

March 20, 2011

**MEMORANDUM OF AGREEMENT FOR THE
2011 WGA THEATRICAL AND TELEVISION BASIC AGREEMENT**

This Memorandum of Agreement ("this Agreement") is entered into between the Writers Guild of America, West, Inc. and the Writers Guild of America, East, Inc. (collectively "WGA" or "the Guild"), on the one hand, and the Alliance of Motion Picture and Television Producers, Inc. ("AMPTP"), on behalf of the Companies listed in the attached Exhibit "A," and American Broadcasting Companies, Inc., an indirect wholly-owned subsidiary of ABC, Inc., CBS Broadcasting Inc., National Broadcasting Company, Inc. and NBC Studios, Inc. ("the Networks"), on the other hand.

The provisions of the 2008 WGA – AMPTP Theatrical and Television Basic Agreement ("the 2008 WGA – AMPTP MBA") (including all sideletters), as amended by this Memorandum of Agreement and subject to conforming changes, and as such provisions may be amended pursuant to Article 62, "Contract Adjustment Committee" thereof, shall together constitute and be known as the "2011 Writers Guild of America – Alliance of Motion Picture and Television Producers Theatrical and Television Basic Agreement" or "the 2011 WGA – AMPTP MBA." The provisions of the 2008 WGA – Network Theatrical and Television Basic Agreement ("the 2008 WGA – Network MBA") (including all sideletters), as amended by this Memorandum of Agreement and subject to conforming changes, and as such provisions may be amended pursuant to Article 62, "Contract Adjustment Committee" thereof, shall together constitute and be known as the "2011 Writers Guild of America – Network Theatrical and Television Basic Agreement" or the "2011 WGA – Network MBA." The terms of this Agreement shall prevail over any inconsistent terms of the 2008 WGA – AMPTP MBA or the 2008 WGA – Network MBA. Contract language in this Agreement is indicated by quotation marks or by a notation that the provision is written in contract language.

The terms and conditions set forth in this Memorandum of Agreement shall be effective as of May 2, 2011 (except when another effective date is specified), provided that the memberships of both WGA, West, Inc. and WGA, East, Inc. ratify this agreement no later than May 1, 2011.

1. Term of Agreement (WGA Proposal No. 35)

Three-year term: May 2, 2011 to May 1, 2014.

The term of the 2011 MBA shall commence on May 2, 2011 and shall continue to and including May 1, 2014.

Revise Article 2 of the 2008 WGA-AMPTP MBA to read as follows:

“ARTICLE 2 - TERM AND EFFECTIVE DATE OF AGREEMENT

“A. GENERAL

- “1. The term of this Basic Agreement shall commence on May 2, 2011~~February 13, 2008~~ and shall continue to and include May 1, 2014~~May 1, 2011~~.
- “2. With respect to all employment agreements with writers in effect on May 2, 2011~~February 13, 2008~~, the terms of this Basic Agreement relating to minimum compensation and to rights in material shall apply only to services performed and literary material written under such employment contracts where the date of actual employment (i.e., the commitment date) was on or after May 2, 2011~~February 13, 2008~~, except as specifically otherwise provided herein in Article 2, Section B. or Section C.
- “3. With respect to literary material licensed or acquired from professional writers (as described herein), the terms of this Basic Agreement relating to minimum compensation and rights in material shall apply only to unpublished and unexploited literary material licensed or acquired from such professional writers on or after May 2, 2011~~February 13, 2008~~. Options of unpublished and unexploited literary material obtained from professional writers on or after May 2, 2011~~February 13, 2008~~ shall be subject only to the provisions of this Basic Agreement relating to options (i.e., third paragraph of Article 13.A., Article 13.B.1.a., Article 16.A.3.d. and Article 16.B.3.i.), and then only to the extent applicable. Disputes relating to the options provisions listed in the preceding sentence shall be subject to grievance and arbitration as provided in Articles 10, 11 and 12 of this Agreement.
- “4. Company or Guild may, by written notice to the other served not earlier than ninety (90) days nor later than sixty (60) days prior to the expiration date of this Basic Agreement, signify its desire to negotiate a new collective bargaining agreement which shall become effective upon a date determined by mutual agreement between the Company and the Guild. Such notice shall set forth in detail the proposals or recommendations of the party serving such notice. If such notice is served, the parties agree to commence negotiations covering the proposals or recommendations in the notice, and the proposals and recommendations of the party receiving such notice, within thirty (30) days after the receipt of such notice and to continue such negotiations diligently and in good faith. It is understood

and agreed that the existing Basic Agreement shall continue in full force and effect until the termination date above provided.

- “5. [Deleted] (See the fourth and fifth paragraphs of Article 17.C.1. for provisions relating to the diversion of salary increases to Health Fund contributions and *vice versa*.)
- “6. [Appeared as Article 2.A.5. in predecessor Basic Agreements.] Nothing herein contained shall be deemed to modify or affect the terms or conditions of any existing contract which are more favorable to the writer than the terms and conditions of this Basic Agreement.

“B. THEATRICAL

- “1. With respect to all theatrical employment agreements with writers under term or deal contracts which were in effect on May 2, 2011~~February 13, 2008~~, the new minimum compensations, conditions and Theatrical Schedule A as herein contained shall not in any manner be applicable for the period prior to, nor effective until:
- “a. in the case of a term contract, the effective date of the exercise of the next option which occurs after May 2, 2011~~February 13, 2008~~, for the renewal of the employment period, or six (6) months after the effective date of the commencement of the current employment period, whichever occurs first, but in no event prior to May 2, 2011~~February 13, 2008~~.
- “b. in the case of a deal contract, the effective date of the next step of such deal contract which commences after May 2, 2011~~February 13, 2008~~.
- “2. Any contractual obligation by Company, in effect on December 12, 1966, to give credit for source material or story in connection with a photoplay; shall not in any manner be affected by the provisions of Theatrical Schedule A contained herein.

“C. TELEVISION

- “1. With respect to television employment agreements with writers on a term or week-to-week contract basis in effect on May 2, 2011~~February 13, 2008~~, the terms of this Basic Agreement relating to rights in material shall apply only to literary material written pursuant to assignments made on or after May 2, 2011~~February 13, 2008~~.

“2. Notwithstanding any other provisions of this Article, the terms of this Basic Agreement relating to rights in material shall not apply to literary material written pursuant to any agreement in effect on May 2, 2011 ~~February 13, 2008~~, if the granting or reserving of such rights, as herein provided, would conflict with any contractual obligation of the Company to any third party entered into prior to the effective date of this Basic Agreement; provided that the Company does not have a right to require the removal or elimination of the conflict created by such contractual obligation to the third party.”

Make conforming changes.

2. Minimums (WGA Proposal No. 1)

(a) All minimum rates listed in this subparagraph (a) below shall be increased by two percent (2%) in each year of the 2011 MBA on a compounded basis, as follows:

Two percent (2%) effective May 2, 2011;
Two percent (2%) effective May 2, 2012; and
Two percent (2%) effective May 2, 2013.

ARTICLE 13

- 13.A.1.a. Flat Deal Screen Minimums
- 13.A.2. Rate Schedule A -- Narration
- 13.A.10. Week-to-Week, Term, Flat Deal
- 13.A.15. Minimum Weekly Compensation
(Week-to-Week or Term Contracts)
- 13.B.7.a. Story Minimums -- Other Than Network Prime Time or
Serials Covered by Article 13.B.7.e.(1) or e.(3)
- 13.B.7.b. Teleplay Minimums -- Other Than Network Prime Time or
Serials Covered by Article 13.B.7.e.(1) or e.(3)
- 13.B.7.c. Story and Teleplay – Other Than Network Prime Time or
Serials Covered by Article 13.B.7.e.(1) or e.(3)
- 13.B.7.d. Network Prime Time Program Rates

- 13.B.7.e.(3) Serial Rates -- Prime Time
- 13.B.7.g. Plot Outline -- Narrative Synopsis of Story Minimums
- 13.B.7.h.(1) Rewrite Minimums
- 13.B.7.h.(2) Polish Minimums
- 13.B.7.m.(1) Format Minimums
- 13.B.7.m.(2) Bible Minimums
- 13.B.7.m.(3) Rewrite or Polish of Format or Bible
- 13.B.7.n. Narration Rate Schedules A, B, C
- 13.B.7.p. Non-Commercial Openings and Closings
- 13.B.7.s.(2) Week-to-Week and Term Employment

ARTICLE 14

- 14.G. Program Fees
- 14.K. 14.K. Minimum Compensation

ARTICLE 15

- 15.B.14.a.(1) and (2) Additional Compensation for Certain Use of Material to Which Separated Rights do not Apply
- 15.B.14.c. Additional Compensation for Certain Use of Material to Which Separated Rights do not Apply -- Radio
- 15.B.14.h.(1), (2) and (3.2) Character Payments
- 15.B.14.l.(1) and (2) Teleplay as Basis of Pilot

ARTICLE 16

16.A.5.c. Sequel Payments
1st and 2nd paras.

16.B.2.a. Sequel Payments

ARTICLE 38

38.F.2.a. Trainee Rates

APPENDIX A

13.B.2.a. Comedy-Variety -- Per Program Minimum Compensation

13.B.2.b.(1) Comedy-Variety Programs -- Minimum Variety Show
Commitment

13.B.2.b.(3) Comedy-Variety Programs - Aggregate Minimum
Compensation Per Weekly Unit of Five Programs

13.B.2.g. Comedy-Variety Programs -- Pre-Production Periods

13.B.3. Comedy-Variety Programs -- Self-Contained Portions of
Programs

13.B.4.a. and b. Quiz and Audience Participation Programs

13.B.5.a.(1), (2), (5) Daytime Serials
and (8)

13.B.6.a.(1)(a) Once Per Week or Less, Non-Dramatic Programs

13.B.6.a.(1)(b) Minimum Series Commitment

13.B.6.b.(1)(a) Non-Dramatic Strip Programs

13.B.6.b.(1)(c)

13.B.7.d.(2) Assigned Outlines

13.B.8.b.(1) Documentary Programs
(2), (3), (4)

- 13.B.8.c.(1) Narrative Synopsis of Story
- 13.B.8.d. Rewrite or Polish Minimum Compensation
- 16.B.2.a.(5) Daytime Serials

SIDELETTER ON LITERARY MATERIAL WRITTEN FOR PROGRAMS MADE FOR NEW MEDIA

Paragraph 2.a. Initial Compensation for “Derivative New Media” Productions

Paragraph 3.b.(5)(c) Sequel Payments for “Original New Media Productions”

- (b) Upset Price (Article 16.B.5.). The upset price figures in Article 16.B.5. shall remain the same as the upset price figures in effect as of May 1, 2011.
- (c) Excerpt Payments (Article 15.A.3.j., Article 15.B.10.c., d. and dd., and Article 15.B.13.j.). The rates for excerpt payments shall remain the same as the rates in effect as of May 1, 2011.
- (d) Publication Fee (Article 16.A.10.). The Publication Fee shall remain the same as the Publication Fee in effect as of May 1, 2011.
- (e) Article 25. The rate in Article 25 shall increase in the same manner as in the 2008 MBA.

3. Pension and Health Contribution Rates (WGA Proposal No. 16 and Producers’ Proposal No. 13.A.)

Modify the first paragraph of, and add a new paragraph to, Article 17.B.1. as follows:

“B. PENSION PLAN

“The Pension Plan, established and known as the "Producer-Writers Guild of America Pension Plan," is funded and administered as follows:

- “1. Except as otherwise provided in the next paragraph, Company agrees to contribute to the Plan amounts equal in the aggregate to seven and one-half percent (7.5%) ~~six percent (6%)~~, effective May 2, 2011 ~~February 13, 2008~~, of all "gross compensation" earned and paid or due to writers for services covered by and subject to this Agreement performed after the effective date hereof, in an employment capacity (to which employment

the provisions of this Basic Agreement apply); provided that on or before May 2, 2011, the Directors of the Pension Plan adopt an amendment to the Plan document effective May 2, 2011 “decoupling” the increase from six percent (6%) to seven and one-half percent (7.5%) in the contribution rate provided in this Article 17.B.1. from the calculation of the writer’s pension benefit or any benefit (including, without limitation, death benefits) paid on account of the writer’s participation in the Pension Plan (i.e., an amendment providing that the amounts contributed to the Plan on behalf of any writer in excess of six percent (6%) shall not be taken into account in calculating any benefit payable under the Pension Plan). In connection with the purchase of literary material from a professional writer, and subject to the amendment of the Plan document as provided above, if the Company also employs the writer under this Basic Agreement for at least one (1) rewrite or polish (as required in Articles 16.A.3.c. and 16.B.3.h., or otherwise), the Company shall contribute to the Pension Plan for such rewrite or polish an amount equal to ~~six percent (6%)~~ seven and one-half percent (7.5%), effective ~~February 13, 2008~~ May 2, 2011, of the sum of the purchase price, up to the Internal Revenue Code Section 401(a)(17) limit, plus the amount paid for such rewrite or polish, but in no event shall the Company be required to make such contributions on sums in excess of the ceiling set forth in Article 17.B.1.a. or 17.B.1.e. below. Such amounts shall be contributed as and when the compensation is paid to the writer.

“For writing services on pilots and the first season of any one-hour series, the Company agrees to contribute to the Plan amounts equal in the aggregate to six percent (6%), effective May 2, 2011, of all "gross compensation" earned and paid or due to writers for such services covered by and subject to this Agreement performed after the effective date hereof, in an employment capacity (to which employment the provisions of this Basic Agreement apply). In connection with the purchase of literary material from a professional writer, and if such literary material so purchased is for a pilot or the first season of a one-hour series, if the Company also employs the writer under this Basic Agreement for at least one (1) rewrite or polish (as required in Article 16.B.3.h. or otherwise), the Company shall contribute to the Pension Plan for such rewrite or polish an amount equal to six percent (6%), effective May 2, 2011, of the sum of the purchase price, up to the Internal Revenue Code Section 401(a)(17) limit, plus the amount paid for such rewrite or polish, but in no event shall the Company be required to make such contributions on sums in excess of the ceiling set forth in Article 17.B.1.a. or 17.B.1.e. below. Such amounts shall be contributed as and when the compensation is paid to the writer.”

4. Diversion Options to Pension Plan and Health Fund (WGA Proposal No. 17)

- a. *Add a new paragraph to be the third paragraph of Article 17.B.1. as follows:*

“During the 2011 negotiations, the parties agreed that the Guild shall have the authority, in its sole discretion, to divert one-quarter percent (0.25%) from salary increases provided for the second and third periods of the 2011 Basic Agreement to the Pension Plan for such time period(s), provided that prior to any such diversion, the Directors of the Pension Plan adopt an amendment to the Plan document, effective as of the first date of the diversion, providing that the additional amounts contributed by virtue of the diversion of any salary increase shall not be taken into account in calculating the writer’s pension benefit or any benefit (including, without limitation, death benefits) paid on account of the writer’s participation in the Pension Plan. The Guild shall provide the AMPTP, ABC, CBS, NBC and the Company with advance notice of its election to divert salary increases to the Pension Plan at least sixty (60) days prior to May 2, 2012 for any salary diversion to take place to the Pension Plan during the second period of the 2011 Basic Agreement and at least sixty (60) days prior to May 2, 2013 for any salary diversion to take place to the Pension Plan during the third period of the 2011 Basic Agreement.”

Make conforming changes.

- b. *Modify the fourth and fifth paragraphs of Article 17.C.1. as follows:*

“The Trustees of the Health Fund shall have the authority to divert up to one-half percent (0.5%), in increments of not less than one-quarter percent (0.25%), from the salary increases provided for the second and third periods of this Agreement, if they determine that such increase is needed to maintain the level of benefits in existence on ~~February 13, 2008~~ May 2, 2011. If the Trustees determine that an increase in Health Fund contributions is needed for this purpose for any such period, the increases in minimums for that period shall be reduced by a percentage equivalent to the percentage increase in the Health Fund contribution rate for that period. The Trustees shall advise the AMPTP, ABC, CBS, NBC and the Guild of any such determination not less than sixty (60) days prior to the first day of the period in which the increase in the Health Fund contribution rate is to take effect.

“The Trustees of the Health Fund shall also have the authority to reduce the contribution rate to the Health Fund by up to one-half percent (0.5%), in increments of not less than one-quarter percent (0.25%), for the second and third periods of the Agreement, if they determine that such additional contributions are not needed to maintain the level of benefits in existence on ~~February 13, 2008~~ May 2, 2011. If the Trustees determine that a reduction in the Health Fund

contribution rate is appropriate for any such period, then the increases in minimums provided in this Agreement for that period shall be adjusted upward by a percentage equivalent to the percentage reduction in the Health Fund contribution rate for that period. The Trustees shall advise the AMPTP, ABC, CBS, NBC and the Guild of any such determination not less than sixty (60) days prior to the first day of the period in which the reduction in the Health Fund contribution rate is to take effect.”

Make conforming changes.

5. Pension Contributions for Article 14.E.2 Writers (WGA Proposal No. 20)

Modify the fourth sentence of Article 14.E.2. to provide as follows:

“In such event, the base amount upon which the Company shall compute Pension and Health contributions with respect to such employment shall be two hundred fifty thousand dollars (\$250,000.00) ~~and the base amount upon which the Company shall compute Pension contributions shall be two hundred two thousand dollars (\$202,000.00).~~⁷²”

6. Made-For Pay Television Residuals (WGA Proposal No. 9)

Modify the first paragraph of Appendix B, Paragraph D.3.a.(1) as follows:

“a. Pay Television - For such programs released in the pay television market:

“(1) For exhibition days on any pay television service in the United States and Canada, either in excess of ten (10) or subsequent to one (1) year from the date of the initial exhibition on such service (the ‘first exhibition year’), the Company shall pay to the credited writer(s) for each of the three (3) exhibition years beyond the first exhibition year, starting with the first exhibition day of the second or any subsequent exhibition year, an amount in the aggregate equal to:

~~\$4,200~~\$3,500 for one-half hour programs;
~~\$7,200~~\$6,000 for one hour programs;
\$6,500 for ninety (90) minute programs; and
\$8,500 for programs two hours or more in length;

⁷² See Sideletter to Article 14.E.2. – Pension Plan and Health Fund Contributions for Article 14.E.2. writers on page 525.

provided that such payment shall be due only if the covered program is actually exhibited during the subsequent exhibition year.”

7. Committee on the Professional Status of Writers

a. Showrunner Training Program

Modify the second paragraph of Article 66 to increase the funding for the Showrunner Training Program, as follows:

“The Companies and the Networks (the latter consisting collectively of American Broadcasting Companies, Inc., CBS Broadcasting Inc., National Broadcasting Company, Inc. and NBC Studios, Inc.) will contribute in the aggregate the following sums to the WGA-supervised fund, to be used as funding for the purpose of implementing the Training Program described herein: (A) ~~an initial~~ a payment of ~~\$200,000~~ ~~\$225,000~~ to be made within thirty (30) days following ratification of this ~~2011~~ ~~2008~~-WGA Theatrical and Television Basic Agreement and (B) thereafter, two additional payments in the amount of ~~\$200,000~~ ~~\$150,000~~ each, to be paid upon the effective date of the second and third regularly-scheduled minimum increase during the term of this Basic Agreement.”

b. Studio/Network Notes–Episodic Television

Add a new paragraph M. to Article 48 regarding Studio/Network notes in episodic television, as follows:

"M. Studio/Network Notes–Episodic Television: Company acknowledges, as a preferred practice, that studio and network notes should be given in a timely fashion."

c. Company-by-Company Meetings

Modify Article 48.F. to provide that each Company representative on the Committee on the Professional Status of Writers – Theatrical (CPSW–Theatrical) will facilitate an annual meeting with his/her creative executives and the writer members of the CPSW–Theatrical and that each Company representative on the Committee on the Professional Status of Writers – Episodic Television (CPSW–TV) will facilitate an annual meeting with his/her creative executives and writer members of the CPSW–TV, as follows:

“F. Committee on the Professional Status of Writers: The Committee on the Professional Status of Writers shall be recognized to have two (2) components: Theatrical Motion Pictures and Television Motion Pictures.

These shall be referred to as the ‘Theatrical Committee’ and the ‘Television Committee.’

“Each Committee (Theatrical and Television) will meet at least three (3) times per year, on a schedule to be set by each Committee.¹⁰⁷ Each such meeting shall have a fixed starting and ending time and an agenda will be prepared and distributed sufficiently in advance of each meeting so as to furnish adequate preparation time for the Committee. At such meetings, any subject that the Committee members wish to discuss relating to the professional status of writers will be a suitable subject for discussion and study, including appropriate recommendations of solutions to problems that may arise. Each Committee may make recommendations for changes to the MBA which, once finalized, shall be deemed accepted in the Contract Adjustment Committee. In connection with the foregoing, the Committee will review and study the subject of coverages on a periodic basis.

“In addition to the above meetings, each Company representative on the Committee on the Professional Status of Writers – Theatrical will facilitate an annual meeting, if requested by the Guild, with the Company's creative executives and writer members of the Committee on the Professional Status of Writers–Theatrical for discussion of subjects relating to the professional status of writers.

“In addition to the above meetings, each Company representative on the Committee on the Professional Status of Writers – Episodic Television will facilitate an annual meeting with the Company’s creative executives and writer members of the Committee on the Professional Status of Writers – Episodic Television for discussion of subjects relating to the professional status of writers.”

¹⁰⁷ The parties acknowledge that they “live in the real world” and that the schedules of the members of each Committee may require variations in the Committee schedule. Immediately following each Committee meeting, the Committee will commence the scheduling of its next meeting.

d. Bulletin on Speculative Writing

Within thirty (30) days after ratification of the 2011 MBA, a Senior Creative Executive of the Company will send a bulletin to his/her creative executives and business affairs executives, reminding them of the provisions regarding speculative writing in Article 20.A., as follows:

“SPECULATIVE WRITING

“From: [Senior Creative Executive]
To: Creative Executives, Business Affairs Executives
Subject: Speculative Writing (Theatrical)

In discussions with the Writers Guild of America, we agreed to bring to your attention the provisions of the Basic Agreement regarding speculative writing.

The Basic Agreement provides: There shall be no speculative writing, nor shall the Company or the Guild condone it as a practice.

Speculative writing refers to any agreement entered into between the Company and any writer:

for the writer to write material, payment for which is contingent upon the acceptance or approval of the Company, or upon the occurrence of any other event, such as obtaining financing; or

where the writer shall, at the request of the Company, engage in rewriting or revising any material subject to the Basic Agreement and compensation for the writer's services in connection with such material is contingent upon the acceptance or approval of the Company or upon the occurrence of any other event such as obtaining financing.

No Company representative shall request a writer to write and submit literary material, unless the Company first makes a commitment with the writer for the writing of at least a story or treatment. (This prohibition is not intended to preclude a writer from submitting material to the Company for option or a sale.)

The Company and the Guild recognize that there is possibly an area wherein the proper and constructive exchange of ideas and criticism as between a writer and the Company may be claimed by the Guild to be speculative writing. This prohibition is not intended to limit the submission of original stories nor to prevent the Company from discussing with

any writer any ideas suggested by such writer, nor discussing with any writer any ideas or any material suggested by the Company in order to determine the writer's thoughts and reactions with respect to any such idea or other material to determine the writer's suitability for an assignment.

Please ensure adherence to these provisions in all cases.”

8. Article 15.B.1.b. – Freeze Residual Payments for Network Prime Time Reruns (Producers’ Proposal No. 8)

Modify Article 15.B.1.b.(2)(1) as follows:

“(a) Reruns over television network in prime time:

With respect to any television motion picture, the credited writer(s) of which commenced writing services on or after May 2, 2011~~February 3, 2008~~, the additional compensation payable for the second or any subsequent run which includes telecasting of said motion picture over a television network in prime time for the type of story or teleplay involved shall be not less than one hundred percent (100%) of the writer's applicable minimum compensation as follows:

HIGH BUDGET

<u>Program Length in Minutes</u>	<u>Story</u>	<u>Teleplay</u>	<u>Story and Teleplay Guaranteed</u>
15 or less	2,812	5,144	7,019
30 or less (but not more than 15)	5,144	8,353	12,857
60 or less (but not more than 30)	9,347	16,189	23,370
75 or less (but not more than 60)	13,308	23,560	33,307
90 or less (but not more than 75)	14,048	24,901	35,122
120 or less (but not more than 90)	18,409	33,028	46,025
For program in excess of 120 minutes, each additional 30 minutes or less	4,360	8,127	10,902

LOW BUDGET

<u>Program Length in Minutes</u>	<u>Story</u>	<u>Teleplay</u>	<u>Story and Teleplay Guaranteed</u>
15 or less	2,393	3,746	5,962
30 or less (but not more than 15)	3,980	6,438	9,936
60 or less (but not more than 30)	7,524	12,278	18,818
75 or less (but not more than 60)	10,713	17,717	27,260
90 or less (but not more than 75)	11,471	18,799	28,678
120 or less (but not more than 90)	15,151	24,875	37,883
For program in excess of 120 minutes, each additional 30 minutes or less	3,676	6,059	9,210

9. Article 21.A. Location Expenses (Producers' Proposal No. 14)

Modify Article 21.A. ("Location Expenses (General)") to revise the requirement to provide first-class air transportation as follows:

"ARTICLE 21 LOCATION EXPENSES (GENERAL)

"A. If a writer is required by the Company to perform services on any location sufficiently far away from the Company studio so that overnight accommodations are reasonably necessary, the Company shall furnish and pay for first-class board and lodging, if available, while the writer is required to remain on any such location, ~~and agrees to furnish for the writer first-class transportation, if available, to and from any such location, it being understood that such first-class transportation need not include a drawing room or compartment or passage on any so-called "extra fare" train or plane.~~ The Company may, in any contract of employment between the Company and a writer, designate a reasonable daily maximum liability on the part of the Company for such board and lodging of the writer.

"If air transportation is required, coach class air travel shall be permissible in the following circumstances: (1) for domestic flights that are less than 1,000 airline miles when the flight is non-stop from the departure point to the final destination point; (2) for non-stop flights between Los Angeles and Vancouver; (3) for non-stop flights that are less than 1,000 airline miles between the United States and Vancouver or between the United States and Toronto; and (4) for interviews for prospective employment; provided that in each of the foregoing circumstances, Company must provide elevated coach class travel (e.g., Economy Plus, Extended Leg Room, etc.) when available. Writers who travel by coach class shall be reimbursed by Company for baggage fees and costs of in-flight meals provided that the writer submits to the Company a request for reimbursement with appropriate receipts within thirty (30) days after the flight. All other flights shall be business class when available and, if not available, first class.

“If a writer covered under this Agreement is traveling on the same flight as another employee employed on the same production by the same Company and the other employee is entitled to travel in a higher class of transportation pursuant to the minimum terms of the collective bargaining agreement under which he/she is employed, the writer covered under this Agreement shall be upgraded to the same class of transportation as is afforded the other employee.”

“If the writer is required to travel from the writer’s then residence to Company’s studio or offices in connection with an interview for proposed employment or in connection with writing services under a freelance employment contract, and such travel would reasonably require overnight accommodations (for such purposes, travel in excess of one hundred fifty (150) miles is deemed reasonable to require overnight accommodations), the Company will:

- “1. Supply or reimburse ~~reasonable first-class, if available,~~ transportation plus return transportation if the writer does not accept additional employment while at such designated site; and
- “2. Supply or reimburse for first-class board and lodging, if available, during the period of travel and continuing until the writer’s services commence or in the case of an interview, during the period the writer is required to remain at such site.

“The writer must advise the Company prior to the deal for the writer’s services being concluded or, in connection with an interview for proposed employment, prior to agreement for travel for such interview being concluded, if the writer’s residence is over one hundred fifty (150) miles from the Company’s studio or offices.

“1995 addition regarding television motion pictures ninety (90) minutes or longer. Without in any way derogating from the foregoing and in order to address special concerns of writers of television motion pictures ninety (90) minutes or longer, it is agreed that upon request of such a writer, reasonable location expenses shall be provided in advance of a writer’s travel, unless Company policy prohibits advances for location expenses to its executive personnel. If there is such a policy, Company shall reimburse the writer’s location expenses within the time provided under Company policy for its executive personnel, but in no event later than thirty (30) days after submission of an expense reimbursement request in the form required by the Company. The writer shall account to the Company for such expenses within the time and in the manner required by Company policy for its executive personnel.”

10. New Media Reuse - Streaming (WGA Proposal No. 12.A.)

Modify Paragraph 2.b.(1)(ii) of the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media as follows:

“b. Television

“(1) With respect to television motion pictures, the literary material for which is written on or after May 2, 2011~~February 13, 2008~~:

“(i) The Company shall be entitled to a “streaming window’ for a twenty-four (24) consecutive day period for the first season of a television series or for any one-time television motion picture and a seventeen (17) consecutive day period for the second and all subsequent seasons of a television series. During the streaming window, the Company may make a television motion picture available for streaming without payment for such use. The streaming window may be divided between the period immediately prior to and immediately following the initial exhibition of the motion picture on television in any ratio determined by the Company.

“(ii) (A) Except as provided below with respect to the streaming of network prime time dramatic programs,~~the literary material for which is written on or after May 2, 2010~~:

If the Company desires to stream the television motion picture outside the streaming window, but within one (1) year of the expiration of the streaming window, then the Company shall make a residual payment equal to ~~three percent (3%) (three and one-half percent (three and one-half percent (3.5%) effective May 2, 2010)~~ of the applicable minimum for the television motion picture under Article 15.B (or under Appendix A, where applicable) for a twenty-six (26) consecutive week period beginning on the first day that the television motion picture is available for streaming following the expiration of the streaming window.

If the Company desires to stream the television motion picture for all or any part of the twenty-six (26) consecutive week period immediately following the twenty-six (26) consecutive week period described in the preceding paragraph, but within one (1) year of the expiration of the streaming window, then the Company shall make a residual payment equal to ~~three percent (3%) (three and one-half percent (three and one-half percent (3.5%) effective May 2, 2010)~~

of the applicable minimum for the television motion picture under Article 15.B. (or under Appendix A, where applicable) for a twenty-six (26) consecutive week period beginning on the first day that the television motion picture is available for streaming during such twenty-six (26) week period.

- (B) If the Company desires to stream any thirty (30) minute or sixty (60) minute network prime time dramatic television motion picture, ~~the literary material for which is written on or after May 2, 2010~~, beyond the streaming window, it shall pay to the credited writer(s) two percent (2%) of Company’s “accountable receipts” for each twenty-six (26) week period of streaming beyond the streaming window, but during the period in which the streaming rights are held by the network or other licensee and in no event more than one (1) year after the expiration of the streaming window. For this purpose only, the parties agree that Company’s “accountable receipts” shall be given an the following imputed values: of \$20,000 for a thirty (30) minute program and \$40,000 for a sixty (60) minute program for each such twenty-six (26) week period.¹

Program Length	5/2/11 - 5/1/12	5/2/12 - 5/1/13	5/2/13 - 5/1/14
30 minutes	\$20,400	\$20,808	\$21,224
60 minutes	\$40,800	\$41,616	\$42,448

11. Foreign Remake Provisions (Sideletter to Article 13.B.7.o.) (WGA Proposal No. 21)

Modify the Sideletter to MBA Article 13.B.7.o. to provide that for all foreign remake deals subject to this Sideletter entered into on or after the effective date of the 2011 MBA, Pension Plan and Health Fund contributions shall be payable at the contribution rates provided for in Article 17 as of the effective date of the 2011 MBA, and such contribution rates shall continue in effect without change for the duration of the term of the 2011 MBA, as follows:

¹ It is understood and agreed that these amounts are not a reflection of the fair market value of the streaming rights.

“SIDELETTER TO ARTICLE 13.B.7.o.

“As of February 13, 2008
Revised May 2, 2011”

“Carol A. Lombardini
President
Alliance of Television & Motion Picture Producers, Inc.
15301 Ventura Boulevard, Building E
Sherman Oaks, California 91403

“Re: Article 13.B.7.o. - Foreign Remakes

“Dear Carol:

“Reference is made to the provisions of Article 13.B.7.o. of the 2011 2008 WGA Theatrical and Television Basic Agreement and to the corresponding provisions of prior MBAs. ~~During the 2007-2008 negotiations, the parties discussed their respective positions regarding appropriate compensation and other terms for foreign remakes of television series.~~ The parties agreed to codify an alternative payment formula for deals entered into on or after May 2, 2011 for foreign remakes of television formats and scripts, irrespective of whether the Company licensing the format rights is also a participant in the production.

“Where a Company sells or licenses the right to remake the format and/or episodes of an MBA-covered television series to be produced outside the United States in a language other than English for initial exhibition in a specific foreign market, Company may apply the provisions below as an alternative to Article 13.B.7.o.:

- “(1) For any sale or license of literary material for such a remake, Company will pay to the credited writer(s) of the literary material and to the writer accorded “Created by” credit on the related television series, if any, thirty percent (30%) of the license fee paid to the Company for the literary material used for each remade episode of the series. Payment shall be made to the Guild’s Residuals Department no later than sixty (60) days after Company receives such license fee. The Guild shall distribute such payment to the writer(s) who received final writing credit when the episode was originally produced (“Credited Writer(s)”) and to the writer(s) who received “Created by” credit when the series was originally produced (“Creator(s)”) as follows:

“a. Remade episode on which Credited Writer(s) received “Written by” credit:

Payee	Total % Due	<u>Allocation</u>
Credited Writer(s)	88%	<u>75.86% – writer</u> <u>5.69% – pension</u> <u>6.45% – health</u>
	<u>Total:</u>	<u>88.00%</u>
<u>Creator</u>	<u>12%</u>	
TOTAL	100%	

“b. Remade episode on which Credited Writer(s) received separate ‘Teleplay by’ and ‘Story by’ credit:

Payee	Total % Due	<u>Allocation</u>
Credited Writer(s) - Teleplay	55.3%	<u>47.67% – writer</u> <u>3.58% – pension</u> <u>4.05% – health</u>
	<u>Total:</u>	<u>55.30%</u>
Credited Writer(s) - Story	34.7%	<u>29.92% – writer</u> <u>2.24% – pension</u> <u>2.54% – health</u>
	<u>Total:</u>	<u>34.70%</u>
<u>Creator</u>	<u>10%</u>	
TOTAL	100%	

“c. Original episode for remade series (*i.e.*, no pre-existing episode on which the WGA determined the final writing credit):

Payee	Total % Due	Allocation
Creator	100%	100%

“(2) In addition to the payments in (1) above:

“a. Should the Company distribute the remade episode in foreign markets, separate and apart from the license described in (1) above, Company shall pay one and two-tenths percent (1.2%) of Company’s ‘accountable receipts’” as that term is defined in Article 51.C.1.a., from foreign distribution of the

remade episode(s). Such payments shall be due and payable in accordance with the provisions of Article 51.

- “b. Should the Company exhibit the remade episode in the United States or Canada, the provisions of Article 15.B.1.c.(1) shall apply, and two percent (2%) of Company’s ‘accountable receipts’ shall be due.
- “(3) Except as set forth in (2)a. and b. above, no residuals shall be due or payable for reuse of any of the episodes of the remade series.
- “(4) Pension Plan and Health Fund contributions are payable on the residuals provided for in (2)a. and b. above pursuant to the provisions of Article 17.
- “(5) Credits on such remade episodes shall be governed by the following subparagraphs a. through f.:
 - “a. The credited writer(s) of each episode of the original series shall receive the same on-screen credit on the remade episode as he/she/they received on the original series episode.
 - “b. The Guild-determined ‘Created by’ credit shall appear on the screen on all episodes of the remade series, i.e., remade and original episodes.
 - “c. As soon as practicable, Company will provide the Guild with the list of episodes to be remade and their writing credits as provided by Company to the foreign licensee. It is not necessary to provide the Guild with the writing credits as they appear (in a foreign language, or translated from the foreign language) in the remade episodes.
 - “d. The Guild will allow a ‘Script Associate’ credit (or other similar kind of credit) to be accorded to the foreign production company employee who conforms the remade episodes for the foreign language market.
 - “e. Except as provided in this paragraph (5), no other writing credit shall be accorded on the remade episodes without the approval of the Guild, which approval shall not be unreasonably withheld.
 - “f. All of the provisions of this paragraph (5) shall be subject to any laws or rules and regulations of the broadcast regulatory agency and/or country in which the remade series is produced.

“(6) Except as provided herein, all other terms and condition of the WGA MBA, including, but not limited to, separation of rights and additional compensation, will apply to the remade episodes.”

Sincerely,

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: _____
David J. Young

“ACCEPTED AND AGREED:

The respective signatory companies represented by
the ALLIANCE OF MOTION PICTURE &
TELEVISION PRODUCERS, INC.

By: _____
Carol A. Lombardini”

12. Freelance Employment – Television (WGA Proposal No. 22)

Add a new unnumbered paragraph after the existing paragraph in Article 20.B.3.e.(2) as follows:

“In the alternative to the first paragraph of Article 20.B.3.e.(2) above, the two (2) required stories with option for teleplay in the case of an initial order of thirteen episodes may be replaced with one (1) teleplay based on a story provided to the freelance writer. Further, the three (3) stories with option for teleplay, one (1) of which must be exercised, in the case of a network order of twenty-two (22) or more episodes, may be replaced with two (2) teleplays based on stories provided to the writers.”

Make conforming changes as needed.

13. Sideletter re Electronic Data Transfer (WGA Proposal No. 26.A.)

Modify the Sideletter Re Electronic Data Transfer to renew the commitment of the parties to discuss the electronic transfer of data on a Company-by-Company basis, as follows:

“SIDELETTER RE ELECTRONIC DATA TRANSFER

As of May 2, 1998
Revised as of February 13, 2008
Revised as of May 2, 2011

“Carol A. Lombardini
President
Alliance of Television & Motion Picture Producers, Inc.
15301 Ventura Boulevard, Building E
Sherman Oaks, California 91403

“Re: Electronic Data Transfer

“Dear Carol:

“Reference is made to the 1997-98 negotiations between the Guild, on the one hand, and the Companies represented by the AMPTP, on the other hand, in which the parties discussed the Guild’s proposal for electronic transfer of certain data.

“In the 1997-98 negotiations, the Companies confirmed it was their objective to move toward an electronic data transfer of residuals and other agreed-upon information, as appropriate, to the WGA. The Companies also confirmed their willingness to cooperate with the WGA in implementing these transfers.

“In the 2007-2008 negotiations, the Guild proposed a deadline for implementation of electronic data transfer. In response, the Companies agreed that electronic data transfer is in the best interest of the parties. The parties agreed that each Company would meet with the Guild on a Company-by-Company basis, to discuss the feasibility of establishing a mutually acceptable method of transfer to be implemented as soon as practicable, considering competing IT priorities within the Company.

“In the 2011 negotiations, the parties affirmed their agreement to meet on a Company-by-Company basis to discuss electronic data transfer as provided in the immediately preceding paragraph.”

Sincerely,

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.
By: /s/ David J. Young
David J. Young

“ACCEPTED AND AGREED:

The respective signatory companies represented by
the ALLIANCE OF MOTION PICTURE &
TELEVISION PRODUCERS, INC.
By: /s/ Carol A. Lombardini
Carol A. Lombardini”

14. Tri-Guild Audit Fund (WGA Proposal No. 28.C.)

Modify and update the Unpublished Sideletter Regarding Renewal of Gross Receipts Residuals Payments Monitoring Fund as follows:

**“UNPUBLISHED SIDELETTER RE RENEWAL OF GROSS RECEIPTS
RESIDUALS PAYMENTS MONITORING FUND**

As of May 1, 1992;
Revised as of May 2, 1995;
Revised as of May 2, 1998;
Revised as of July 1, 2001;
Revised as of November 1, 2004;
Revised as of February 13, 2008;
Revised as of July 1, 2011

“Jay D. Roth
National Executive Director
Directors Guild of America, Inc.
7920 Sunset Boulevard
Los Angeles, California 90046

“David P. White
National Executive Director
Screen Actors Guild
5757 Wilshire Boulevard
Los Angeles, California 90036

“David J. Young
Executive Director
Writers Guild of America, West, Inc.
7000 West Third Street
Los Angeles, California 90048

Re: Gross Receipts Residuals Payments Monitoring Fund

“Gentlemen:

“In 1990, the Companies established, through the auspices of the AMPTP, a Gross Receipts Residuals Payments Monitoring Fund (‘the Fund’). The Directors Guild of America (‘the DGA’), the Screen Actors Guild (‘SAG’) and the Writers Guild of America, West, Inc., on behalf of itself and the Writers Guild of America, East, Inc., (‘the WGA’) agreed to participate in the Fund. The Fund is used for the purpose of reimbursing independent professional accounting fees incurred by the DGA, SAG and the WGA in monitoring compliance with those residual payment requirements contained in the Directors Guild of America Basic Agreement, the Directors Guild of America Freelance Live and Tape Television Agreement, the Producer-Screen Actors Guild Codified Basic Agreement, the Screen Actors Guild Television Agreement and the Writers Guild of America Theatrical and Television Basic Agreement which are based in whole or in part on a gross receipts formula.

“This letter confirms our agreement to continue the Fund in operation until June 30, 2014, and the Guilds’ assent to participating therein, on a basis comparable to that on which the Fund was originally established, and as is more particularly set forth below:

- “(1) On behalf of the DGA, WGA and SAG (the participating ‘Guilds’), the Companies shall contribute an aggregate sum of \$861,000 to the Fund, during the term of this Agreement, in three equal installments of \$287,000 each, to be paid as soon as practicable after July 1, 2011, July 1, 2012 and July 1, 2013, respectively.
- “(2) In consideration of the continued operation of the Fund, and by virtue of its agreement to participate in the Fund, each Guild hereby commits to pay into a separate Fund, dedicated to the purpose of paying independent professional accounting fees incurred in monitoring compliance with the aforementioned

residual payment requirements, not less than \$37,000 per year during the term of this Agreement.

- “(3) Each Guild’s participation in the Fund shall be considered a settlement of its potential claims for royalty distributions from the Copyright Royalty Tribunal as to motion pictures produced through the expiration date of the successor agreement to the collective bargaining agreement(s) between such Guild and the AMPTP in effect on July 1, 2011.¹ Such settlement shall, however, be subject to the provisions of Article 21 of the DGA Basic Agreement in the case of the DGA; to the provisions of Section 5.3 of the SAG Codified Basic Agreement in the case of SAG and to Article 59 of the WGA Theatrical and Television Basic Agreement in the case of the WGA.
- “(4) The participating Guilds shall jointly determine how the compliance monitoring function shall be performed. However, such monitoring shall be in accordance with the monitoring rights granted to each participating Guild under the applicable provisions of its collective bargaining agreement(s).
- “(5) The monitoring function shall be undertaken jointly by the participating Guilds, whenever feasible, and shall include monitoring of both AMPTP-represented Employers and non-AMPTP-represented Employers.
- “(6) Each participating Guild shall be reimbursed by the Employers’ Fund on a quarterly basis for independent professional accounting fees incurred in monitoring the aforementioned residual formulae on the following basis:
 - “(a) The amount of the reimbursement due to the Guilds shall be the fees incurred for monitoring less an amount which is obtained by multiplying such fee by a fraction, the numerator of which is \$111,000 and the denominator of which is \$398,000. The participating Guilds shall jointly decide upon a method of allocating the foregoing reimbursement among themselves.

¹ In the case of the WGA, “May 2, 2011” shall be substituted for “July 1, 2011.”

“(b) Reimbursement shall be made only upon receipt from the participating Guilds of proper documentation showing that fees have been incurred for the purpose described herein.”

Sincerely,

Carol A. Lombardini

“ACCEPTED AND AGREED:

DIRECTORS GUILD OF AMERICA, INC.

Jay D. Roth

SCREEN ACTORS GUILD, INC.

David P. White

**WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.**

David J. Young”

15. Non-Discrimination (WGA Proposal No. 34)

Modify Article 38.A.1. as follows:

“1. The parties to this Basic Agreement agree that, to the extent provided by applicable federal and state statutes only, there shall be no discrimination due to sex, age, race, religion, sexual orientation preference, marital status, gender identity, color, creed, national origin; or disability ~~physical handicap~~.”

16. Arbitrators (WGA Proposal No. 29)

Modify the arbitrator lists in Article 11.C.2.e.(3), Article 11.E.4., Article 11.F.5.a.(7), Article 11.G.5. and Theatrical Schedule A.26.a.(3)(e), as follows:

LOS ANGELES

Sara Adler	Fredric R. Horowitz
Charles Askin	Joshua Javits
Howard Block	Edgar A. Jones, Jr.
Mark Burstein	Anita Christine Knowlton
Tom Christopher	<u>Fred Kuperberg</u>
Douglas Collins	<u>Ken Perea</u>
Paul E. Crost	Michael Rappaport
Dixon Dern	Lionel Richman
Edna Francis	Sol Rosenthal
Joe Gentile	Robert Steinberg
William Gould IV	Barry Winograd
Joel Grossman	John Zebrowski

NEW YORK

Maurice Benewitz	Susan MacKenzie
Noel Berman	George Nicolau
Howard Edelman	Joan Parker
<u>Joshua Javits</u>	Janet Spencer

17. **Promotional Uses of Excerpts on Consumer Pay Platforms (Producers' Proposal No. 21.a.)**

a. *Modify Paragraph 2.1.d.(3) to provide that no payment is required for the promotional use of excerpts on a consumer pay platform, as follows:*

“(3) If an excerpt(s) from a theatrical or television motion picture is used on a ‘consumer pay’ platform, and the use is not within one of the promotional provisions in subparagraphs b.(1) through (4) above ~~whether promotional or not~~, Company shall pay 1.2% of Company’s ‘accountable receipts,’ as defined in Paragraph 3 of this Sideletter. This formula shall apply to a ‘hybrid’ use where the consumer pays for the excerpt and advertising revenues are also

derived by the Company from such use. Such revenues shall be incorporated in ‘accountable receipts.’”

- b. *Modify subparagraph 2.1.c. of the Sideletter on Exhibition of Motion Pictures Transmitted via New Media as follows:*

“c. The use of excerpts shall not be considered ‘promotional’ within the meaning of subparagraph b. above if the excerpts are used on a new media site (whether or not the consumer pays) which archives the contents of several prior seasons of the series and is designed to enable the viewer to search the archives using a sophisticated search engine (~~e.g., dailyshow.com~~) as distinguished from a new media site which offers excerpts from several prior seasons of a series that are intended as a recap of the events that transpired during those prior seasons or that are intended to promote the exhibition or sale of full episodes of the series from which the excerpts are taken.”

- c. *Add a new “Unpublished Sideletter to the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media” as follows:*

“UNPUBLISHED SIDELETTER RE ARCHIVAL WEBSITES

“May 2, 2011

“David J. Young
Executive Director
Writers Guild of America, West, Inc.
7000 West Third Street
Los Angeles, California 90048

“Re: Sideletter on Exhibition of Motion Pictures Transmitted Via New Media

“Dear David:

“The parties agree that ‘*dailyshow.com*’ is an example of an archival new media site of the type described in Paragraph 2.1.c of the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media. During the 2011 MBA negotiations, the parties agreed to remove the reference to ‘*dailyshow.com*’ from the text of Paragraph 2.1.c. The removal of this reference is not intended to change the meaning of Paragraph 2.1.c. or any other provision of the MBA. This unpublished sideletter may be introduced as evidence of contract interpretation in an appropriate legal proceeding.

“Sincerely,

Carol A. Lombardini

“ACCEPTED AND AGREED:

**“WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.**

“David J. Young”

18. New Media Inspections (Producers’ Proposal No. 21.c.)

Modify the first paragraph of Paragraph 3.b. of the Sideletter on Exhibition of Motion Pictures Transmitted Via New Media as follows:

“b. Agreements and Data

“On a semi-annual ~~quarterly~~ basis, commencing June 30, ~~2011~~2008, within ten (10) business days after such request, the Company shall provide for inspection by the Guild’s designated employee(s) or auditor(s), at Company’s premises in the greater Los Angeles area, full access* to all unredacted license, distribution and other agreements pertaining to new media exploitation of covered pictures that were entered into during the immediately preceding inspection period. ~~quarter.~~** In any subsequent semi-annual ~~quarterly~~ inspection, the Guild’s designated employee(s) or auditor(s) may re-inspect any agreements previously inspected and inspect any agreements not previously inspected.”

* Full access includes access to all agreements, notwithstanding any confidentiality clause contained therein, and access to all sideletters, exhibits, addenda and other ancillary documents.

** ~~In the initial quarter, the Company shall also provide WGA with access to all said agreements that were entered into between January 1, 2006 and March 30, 2008.~~

19. Character Payments (Producers' Proposal No. 10)

Add a new Sideletter to Article 15.B.14.h.(2) of the MBA, as set forth in the following contract language:

“SIDELETTER TO ARTICLE 15.B.14.h.(2)

“As of May 2, 2011

“David J. Young
Executive Director
Writers Guild of America, West, Inc.
7000 West Third Street
Los Angeles, California 90048

“Re: Committee Re Character Payments

“Dear David:

“The parties agree to form a joint committee to consider ways to simplify the process and the rules associated with a writer’s eligibility for and the payment of character payments under Article 15.B.14.h.(2).

“The Committee will commence its meetings within one hundred eighty (180) days after the ratification of this Agreement.”

Sincerely,

/s/ Carol A. Lombardini
Carol A. Lombardini
President, AMPTP

“ACCEPTED AND AGREED:

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.
By: /s/ David J. Young
David J. Young, Executive Director”

20. Staff Producers in News with Company Benefits (Producers' Proposal No. 16.c.)

Modify Appendix A, Article 13.B.8.b.(4)(C) as follows:

“(C) the Company shall make contributions to the Pension Plan and Health Fund in accordance with Article 17 based on the applicable minimum compensation set forth in subparagraph (A) above, or on the appropriate percentage of such compensation for reruns, as applicable, except that the Company shall not be required to make contributions on the compensation of staff producers who perform writing services for news programs pursuant to this provision and who are eligible to receive Company health and retirement benefits generally available to the Company’s staff employees.”

Make conforming changes as needed.

21. Program Interruptions (Producers' Proposal No. 20)

Modify the Sideletter to Article 15.B.1. to apply to interrupted programs that are broadcast or exhibited on any other program service, as follows:

“SIDELETTER TO ARTICLE 15.B.1. RE PROGRAM INTERRUPTIONS INTERRUPTED BROADCASTS”

As of November 1, 2004
Revised as of February 13, 2008
Revised as of May 2, 2011

“Carol A. Lombardini
President
Alliance of Motion Picture & Television Producers, Inc.
15301 Ventura Blvd., Building E
Sherman Oaks, California 91403

“Re: Program Interruptions Interrupted Broadcasts”

“Dear Carol:

“The parties agree that if a substantial portion of a television program or an element essential to the program is not shown because the program is preempted, as described below, the Guild shall, upon request of the network, program service or Company stating the reason therefor and the date, time and market(s) of the rebroadcast, grant a waiver permitting the network, program service or Company to re-exhibit broadcast the entire interrupted program on the network, ~~or station(s)~~ or service whose transmission broadcast was interrupted within thirty (30) days following the interrupted transmission broadcast without incurring any additional

payment to the writer(s) of the program. It is understood that the network, program service or Company will exercise discretion and limit such requests to situations such as governmental regulation or order, strike, the failure of program transmission broadcasting facilities because of war or other calamity such as fire, earthquake, hurricane, or similar acts of God, or because of the breakdown of program transmission broadcasting facilities due to causes beyond the reasonable control of the network, program service or Company, or because the program time is preempted by a Presidential broadcast, a news emergency, or ~~the telecast of a special news event.~~

“Notwithstanding the foregoing, this Sideletter shall cease to be in effect as of the last day of this agreement.”

“Very truly yours,

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

By: /s/ David J. Young
David J. Young
Executive Director, WGAW

ACCEPTED AND AGREED:

The respective signatory companies represented by
the ALLIANCE OF MOTION PICTURE &
TELEVISION PRODUCERS, INC.

By: /s/ Carol A. Lombardini
Carol A. Lombardini
President”

22. Sunset Clause (P-22)

Renew Sideletter No. 2 to Article 15.B.1.b.(2)(c), "Experiment in Syndication of Half-Hour Series in Markets Representing 50% or Fewer of U.S. Television Households," as follows:

"SIDELETTER NO. 2 TO ARTICLE 15.B.1.b.(2)(c)

As of May 2, 2001
Revised as of November 1, 2004
Revised as of February 13, 2008
Revised as of May 2, 2011

"Carol A. Lombardini
President
Alliance of Television & Motion Picture Producers, Inc.
15301 Ventura Boulevard, Building E
Sherman Oaks, California 91403

"Re: Experiment in Syndication of Half-Hour Series in Markets Representing 50% or Fewer of U.S. Television Households

"Dear Carol:

"Reference is made to the provisions of Article 15.B.1.b.(2)(c) of the 2011 ~~2008~~ WGA Theatrical and Television Basic Agreement. During the 2001 negotiations, the Companies expressed a concern that if a series could only be syndicated in markets representing 50% or fewer of the U.S. television households, residuals payable pursuant to Article 15.B.1.b.(2)(c) would render such syndication fiscally untenable. The Companies asserted that the payment of any residuals in such circumstances would benefit both the Company and the individual writers since no payments are presently made.

"While the WGA expressed concern that an accommodation might be subject to abuse or otherwise reduce overall syndication residuals, the parties agreed to an experiment for the term of the 2001 MBA, agreed to renew it for the terms of the 2004 MBA and the 2008 MBA, and agreed to renew the experiment again for the term of the ~~2008~~ 2011 MBA, to be reviewed by May 1, 2014 ~~2011~~ to determine its effectiveness and whether or not it should be extended. In such regard, the Companies agree to provide the WGA with license fee information at the time of the first payment hereunder.

"When a half-hour series is syndicated in markets representing in the aggregate fifty percent (50%) or fewer of U.S. television households, residuals for such series shall be payable at twenty percent (20%) of the 'applicable minimum' pursuant to Article 15.B.1.b.(3) for each such run but shall not constitute a 'run' for purposes of Article 15.B.1.b.(2)(c).

“If the series is further syndicated and the aggregate of the markets in which the series is syndicated exceeds fifty percent (50%) of the U.S. television households, the payments required pursuant to Article 15.B.1.b.(2)(c) shall be due on any subsequent runs.

“This experiment will only apply to series that have not yet been placed into syndication as of May 2, 2001.”

Sincerely,

WRITERS GUILD OF AMERICA, WEST, INC.,
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.
By: /s/ David J. Young
David J. Young

“ACCEPTED AND AGREED:

The respective signatory companies represented by
the ALLIANCE OF MOTION PICTURE &
TELEVISION PRODUCERS, INC.
By: /s/ Carol A. Lombardini
Carol A. Lombardini”

23. The CW

The parties agree to replace “The WB or UPN” with “The CW” in Article 15.B.1.b.(2)(d) (Reruns & Foreign Telecasts of Television Motion Pictures), Article 15.B.1.b.(5) (Reruns & Foreign Telecasts of Television Motion Pictures), Article 58, Footnote 108 (which refers to Article 15.B.1.(2)(d)), and Sideletter to Article 13.B.7. re “Supersized” Episodes, as follows:

a. *Modify Article 15.B.1.b.(2)(d) to provide as follows:*

“(d) The parties agree to the following for the purpose of encouraging the success of new dramatic free television series produced for a network or for ~~The WB or UPN~~ The CW. No residual compensation shall be due under Article 15.B.1.b.(2) nor Article 58 for the second run (which may be either on free television or basic cable) of two programs chosen by the Company from the pilot and first two episodes broadcast during the first production season, provided the second run occurs within a two month period following the initial exhibition of each program. If such second run is on free television, it shall not constitute a ‘run’ for purposes of Article 15.B.1.b.(1). Company shall be obligated to report any such run to the Guild as required under this Article 15.B., notwithstanding the fact that no payment shall be due therefor.”

b. *Modify Article 15.B.1.b.(5) to provide as follows:*

"(5) The Company shall pay as provided herein for each respective rerun, not later than four (4) months after the first telecast of the respective rerun in any city in the United States or Canada. However, in the event any rerun is telecast on a television network (or on a regional television network) or on ~~the WB or UPN~~, The CW, the Company shall make the appropriate rerun payment not later than thirty (30) days after the telecast of such rerun."

c. *Modify footnote 108, which is referred to in the first sentence of the second paragraph of Article 58, to provide as follows:*

"Article 15.B.1.(2)(d) on page 143 contains special provisions governing the second run of certain episodes of new dramatic series produced for a network or for ~~The WB or UPN~~ The CW for the purpose of encouraging their success."

d. *Modify Sideletter to Article 13.B.7. re "Supersized" Episodes to provide as follows:*

"This sideletter applies to any episode of a one-half hour or one-hour dramatic series covered under the 2004 Theatrical and Television Basic Agreement ('MBA'), and produced for broadcast in prime time on ABC, CBS, NBC, FBC, ~~WB, or UPN~~ or The CW, the running time of which extends beyond the regular time period of a typical episode of the series, but which does not consume a standard one-half hour or one (1) hour time period (e.g., a forty-three [43] minute episode of a series which is ordinarily one-half hour in length). These episodes shall be referred to as 'supersized' episodes. The parties agree that an episode which exceeds the length of a typical episode by up to three (3) minutes shall not be considered a 'supersized' episode and no additional payment shall be due therefor."

AGREED AND ACCEPTED:

WRITERS GUILD OF AMERICA, WEST, INC.
on behalf of itself and its affiliate,
WRITERS GUILD OF AMERICA, EAST, INC.

The named respective signatory companies
represented by the ALLIANCE OF MOTION
PICTURE AND TELEVISION PRODUCERS, INC.

AMERICAN BROADCASTING COMPANIES, INC.,
an indirect wholly-owned subsidiary of ABC, Inc.

CBS BROADCASTING INC.

NATIONAL BROADCASTING COMPANY, INC. and
NBC STUDIOS, INC.

Exhibit "A"

12:05 AM Productions, LLC
8 Year Entertainment, LLC

A Man In Full Productions, Inc.
A&E Development Corporation
ABC Studios East, Inc.
ABKCO Films LLC
Abominable Pictures Inc.
Academy of Motion Picture Arts and Sciences
ACT 2 Films, LLC
Aegean Entertainment, Inc
Alan Wagner Productions, Inc, D.B.A.
Boardwalk Entertainment
Albemarle Productions, Inc
ALD Productions Inc.
Alive and Kicking, Inc.
All Media Inc.
Allenford Productions, Inc.
Alta Vista Productions, Inc.
American Film Institute
The American Lives Film Project Inc.
The American Lives II Film Project, LLC
American Teenager, Inc.
Ancillary Film & Television, LLC
And Then Productions, Inc.
Angostura, LLC
Anthem Productions, LLC
Appleton Productions, Inc.
Arlington Productions, Inc.
ARPAD Productions, Inc.
Ashland Productions, Inc.
Auckland Productions, Inc.
Autumn Harvest Prod., Inc.
Avery Pix, Inc.
The Avnet/Kerner Co.

Bad Wolf Productions, LLC
Band of Angels, LLC
Barbecues + Bar Mitzvahs, Inc

The Barn Productions, Inc.
The Baseball Film Project, Inc.
Bauman Productions Inc.
BBC Worldwide Productions, LLC
Bell Dramatic Serial Company
Bell-Phillip Television Productions, Inc.
Belleville Productions, Inc.
Bellsarius Productions, Inc.
B.H. Productions (Muse) Inc
Big Break Productions, Inc.
Big Eight Productions
Bigwood Films, Inc.
Bluebeard Pictures Limited
Bochco Media LLC
Bonanza Productions Inc.
Boss Productions, Inc.
BOT Productions, Inc.
Breakline Development, LLC
Bright Star Pictures LLC
Brilliant Films, Inc. LLC
Brittany Productions, Inc.
Bruce Nash Entertainment, Inc.
The Bubble Factory LLC
Buffalo Boy Pictures, LLC
Bungalow 78 Productions, Inc.

Cannell Entertainment, Inc.
Canterbury Productions, Inc.
Cara Communications Corporation
Cassandra Publishing Corp.
Castle Rock Pictures, Inc.
Castlewood Production, Inc
CBS Films Inc.
CBS Studios Inc.
CD Media, Inc.
The Central Park Five Film Project Inc.
Chainsaw Productions, LLC
Chainsaw Productions II, LLC
Clairemont Road Productions, LLC
Clandrew, Inc. dba Andrew Solt Productions

Claymore Entertainment Company, LLC
Cloverleaf Productions Inc.
Columbia Pictures Hybrid Productions, Inc.
Columbia Pictures Industries, Inc.
Columbia TriStar Television, Inc.
Constantin Media GmbH Audiovisuelle
Produktion
Constantin Production Services, Inc.
Convergence Pictures LLC
Corday Productions, Inc.
Corporate Management Solutions, Inc DBA
CMS Productions
Corsica Productions, Inc.
Cosgrove-Meurer Productions, Inc.
Cosmos Studios, Inc.
Country Music Association, Inc.
Cowntown Films Inc.
CPT Holdings, Inc.
Crew Neck Productions

Dakota North Entertainment, Inc.
Dan Wigutow Productions, Inc.
Daniel L. Paulson Productions, Inc.
DANJAQ LLC
Daring Productions, Inc.
Dark Harbor Productions
DCH Productions, LLC
Deal Pictures, Ltd.
Dean River Productions, Inc.
Dean Street Productions, Inc.
Dees Creations, Inc.
dick clark film group, inc.
dick clark productions, inc.
Digital 360 Productions, Inc.
Digital 49 Productions, Inc.
Dino De Laurentiis Company
Documentary Productions, LLC
Double Life Productions, Inc.
Double Twin, Inc.
DreamWorks II Development Co., LLC
Dryad Pictures LLC
The Dust Bowl Film Project LLC
DW Dramatic Television L.L.C.

DW Films L.L.C.
DW SKG TV L.L.C.
DW Television L.L.C.

El Toro Pictures S.L.
El-Don Productions Ltd, Inc.
ELP Communications
EP Development, Inc.
Escape Artists Productions, LLC
Escape Pictures, LLC
Evergreen Pictures LLC
Eye Productions Inc.

Fallen Woman Productions, Inc.
Far Hills Development, LLC
Fellers Film LLC
Film Buff Productions, Inc.
FilmPool, Inc.
FilmQuest Pictures Corporation
Final Stretch Productions, Inc.
FKPS Company
Floresta Productions, Inc.
Forge Pictures, Inc.
Forward Pass, Inc.
Fountain Productions, Inc.
Fox Late Night Productions, Inc.
Fox Nitetime Prod., Inc.
Fox Square Productions, Inc.
Freedom Films Development LLC
FSO Productions, Inc.
FTP Productions, LLC
FWA Productions, Inc.

Galaxy Way Productions, Inc.
Gary Hoffman Productions, Inc.
Geoff Haines-Stiles Productions Inc
George S. Taweel, Inc. DBA George Taweel
Productions & TLC Entertainment
Get A Life Productions, Inc.
Giant Killer, LLC
Gina Communications Corporation
Glenhill Productions, Inc.
Goldberg & O'Reilly Enterprises, Inc.

Gone Fission, Inc.
Goodman Productions (Peril), LLC
GPEC, Inc.
Grand Productions, Inc.
Grass Skirt Digital Productions, Inc.
The Greenblatt Janollari Studio
Gross-Weston Productions, Inc.
Groundswell Productions II, LLC
GTS Productions, LLC
The Gurin Company

Halberd Productions, Inc.
Harbor Productions, Inc.
Harborlight Entertainment, Inc.
Harvey Kahn Productions Inc.
Head First Productions, P.C.
Helfgott-Turner Productions, Inc.
Highway 61, LLC.
Hillard Productions, Inc.
Hollyvista Productions, Inc.
Horizon Mini Series Productions, LLC
Horizon Scripted Television Inc.
Hornrim Productions, Inc.
Howard Dratch Productions

I Like Pie, Inc.
Icon Productions, LLC
Identity Intellectual Properties, LLC
Imagine Television
Imagine Writers Lab, LLC
IMAX Scribe Inc.
In The Flames Productions, LLC
Independent Projects
Interim Productions Inc.
Inwood Entertainment
It's A Laugh Productions, Inc.
Ixtlan Corporation

J T Law Pictures LLC
Jaffe/Braunstein Entertainment, LLC
JALEE FILMS
James B. Harris Productions, Inc.
JC Entertainment, Inc.

Jeff Margolis Productions, Inc.
Jennilind Productions Inc.
JFR Enterprises, Ltd.
Joel Freeman Productions, Inc.
John Cossette Productions Inc.
John Farbes - Athens Development Corp.
Johnny Lindy Company
The Jon Avnet Co. II
Just Behave Productions, Inc.

Katell Productions, LLC
Katja Motion Picture Corp.
Kaushi Entertainment, LLC
KEI Productions Inc.
Kelley Productions, Inc. dba David E.
Kelley Productions
The Kemp Company, Inc.
KFJ Films LLC
K-Kid Productions, Inc

La Mesa Productions, Inc.
Lafitte Productions, Inc.
Lakeshore Entertainment Group, LLC
Larry A. Thompson Organization, Inc.
Latimer Road Productions, Inc.
Lava Films LLC
Lester Persky Productions, Inc.
Level Pictures, Inc.
Liddell Entertainment
Lima St. Productions, LLC
Little Beach, LLC
Little Light Film Productions, LLC
Livier Productions, Inc.
Llamame Loco Producciones, Inc.
LMK Productions, Inc.
Long Island Productions, Inc.
Loosely Based, LLC
Lopez Films
Louverture Co, LLC
LPI Films, Inc.
LRF Development Company, Inc.

M Films, Inc.

MacGillivray Freeman Films, Inc.
Mad Mack Productions, Inc.
Madison Productions, Inc.
Mandalay Development, LLC
Mandalay International, LLC
Mandalay Teleplays, LLC
Mandalay Ventures, LLC
McFarlane Productions, Inc.
Melenny Productions Inc.
Mennonite/Anabaptist Information Center,
Inc.
Mesquite Productions, Inc.
Metro-Goldwyn-Mayer Pictures Inc.
MGM Television Entertainment Inc.
Michael Mailer Films
Mill Pond Productions, LLC
MilTod Productions, LLC
MimiArt Films, LLC
Miramonte Communications, Inc.
Miss Universe L.P., LLLP
Modern Girl Productions LLC
Monkey Hill Films, LLC
Moore Industries, LLC
Motorboat Productions, Inc.
MP Acquisitions, LLC
Mr. Tambourine Man LLC
Mr. Young (I) Productions Inc.
MT2 Services, Inc.
Muse Entertainment Enterprises Inc.
Muse Entertainment Enterprises USA Inc.
My Leafs, LLC
Mystery White Boy Productions, LLC.

Nasnas, Inc.
The National Parks Film Project, LLC
National Studios, Inc.
New Line Productions, Inc.
New Regency Productions, Inc.
Nightlife Inc.
Niki Marvin Productions, Inc.
No Plan B Entertainment
NS Pictures, Inc.
N.W. Productions

October Holdings, Inc.
OFDFC DC1 LLC
Ohio Films, Inc.
Omni Film W8 Development Ltd.
One On Productions Inc.
The One Productions, LLC
Open 4 Business Productions LLC
The Other Side Productions, Inc.
Our Stories Films LLC

Pacific 2.1 Entertainment Group, Inc.
Paige Productions, Inc.
Palais Productions, LLC
Pandemonium LLC
Paramount Pictures Corporation
Park Court Productions, Inc.
Pastis Productions, Inc.
Penthouse Presentations Inc.
Perdido Productions, Inc.
Pet II Productions Inc.
PFFR Operation Sugarfoot, LLC
Phase Three Too LLC
Picalata Productions, LLC
PND Development Inc
Powercorp International Ltd
Procco, Inc.
The Prohibition Film Project, Inc.

Quadra Productions, Inc.
Queens & Kings, Inc.

Racer Film GmbH
Radical Pictures, Inc.
Ralph Edwards Productions
Ralph Edwards/Stu Billett Productions
Readcrest Productions, Inc.
Red Shoes Inc.
Redweed Productions, LLC
Reel Works Studios, LLC
Regency Television Productions, Inc.
Remote Broadcasting, Inc.
RG Entertainment, Ltd.
RHI Entertainment Productions LLC

Right Angle Productions LLC
The Roosevelt Film Project Inc.
Rosecrans Productions, Inc.
RSP-TV
Rubin Productions LLC
Run Films, Inc.

SAA LLC
Salamander Film Productions, Inc.
Samuel Goldwyn Productions LLC
San Vicente Productions, Inc.
Sand Creek, Ltd.
Santucci Films, Ltd
Savvy Productions, LLC
SCFV Development, Inc.
SCFV Pictures, Inc
Scholastic Entertainment Inc.
Science + Fiction Holdings, LLC
Scotch Films, Inc.
The Screenplay Company, Inc.
Sea Side Film Company
Seafarer Productions Inc.
Seligman Entertainment
Seneca Productions, Inc.
Serafini Pictures LLC
Seven Arrows Multimedia, Inc.
Seven Arts Pictures Inc.
Sheryl Leach Productions, LLC
ShoelArt LLC
Shoot the Horse Productions, Inc.
Showtime Pictures Development Company
Silent Development Corp.
Singing Bee Enterprises, Inc.
The SKPS Company
Skydance Development, LLC
Sleeper Productions Ltd
Smash Media, Inc.
Snoot Hancock LLC
Sobini Films, Inc.
Sodor Island Film Company, LLC
The Somerset Foundation, Inc.
Sony Pictures Television Inc.
Sphinx Corporation dba Dimitri Villard

Productions
The Sports Studio, LLC
Spyglass Development, LLC
St George Pictures Ltd
Stallion Media LLC
Stereogram Productions, Inc
The Steve Tisch Company
Still Life Pictures, Inc.
Stone Soup Productions
Story Telling, Inc.
Storybook Productions Inc.
Strike Entertainment Inc.
Strike-A-Match Productions
Summit Entertainment Development
Services
Sunny Television Productions, Inc.
Sussex Ltd. Inc.
Swamp Gravy Productions, LLC
Syntax Entertainment LLC

T.A.D. Film Inc.
Tadpole Productions, Inc.
Talking Wall Pictures, Inc.
Tambien Productions, Inc.
The Tenth Inning Film Project Inc.
Terrapin Productions, Inc.
Theodore Thomas Productions
Tiger 62 Development LLC
Tiger Development, LLC
Tippett Studio Inc.
Tisch, Black & Blumenthal Productions,
LLC
TOKYOPOP Wiggin' It LLC.
Topanga Productions, Inc.
Touchstone Television Productions, LLC
d/b/a ABC Studios
TP Productions, LLC
Trackdown Productions, Inc.
Triple I, Inc.
TriStar Pictures, Inc.
TriStar Television, Inc.
Turner Pages, Inc.
Turtle Rock Productions, Inc.

TurtleBack Productions, Inc.
TV IS OK Productions, Inc.
TVM Productions, Inc.
Twelve Productions, Inc.
Twentieth Century Fox Film Corporation

UA Films, Inc.
Underdawg Entertainment, Inc.
Union NJ, Inc
Universal City Studios LLC
Universal Family Entertainment LLC
Universal Network Programming LLC
Universal Network Television LLC
USA Cable Entertainment Development LLC

Vasanta Productions, Inc.
Vendetta LLC
Vendome Development West, LLC
The Vietnam Film Project LLC
Village Roadshow Productions Inc.
Vin Di Bona Communications Corporation
Voice Pictures Inc.
Volcano High LLC
VR GOG Productions Inc.

WAD Productions Inc.
Walt Disney Pictures

Warner Bros. Pictures
Warner Bros. Television
Warner Specialty Films Inc.
WarnerVision Entertainment Inc
Web Therapy LLC
West 150 Productions, LLC
Westgate Productions, Inc.
Westholme Productions, Inc.
What If It Barks Films Ltd.
White Cherry Entertainment, Inc
Wilarvi Communications, Inc.
William McKinnis Coleman
Wind Dancer Film Development, LLC
Windsor Pictures, LLC
Wonderful Kids, Inc.
Wonderstar Productions, LLC
Woodridge Productions, Inc.
Wooster Productions, Inc.
Working Dog Group, Inc.
WWE Films Development, Inc.

XYZ IP, LLC

Ya Ya Productions, LLC

Zalcon Productions, LLC
Zing Productions, Inc.