

Companies' Initial Proposals 2/3/15

The proposals are made on behalf of each of the participating companies who are bargaining jointly for convenience. These proposals may be supplemented, withdrawn, amended or modified as the companies see fit. No agreement on any particular proposal shall be final until there is an agreement on all the proposals.

1. Delete Section 30 of Article I.

2. Revise definition of Qualified Professional Performer to read as follows:

"Qualified Professional Performer": The term "Qualified Professional Performer" means a person who has had prior employment as a Performer at least once during the period of three years preceding the date of proposed employment hereunder **or who had otherwise been engaged in the Interactive Media industry.** ☐

3. Revise Section 9.D of Article I to read as follows:

"Employer shall notify the SAG-AFTRA office no later than the time of hiring or forty-eight (48) hours in advance of the initial session, whichever is later, of the names of Performers to be used in the production of Material for Interactive Media, except where the circumstances do not allow sufficient time to give such notice. *SAG-AFTRA will respond to all notifications and waiver requests within 24 hours. Failure to respond within the time provided above shall be deemed to grant clearance for the engagement of that performer for that project.* It shall be the duty of the Employer (to the extent Employer has not received *response* from SAG-AFTRA for specific Performers) to ascertain if each Performer is a member of SAG-AFTRA in good standing by examining the SAG-AFTRA membership card of each member of the cast at the first session and to notify the local SAG-AFTRA office of the name of any person failing to present a valid paid-up membership card. Such notice shall be given to SAG-AFTRA immediately following the first session, or if the SAG-AFTRA office is closed at that time, such notice shall be given to the SAG-AFTRA office as soon as possible on the following work day."

4. Revise Section 3.C of Article I to read:

"Background Actor": Background Actors are ***the first 19*** non-Principal Performers ***(including Stand-In's, but excluding Atmospheric Performers)***

employed in connection with an Interactive Program who do not speak any words as individuals but who may be heard, singly or in concert, as part of a crowd. A *"Qualified Professional Background Actor"* is a Background Actor who has had prior employment as such at least once during the period of three (3) years preceding the date of proposed employment hereunder."

5. Revise Section 15 of Article 1, to read as follows:

"PEOPLE COVERED

"No services of any Performer are excluded from the scope of this Agreement unless specifically waived by AFTRA; however, excluded from this provision are: (i) instrumental musicians performing as such; (ii) executive officers or key employees of the sponsor delivering institutional messages as that term is understood in the industry; (iii) *persons employed on staff of of a signatory Employer or its affiliates*; and (iv) skilled technicians when the context of the script requires special understanding and expertise which cannot be realistically portrayed or narrated by the Performer. AFTRA reserves the right to review these exceptions in the event utilization becomes excessive."

6. Add the following non-substantive cross reference in the definition section of the Agreement:

"Atmospheric Voices – Shall have the definition as set forth in Section 19.F.2 of Article 1."

7. Limited Integration – Add a new provision, Subsection 19.C.2 that would provide that the Company may elect to utilize a Limited Integration of a Performers work in any other Interactive Programs. In the event the Company elects such a Limited Integration, for each such 300 lines bought out, the Limited Integration payment shall be \$500.00. Thus if the Employer elects to buyout 600 lines for Limited Integrated, then the amount of the Limited Integration payment would be \$1,000.00. Any such Limited Integration payments may be applied to any subsequent Integration buyout under 19.C.1.B.
8. Rename Section 9 of Article I *"Employer, Guild and Performer Duties."* Add new subsection 9.A *"Employer's Duties."* Renumber existing subparagraphs A-E of Section 9 as 9.A.1-5. Provide for new Section 9.B entitled *"Performer's and Guild's Duties."* Add the following subsections:

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9.B.1. Once an engagement is accepted, the performer shall appear at that session, on time, ready and willing to perform and attentive to the services for which they have been engaged;

B.2. Performers shall only submit (or authorize for submission on their behalf) audition tapes that represent their own work and abilities without enhancement, unless expressly so requested by the casting executive and, in which case, so specifying in the transmittal;

B.3. Performers will abide by terms of the morals clauses in their personal services agreements;

B.4. Performers will abide by terms of any non-disclosure agreement;

B.5. SAG-AFTRA will insist that its franchised agents will honor all the provisions of this Agreement and not refuse to refer represented performers for engagements at rates provided for herein;

B.6. The parties acknowledge that damages for violations of the Sections 9.B.1, 2 and 5 will be difficult to calculate and as a result, the parties agree that for violations of provisions of these Section 9.B.1, 2 and 5 the Liquidated Damages shall be: for Sections B.1, \$2,500.00; for Sections B.2, \$2,500.00 in addition to disgorgement of any wages earned for the session at issue; and for Section B.5, \$100,000.00, unless SAG-AFTRA has revoked the franchise of the offending franchised agent prior to the initiation of any claim, in which case the Liquidated Damages shall be \$50,000.00. For all other violations of these provisions, any and all damages, rights and remedies shall be available.

Make conforming change to definition of Liquidated Damages so that it reads:

"Liquidated Damages": The term "Liquidated Damages" means sums paid to Performers in addition to such Performers' initial compensation for services as a result of Employer's violation of a working condition hereunder (e.g., meal Liquidated Damages) or payments to the Company as a result of violations by the Performer or the Guild as the case may be (e.g. non-appearance Liquidated Damages).

9. Revise Section 28 of Article 1 as follows:

SAG-AFTRA recognizes that the production, distribution and exhibition of Programs in Interactive Media is in its formative stages, and there may be uses of a nature not contemplated at the time the parties enter into this Agreement.

SAG-AFTRA agrees to consider any special circumstances which warrant modification of any of the terms of this Agreement and to grant waivers to accommodate such productions, which waivers shall not be unreasonably withheld. Any request by an Employer for consideration for changes or waiver by SAG-AFTRA hereunder must be made in writing by advance notice to SAG-AFTRA to afford sufficient time to give proper consideration to such request. *The parties acknowledge that twenty-four (24) hours notice shall be deemed sufficient time for purposes of evaluating such request. If SAG-AFTRA does not respond in the time provided herein, the waiver request shall be deemed granted.*