employment Contract</u> as follows:

Add check-box for Spanish Language Remove Social Security Number space Remove "(Optional)" from Email space

- 25. Amend <u>Section 57, Term of Agreement</u> to reflect the three year term commencing on November 1, 2022 and continuing to, and including October 31, 2025.
- 26. Amend Section 59, "Arbitration" to change the address for arbitration awards to:

Section I to Talent Solutions, LLC & Talent Direct, LLC c/o The Team Companies, 2300 Empire Avenue 5<sup>th</sup> Floor Burbank, CA 91504, and Extreme Reach Attn: Sallie Weaver, 333 North Glenoaks Blvd, Suite 300, Burbank, CA 91502.

27. Amend Exhibit 5 as follows:

EXHIBIT 5
Corporate/Educational & Non-Broadcast Contract
ALLOCATION GUIDELINES
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These Guidelines are intended to assist Producers and Performers in determining appropriate allocations between covered and non-covered services as required pursuant to Section 8(G) of the Corporate/Educational & Non-Broadcast Contract.

These Guidelines provide an important indication to Producers regarding those situations in which contributions to the AFTRA Retirement Fund and SAG-AFTRA Health Plan may be considered by SAG-AFTRA to be inadequate. In those situations, Producers will therefore have an opportunity to bring to SAG-AFTRA's attention circumstances that a Producer believes warrants different contribution levels. In making the allocation, if a Producer believes that the application of these Guidelines is inappropriate in a particular situation, or has questions about the application or appropriateness of the Guidelines in a particular situation, the Producer may bring those concerns to the attention of SAG-AFTRA and Producers LTD. In particular in the case of music tour contracts, or race car driver endorsement contracts meriting special consideration, Producers may wish to contact SAG-AFTRA and Producers LTD.

Provided a Producer allocates in accordance with the following Guidelines, such allocation shall be rebuttably presumed to be proper in any proceeding brought to challenge such allocation under Section 59(I) of the Corporate/Educational & Non- Broadcast Contract. These Guidelines are also subject to the provisions of Section 8(G) of this Corporate/Educational & Non-Broadcast Contract.

- A. 100% of contract amount is reportable where compensation paid is solely for covered services.
- B. A 50% 30% allocation for a multi-service contract where a performer's services covered under the Corporate/Educational & Non-Broadcast Contract are involved with non-covered services. This allocation also applies where no programs covered under the Corporate Educational & Non-Broadcast Contract are produced or used in a given period but the Producer has a right to do so. Notwithstanding the foregoing, in the event the performer's principal source of income in the entertainment industry is derived from modeling services, the allocation may be 40% 30% for such contracts.
- C. In lieu of any other allocations provided herein, 20% 30% allocation for a multi-service contract of currently active or inactive athletes who endorse a product/brand with which they are strongly associated and who generally wear the corporate logo/image on their clothes or equipment or who have product lines or other collateral merchandise associated with their endorsement. This allocation does not apply to athletes promoting products that are unrelated to their sport. Guideline B would be applicable in those cases.



- D. In lieu of any other allocations provided herein, 40% 30% allocation for programs used exclusively outside the United States.
- E. In lieu of any other allocations provided herein, 40% 30% allocation for a performer in a program that promotes, or educates about, products or product lines which the performer has had an active role in developing and features the performer's name or image in the product, product line, or collateral merchandise.
- F. In lieu of any allocations provided herein, where compensation is comprised, in part, of royalties or stock, 40% 30% of any upfront non-refundable guarantee to performers appearing in programs for products or product lines, where performers have a financial interest in the sale of products or product lines, and other non-covered services are involved.
- G. Where multi-service contracts include services covered by both the

  Corporate/Educational & Non-Broadcast Contract and either or both of the SAG- AFTRA

  Commercials Contracts and/or SAG-AFTRA Audio Commercials Contract (collectively,

  "Commercials Contracts"), which services under the SAG-AFTRA Commercial

  Contract(s) are of more than minor value relative to the services covered by the

  Corporate/Educational & Non-Broadcast Contract, the allocation provisions,

  contribution rate and applicable cap in the applicable Commercials Contracts shall apply, otherwise the Corporate/Educational & Non-Broadcast Contract allocation

  provisions and contribution rate shall apply.(See Section 8.A.) and the allocations to services covered by the Corporate/Educational & Non-Broadcast Contract shall be as determined pursuant to the applicable provisions of the Commercials Contracts."

Except as modified herein, all terms and conditions set forth in the 2019 Corporate/Educational & Non-Broadcast Contract remain unchanged.