

ARTICLE 13 - COMPENSATION

A. THEATRICAL

Company agrees that the minimum basic compensation to be paid a writer who is employed for a feature length photoplay on a so-called flat deal basis shall be as herein set forth.

For the purpose of this Article 13.A.1.a., "High Budget" photoplay shall be a photoplay the cost of which equals or exceeds five million dollars (\$5,000,000.00); a photoplay the cost of which is less than five million dollars (\$5,000,000.00) shall be referred to as a "Low Budget" photoplay.

The Company may option to purchase or license from a professional writer literary material, which would be covered by this Basic Agreement, for a period of eighteen (18) months upon payment of ten percent (10%) of the applicable minimum compensation for such literary material. Company may renew or extend such option for subsequent eighteen (18) month periods upon payment of an additional ten percent (10%) of the applicable minimum compensation for such literary material for each such eighteen (18) month period. Notwithstanding anything in this Basic Agreement to the contrary, the option payment(s) shall be credited against the purchase price or other compensation payable to the writer.

1. a. Minimum Compensation

FLAT DEAL SCREEN MINIMUMS

HIGH BUDGET		EFFECTIVE		
		5/02/11- 5/01/12	5/02/12- 5/01/13 ²	5/02/13- 5/01/14 ²
(1)	Screenplay, including treatment	\$103,975	\$105,795	\$107,646
(2)	Screenplay, excluding treatment	71,899	73,157	74,437
(3)	Final Draft Screenplay or Rewrite	31,961	32,520	33,089
(4)	Polish	15,980	16,260	16,545
(5)	First Draft of Screenplay (alone or with option for Final Draft Screenplay):			
	First Draft Screenplay	47,940	48,779	49,633
	Final Draft Screenplay	31,961	32,520	33,089
(6)	Treatment	31,961	32,520	33,089
(7)	Original Treatment	47,940	48,779	49,633
(8)	Story	31,961	32,520	33,089
(9)	Additional Compensation Screenplay – No Assigned Material	15,980	16,260	16,545

²For the second period of this Agreement (*i.e.*, 5/2/12-5/1/13), the Guild elected to divert to the Producer – Writers Guild of America Pension Plan one-quarter percent (0.25%) from minimum rates. As a result, the applicable Pension Plan contribution rate increased by one-quarter percent (0.25%) effective May 2, 2012, and the minimum rates for the second period of this Agreement (*i.e.*, 5/2/12-5/1/13) increased by one and three-quarters percent (1.75%), unless otherwise indicated.

For the third period of this Agreement (*i.e.*, 5/2/13-5/1/14), the Guild elected to divert to the Producer – Writers Guild of America Pension Plan one-quarter percent (0.25%) from minimum rates. As a result, the applicable Pension Plan contribution rate increased by one-quarter percent (0.25%) effective May 2, 2013, and the minimum rates for the third period of this Agreement (*i.e.*, 5/2/13-5/1/14) increased by one and three-quarters percent (1.75%), unless otherwise indicated.

LOW BUDGET		EFFECTIVE		
		5/02/11- 5/01/12	5/02/12- 5/01/13 ³	5/02/13- 5/01/14 ³
(1)	Screenplay, including treatment	\$55,910	\$56,888	\$57,884
(2)	Screenplay, excluding treatment	34,936	35,547	36,169
(3)	Final Draft Screenplay or Rewrite	20,965	21,332	21,705
(4)	Polish	10,489	10,673	10,860
(5)	First Draft of Screenplay (alone or with option for Final Draft Screenplay):			
	First Draft Screenplay	25,161	25,601	26,049
	Final Draft Screenplay	16,769	17,062	17,361
(6)	Treatment	20,965	21,332	21,705
(7)	Original Treatment	28,950	29,457	29,972
(8)	Story	20,965	21,332	21,705
(9)	Additional Compensation Screenplay – No Assigned Material	7,994	8,134	8,276

NOTE: The minimum for a screen writer shall be not less than the "appropriate" television minimum, consistent with the particular literary element and the length of the motion picture.

b. Discount - New Writers

Company may employ a writer who has not been previously employed as a writer under any Guild MBA in television or theatrical motion pictures or radio dramatic programs on a flat deal basis at not less than seventy-five percent (75%) of the applicable minimum compensation set forth in this subparagraph 1. If such writer receives any writing credit on the theatrical motion picture for which he/she was so employed, his/her compensation will be adjusted to one hundred percent (100%) of the applicable minimum compensation. Such payment will be made within ten (10) business days after determination of final writing credit.

c. Additional Payment - No Assigned Material

When Company employs a writer to write a screenplay on a flat deal basis at the minimum basic compensation provided in this Article 13.A., unless Company in good faith furnishes such writer a novel, play, treatment, original treatment, or story upon which the screenplay is to be based or from which it is to be adapted, such writer shall be paid an additional amount as described in subparagraph 1. above. The assigned material

³See footnote 2 on page 69.

shall be specifically identified in the notice of employment and contract; if not then known, the writer and the Guild shall be furnished with such identification when it is available.

Any dispute as to whether or not Company has so furnished such writer a novel, play, treatment, original treatment, or story shall be subject to automatic arbitration by the Guild arbitration committee (referred to in Theatrical Schedule A); provided, however, that in the event Company or the writer does not accept the decision of such Guild arbitration committee, such party shall notify the Guild and the other party, in writing, of its position and such dispute shall thereupon be subject to the grievance and arbitration provisions of Articles 10, 11 and 12 of this Basic Agreement.

2. Narration by a Writer Other Than any Writer of Screenplay or Story and Screenplay

Minimums for narration are based on status of film assembly and nature of previously written material as follows:

Nature of Material Written Prior to Employment of Narration Writer	Film Assembled in Story Sequence	Film Footage Not Assembled in Story Sequence
None	Applicable Screenplay excluding Treatment Minimum	Applicable Screenplay including Treatment Minimum
Story Only	Applicable Screenplay excluding Treatment Minimum	Applicable Screenplay excluding Treatment Minimum
Story and Screenplay	Per Rate Schedule A	Per Rate Schedule A

Rate Schedule A	EFFECTIVE		
	5/02/11-5/01/12	5/02/12-5/01/13⁴	5/02/13-5/01/14⁴
Two minutes or less	\$ 976	\$ 993	\$1,010
Over two minutes through five minutes	3,456	3,516	3,578
Over five minutes	applicable polish minimum		

⁴See footnote 2 on page 69.

Aggregate sound track running time in minutes of narration written by writer hired pursuant hereto.

Narration writer may be hired on a week-to-week basis.
There is no separation of rights for narration.

3. Initial Payment

The Company shall use its best efforts to issue to the writer (or his/her designated representative), for the writer's signature, a written document memorializing the agreement reached between the Company and the writer within ten (10) business days after agreement is reached on the major deal points of a writing assignment (*e.g.*, agreement on initial compensation, including bonus, if any, and number of drafts) for a theatrical motion picture (twelve (12) business days in the case of either a term writing agreement or an agreement for both writing and non-writing services), but in no event later than the earlier of: (a) fifteen (15) business days after agreement is reached on the major deal points of the writing assignment, or (b) the time period required by Article 19. Disputes as to whether Company has submitted such document in a timely manner may be submitted to the "Hot Line" dispute resolution procedure in Article 48.

Company shall attach a cover sheet to the document memorializing the agreement reached between the Company and the writer which sets forth in summary form all conditions precedent which must be satisfied before writing services can commence. The terms of such cover sheet shall not alter or vary the terms of the agreement reached between the Company and the writer, and, in any event, the terms of the writer's agreement shall prevail.

With respect to any employment under this Article 13.A. on a flat deal basis, the Company will pay to the writer, not later than the next regular payday in the week following the day the Company instructs the writer to commence his/her services, a single advance amount (to be applied against the first compensation which otherwise would be due to the writer) at least equal to the greater of (a) ten percent (10%) of the writer's agreed compensation which otherwise would be due to the writer upon delivery of the first required material, or (b) one week's compensation at the weekly rate for term employment for 14 out of 14 weeks.

4. Maximum Period of Employment

With respect to writers employed at the minimum basic compensation provided for in this Article 13.A. to write a story, treatment, original treatment, first draft screenplay, final draft screenplay, screenplay, or rewrite, the Company shall not require the writer to render services beyond that period of weeks (and fractions thereof) obtained by

dividing such applicable minimum basic compensation set forth above in (1) through (9), as the case may be, by the minimum weekly compensation provided for in Article 13.A., subparagraph 15. hereof, for writers employed on a weekly basis.

In the event that the same writer is employed to write any combination of those items set forth above in (1) through (9), such time periods shall be cumulative.

If the writer is required by written notice from the Company to render his/her services beyond such time period, he/she shall be entitled to the specified compensation on delivery and to the minimum weekly compensation to which such writer would be entitled if employed on a weekly basis, as hereinafter in subparagraph 15. of Article 13.A. provided, for services rendered after the expiration of such period.

5. Computation of Writer's Period of Employment

In computing the duration of a writer's employment under this Article 13.A., there shall be excluded the following:

- a. Any time during which the writer's employment agreement was suspended by reason of any breach or default on the part of the writer;
- b. Any time during which the writer's employment agreement was suspended by reason of any of the causes specified in the "*force majeure*" clause of such writer's employment agreement;
- c. Except as hereinafter provided, waiting time which occurs during or after the writer's employment.

Any excess waiting time shall be included in computing the duration of the writer's employment. However, excess waiting time after the expiration of the duration of the writer's employment shall not be included in computing the duration of the writer's employment unless the writer holds himself/herself available for the Company's further instructions pursuant to the Company's written notice to the writer so to hold himself/herself available after the expiration of the writer's employment.

Any time during which the writer shall make revisions called for by the Company shall be included in computing the duration of the writer's employment.

6. Waiting Time

The waiting time to be excluded in computing the duration of the writer's employment shall not exceed three (3) days following delivery

of material, and such waiting time shall not be compensable. In the event that the same writer is employed to write any combination of story, treatment or original treatment, first draft screenplay, final draft screenplay or screenplay, such waiting time shall be cumulative. "Excess waiting time," as used in this Article 13.A., means waiting time in excess of the waiting time to be excluded as provided in this subparagraph 6. If the writer is called into conference on any day or instructed to perform any services on any day, such day may not be included in waiting time. Sundays and holidays generally recognized in the motion picture industry shall be excluded in computing waiting time.

7. Extension of Employment Period

If the employment agreement under this Article 13.A. for a treatment on a flat deal basis contains any option for additional literary material, and the Company wishes the writer to change, revise or complete his/her assignment after the expiration of the maximum allotted employment period under this Article, the Company may postpone the time for exercise of such option by notifying the writer that it elects to continue the employment of the writer on a week-to-week basis commencing upon the expiration of the employment period then expiring at the minimum weekly compensation prescribed in subparagraph 15. hereof, but without any minimum guaranteed period of employment. The Company must notify the writer to this effect promptly upon the expiration of such maximum allotted employment period. Such employment shall continue until further notice from the Company, and the waiting time shall commence upon such termination of the employment. If the Company thereafter exercises any option, and the maximum allotted employment period under this Article 13.A. for which the Company would be entitled to the writer's services under such option shall exceed the period during which the writer performed his/her services (excluding time for which the writer was compensated on a week-to-week basis and excluding waiting time), then the Company shall be entitled to credit against the amount due under such option an amount equal to the minimum weekly compensation specified in subparagraph 15. herein for the period of such excess. Such credit shall not exceed the amount actually paid to the writer for services performed on a week-to-week basis.

8. Failure to Deliver Material Within Allotted Time Period

If the writer has not completed and delivered to the Company the material within the maximum allotted employment period provided for in this Article 13.A., or any shorter period specified in the individual writer's employment agreement, then the Company may exercise the succeeding option and require the writer to complete such material within the succeeding option period. If the writer has not completed and delivered to the Company the material within such maximum

allotted employment period, or such shorter period specified in the individual writer's employment agreement, and if the failure of the writer so to complete and deliver such material was not caused by any instructions or directions on the part of the Company, then and at any time thereafter and prior to the delivery of such material, the Company may terminate the writer's employment agreement, and the Company shall not be obligated to make any further or additional payment thereunder. For the purposes of determining whether to terminate such contract, the Company may require the writer to deliver for inspection any material then written and compliance with such requirement shall not constitute delivery for the purpose above mentioned without the written consent of the Company. The Company shall retain title to and ownership of any material theretofore delivered for which payment was made by the Company, subject to the provisions of Article 16.A.

9. Teams

Every writer shall receive no less than the applicable minimum, except that if a *bona fide* team of no more than two (2) writers offers, prior to employment on the script in question, to collaborate, the team as a unit shall receive in the aggregate not less than the applicable minimum compensation.

In addition, if a *bona fide* team of no more than three (3) writers offers, prior to employment on the script in question, to collaborate, the team as a unit shall receive in the aggregate not less than two hundred percent (200%) of the applicable minimum compensation, of which each individual writer shall be paid not less than one-third (a) of said aggregate compensation.

10. Week-to-Week, Term, Flat Deal

The Company may employ a writer on a week-to-week or term basis to write a story, treatment, original treatment, first draft screenplay, final screenplay, screenplay, or rewrite. At any time thereafter, Company may employ such writer or any other writer on a flat deal basis to write any such material in accordance with the provisions of this Article 13.A. If Company employs a writer on a flat deal basis to write any such material, at any time thereafter Company may employ such writer or any other writer to write any such material on a week-to-week basis or term basis. If the Company imposes the condition that such material must be completed and delivered by a specified date, and the writer accepts the employment upon such conditions and completes and delivers the material to the Company in compliance with such condition, then such employment shall be deemed to be employment on a flat deal basis and the writer shall be entitled to the applicable flat deal minimums provided in this Article 13.A. for the work involved. If the Company employs two (2) writers as a team on a week-to-week

basis to write a story, treatment, original treatment, first draft screenplay, final screenplay, screenplay or rewrite and imposes the condition that such material must be completed and delivered by a specified date, and if the period by which the writers are to complete and deliver the material under their employment agreement is less than one-half of the applicable maximum period of employment for the work involved as provided in this Article 13.A., the Company shall only be obligated to pay to each such writer one-half of the amount payable to one (1) writer employed on a flat deal basis for the work involved, but if the period by which the writers are to complete and deliver the material under their employment agreement is more than one-half of the applicable maximum period of employment for the work involved provided in this Article, the Company shall not be obligated by this Article 13.A. to pay any additional amount to such writers. For example, if a team of writers is employed on a week-to-week basis during the period May 2, 2011 through May 1, 2012 to write a "screenplay, including treatment" for a High Budget photoplay (for which the flat deal minimum is \$103,975) and a date later than ten (10) weeks after the commencement of such employment is specified in the employment agreement for completion and delivery of such final screenplay, then if such final screenplay is completed and delivered within such time, the Company need only pay each writer the \$51,987.50 received as weekly salary. In the event of a dispute as to whether the Company has imposed such a specified date of completion and delivery, such dispute shall be subject to grievance and arbitration pursuant to the provisions of Articles 10, 11 and 12 hereof.

11. Applicable Deal Minimum Compensation

When Company hereafter employs one (1) or more writers on a flat deal basis for the minimum basic compensation as above provided, then regardless of the exercise of any option, if a motion picture is actually produced by Company from the screenplay so written under such deal basis, the compensation (hereinafter called "applicable minimum deal compensation") paid to the writer or writers who participated in the writing under such flat deal shall be not less than the applicable "Flat Deal Screen Minimums" set forth in Article 13.A., subparagraph 1.a. above. In the event an amount at least equal to such applicable minimum deal compensation has not been paid to such writer or writers by the time screen credits for such motion picture have been finally determined, then Company shall pay to the writer or writers receiving screen credit for such motion picture, within thirty (30) days after such screen credit has been finally determined, the difference between all of the compensation theretofore paid to the writer or writers employed by Company on such flat deal basis in connection with such photoplay, on the one hand, and the applicable minimum deal compensation provided, on the other hand. A writer or writers employed at the minimum week-to-week compensation to write

a treatment and also a screenplay for a motion picture which is produced by Company shall be compensated at not less than the applicable minimum basic compensation provided for in this Article 13.A., and shall be considered as employed on a flat deal basis at such minimum compensation for purposes of subparagraph 1.c. of this Article. No writer employed on a term basis shall be entitled to additional compensation by reason of the provisions of this Article 13.A.

When a planned Low Budget theatrical motion picture is produced as a High Budget theatrical motion picture for reasons other than *force majeure* (including but not limited to disability, illness or inclement weather) or labor cost escalations undetermined at commencement of production, the Company shall pay any necessary increase in the applicable minimum deal compensation within thirty (30) days after Company knows that the cost of the motion picture has increased or will increase past the High Budget break figure, and in any event within thirty (30) days after delivery of the answer print of said motion picture.

12. Inapplicability of Provisions

The provisions of this Article 13.A. shall not apply to writers employed at compensation in excess of the applicable minimum specified in this Article except as hereinafter provided. However, even though the total compensation shall exceed such minimums, the amount payable for the writing of the story, treatment, original treatment, first draft screenplay, final screenplay, screenplay or rewrite shall be not less than the minimum for such individual work as above designated. The provisions of subparagraphs 4., 5. and 6. of this Article 13.A. shall be applicable to writers employed at compensation not exceeding twice the applicable minimum compensation, except that the three (3) day waiting period in subparagraph 6. shall be two (2) weeks for the above-scale writer covered by this sentence. The provisions of subparagraph 8., subparagraph 14. and the last two paragraphs of subparagraph 15. of this Article 13.A. are applicable to all employment agreements regardless of compensation.

The provisions of this Article 13.A. shall not apply to any short or short subject, except that the Company agrees that any such agreement made by the Company with any writer employed on a similar basis with respect to a short or short subject shall guarantee such writer an aggregate compensation for services rendered in the writing and preparation of such material which shall be not less than a sum equal to the minimum weekly compensation to which such writer would be entitled if employed on a weekly compensation basis, as provided in subparagraph 15. hereof, multiplied by the number of weeks (plus any fraction of a week) during which the writer actually and continuously performed such services, it being understood that the Company may terminate the employment of such writer at the time the writer

becomes entitled to additional compensation by reason of the provisions of this paragraph or at any time thereafter.

13. Purchases

- a. The applicable minimums for purchases or licenses subject to this Agreement from a professional writer shall be the flat deal minimum for the appropriate budget as determined by the Company in good faith; provided, however, that if a motion picture is produced based upon the story, treatment or screenplay, as the case may be, and if such motion picture is a High Budget photoplay, and if the purchase price or license fee paid for the acquisition or license was less than the applicable minimum for the respective type of work (story, treatment or screenplay, as the case may be) for such class of motion picture, *i.e.*, High Budget, pursuant to Article 13.A.1., an additional payment shall be made to the professional writer in an amount such that such writer shall have received in the aggregate an amount equal to such higher applicable minimum.
- b. [Deleted.]

14. Payment of Compensation Under Deal Contract

Company will use its best efforts to pay writers employed to write on a deal basis not less than the applicable minimum within forty-eight (48) hours after the delivery of a completed story, treatment or original treatment, first draft screenplay or final draft screenplay, as the case may be, but in no event shall any such payment be made later than seven (7) days after delivery of such material. Payment shall not be contingent upon the acceptance or approval by the Company of the material so delivered. Company shall include in writer's deal memorandum or personal service contract:

- a. the place where and the name(s) or function of the person(s) to whom delivery of such material is to be made, and
- b. the name(s) of the person(s) authorized to request rewrites of said material.

The person(s) identified pursuant to subparagraphs a. and b. above shall be at a level no higher than the President of Production (*i.e.*, the individual who heads theatrical creative development).

Company shall give writer written notice of any change in the name(s) of the person(s) to whom delivery is to be made and/or the name(s) of the person(s) authorized to request rewrites.

Company will pay interest of one and one-half percent (1.5%) per month when any initial compensation payment is due and not paid as provided. If the Company has failed to make such payment because the executed contract was not delivered by the writer to the Company, then no such interest is due. If the contract is not so delivered by the writer because of a dispute as to the terms of the contract and the Company shall be held to be wrong, the above-described interest payment shall be applicable.

15. Minimum Weekly Compensation

Every writer employed on a week-to-week or term basis shall receive a salary at the rate of not less than the amount per week specified below for the respective period designated:

Term Contracts	At the Rate of Per Week		
	5/02/11-5/01/12	5/02/12-5/01/13 ⁵	5/02/13-5/01/14 ⁵
40 out of 52 weeks	\$4,101	\$4,173	\$4,246
20 out of 26 weeks	4,458	4,536	4,615
14 out of 14 weeks	4,827	4,911	4,997
Week-to-Week	5,200	5,291	5,384

Every week-to-week or term contract shall specify the exact compensation for each full week of services rendered or to be rendered thereunder.

If any writer under a week-to-week or term contract shall render services after the expiration of the guaranteed period of employment, then, for purposes only of prorating days worked in a partial workweek (*i.e.*, less than six (6) days), at the end of such employment, the writer shall receive one-fifth (1/5) of the weekly rate for each day worked during such partial workweek, after the expiration of the guaranteed period.

Company may employ a writer who has not been previously employed as a writer under any Guild MBA in television or theatrical motion pictures or radio dramatic or comedic programs on a week-to-week or term basis for a period not to exceed fourteen (14) consecutive weeks at seventy-five percent (75%) of the minimum weekly compensation as provided in this subparagraph 15.

⁵See footnote 2 on page 69.

16. Theatrical Motion Picture Released on Free Television

If a theatrical motion picture is released on free television before it has had a *bona fide* theatrical release (determined as provided in Article 15.A.3.j. of this Basic Agreement), the compensation of the writer or writers who have received screen authorship credit for such motion picture shall be adjusted so that it shall be no less than the appropriate television minimum compensation or the appropriate theatrical minimum compensation, whichever is higher.

17. Remakes

The Company's right to remake a theatrical film shall be subject to the following:

- a. If a credited writer's material is used for a remake and no writer is employed to rewrite, adapt or revise such material for the remake, the Company will pay such writer(s) the applicable minimum compensation for the intended medium of the remake (but this provision shall not be construed as affecting the rule that a *bona fide* team shall be considered a unit). In addition, the writer will be entitled to receive payment in accordance with Article 15.A. with respect to a theatrical remake licensed to free television, Article 15.B. with respect to reruns or foreign telecast of a television remake, and Article 51 with respect to a theatrical or free television remake released in Supplemental Markets.
 - b. If a writer is employed to rewrite, adapt or revise such literary material for the remake, then the credited writer(s) of the original material shall also be participant(s) in the credit determination and if accorded credit shall accordingly be entitled to the portion of applicable minimum compensation for the intended medium of the remake equal to the proportion of credit awarded pursuant to subparagraph c.(1) below (but this provision shall not be construed as affecting the rule that a *bona fide* team shall be considered a unit). In addition, the writer will be entitled to share in any additional compensation in accordance with Article 15.A. with respect to a theatrical remake licensed to free television, Article 15.B. with respect to reruns or foreign telecast of a television remake, and Article 51 with respect to a theatrical or free television remake released in Supplemental Markets. The writer's portion of such additional compensation shall be equal to the portion of credit awarded pursuant to subparagraph c.(1) below.
 - c. With respect to a television remake of a theatrical film, the phrase "applicable minimum compensation" in subparagraphs a. and b. of this subparagraph 17. means the applicable rate provided for in Article 13.B.7.a., b. or e. of this Agreement.
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In a credit arbitration concerning such remake, the arbiters shall determine the following issues:

- (1) the contribution made by the writer(s) of the original material expressed as a percentage of the whole, and
- (2) the form of credit to be accorded such writer(s), which credit may include a credit in the nature of a source material credit, such as "Based on a Screenplay by ..."

The foregoing provisions shall apply to material written during the term of this Agreement upon which a remake is based.

18. Script Annotations

If the Company is to require one or more script annotations, it shall so inform the writer at the time of the negotiation of the writing assignment, or option or acquisition of literary material, unless from the nature of the project the Company's need for the annotation(s) is not reasonably known at the outset. In the latter case, the Company shall inform the writer that an annotation is needed when the Company knows, or reasonably should have known, of it.

If the Company uses written guidelines or standards describing the type of information to be included in an annotation for a fact-based project or a project inspired by fact, such guidelines or standards shall be furnished to the writer when the Company first informs the writer that an annotation is needed.

B. TELEVISION

1. Minimum Basic Compensation

a. Options

When the Company options to purchase or license from a professional writer literary material, which would be covered under this Basic Agreement, Company shall pay five percent (5%) of the applicable minimum compensation for such literary material for the first period of up to one hundred eighty (180) days, and an additional ten percent (10%) of the applicable minimum compensation for each subsequent period of up to one hundred eighty (180) days.

Notwithstanding anything in this Basic Agreement to the contrary, the option payment(s) shall be credited against the purchase price or other compensation payable to the writer.

The foregoing paragraphs shall not apply to arrangements under which the consideration for the agreement is the Company's good faith effort to effectuate network or other buyer/licensee interest or otherwise obtain a development commitment for the material.

b. Other Compensation Minimums

Company agrees that the minimum basic compensation to be paid for writing services covered by this Basic Agreement shall be as herein set forth during the periods indicated below. The periods are herein designated:

	From	Through
"1 st Period"	May 2, 2011	- May 1, 2012
"2 nd Period"	May 2, 2012	- May 1, 2013
"3 rd Period"	May 2, 2013	- May 1, 2014

The applicable minimum shall be the minimum for each writer, except when a *bona fide* team of no more than two (2) writers offers, prior to employment on the script in question, to collaborate, in which event such writers shall be considered a unit, which unit shall receive in the aggregate not less than the applicable minimum compensation.

In addition, if a *bona fide* team of no more than three (3) writers offers, prior to employment on the script in question, to collaborate, the team as a unit shall receive in the aggregate not less than two hundred percent (200%) of the applicable minimum compensation, of which each individual writer shall be paid not less than one-third (a) of said aggregate compensation. If all three (3) writers are also employed pursuant to Article 14 of this Basic Agreement, the two hundred percent (200%) of minimum compensation may be reduced to not less than one hundred fifty percent (150%).

With respect to the provisions for increased rates during specified periods, the intent is that, as to freelance employment, the rates applicable when the employment is entered into shall apply, except that when an employment is entered into during one period, but is not to start until a subsequent period, the rate applicable during the subsequent period applies.

2. "High Budget" Films

For the purpose of this schedule, "High Budget" television motion pictures are those for which the negative costs equal or exceed the following amounts:

15 minutes or less	\$150,000
30 minutes or less (but more than 15 minutes)	215,000
60 minutes or less (but more than 30 minutes)	300,000
75 minutes or less (but more than 60 minutes)	400,000
90 minutes or less (but more than 75 minutes)	500,000
120 minutes or less (but more than 90 minutes)	900,000
For each additional 30 minutes or less, an additional	300,000

However, in the case of non-prime time network films, "High Budget" films shall be films the negative costs of which equal or exceed the following amounts:

15 minutes or less	\$60,000
30 minutes or less (but more than 15 minutes)	100,000
60 minutes or less (but more than 30 minutes)	200,000
75 minutes or less (but more than 60 minutes)	260,000
90 minutes or less (but more than 75 minutes)	340,000
120 minutes or less (but more than 90 minutes)	450,000
For each additional 30 minutes or less, an additional	125,000

3. "Low Budget" Films

For the purpose of this schedule, "Low Budget" television motion pictures are those for which the negative cost is less than the amounts indicated above.

4. "Negative Cost"

- a. "Negative cost," for the purposes of this Article 13.B., shall be deemed to include all actual costs and expenses of production, including overhead and, except to the extent hereinafter provided, excluding deferments. If no overhead has been charged, an amount equal to twenty percent (20%) of all direct charges shall be added to represent an overhead charge.
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- b. It is agreed that if the Company rents studio facilities and the customary rental includes a charge for overhead, the provisions of the preceding quoted sentence shall be waived, but the Guild shall have the right at all times to have a determination by arbitration as to whether said customary rental charge has in fact included a charge for overhead.
- c. If more than fifty percent (50%) of the cost of any item is deferred, the negative cost of the film shall be revised to include a charge of not less than fifty percent (50%) of the total cost of such item including the amount deferred.
- d. If the compensation of any actor, writer, director or producer shall include a participation in the receipts of a film and the initial salary paid such employee shall be less than one hundred percent (100%) of his/her established television salary, or fifty percent (50%) of his/her established theatrical motion picture salary (if he/she has not established his/her television salary), the negative cost shall be revised to include an amount equal to such established television salary or fifty percent (50%) of such established theatrical motion picture salary, as the case may be. The "established theatrical motion picture salary" for the purposes hereof shall be computed by dividing the total compensation earned by the employee in theatrical motion pictures during the year immediately preceding the assignment in question by the total weeks and fractions thereof worked for such compensation.
- e. Any dispute relating to the determination of the negative cost of a film shall be resolved by a Price Waterhouse audit, the costs of which are to be borne equally by the Company and the Guild.
- f. If a Low Budget minimum shall be paid to a writer prior to the production of a film whose negative cost shall in fact require the payment of a High Budget minimum, the writer shall be paid the difference not later than thirty (30) days after the completion of production of the film.

5. Story Claim By Production Executive

If Company shall claim that a writer has been assigned to write a teleplay based upon a story composed or created by a production executive, the story and teleplay shall be subject to an automatic arbitration pursuant to the provisions of Television Schedule A hereof, and if the arbitrators shall accord both the story and teleplay credit to the writer, then the combined story and teleplay minimum above provided for shall apply to the material so written, provided that Company may appeal any such credit determination to arbitration pursuant to Articles 10, 11 and 12 hereof.

6. Step Outline

The writer may not be compelled to prepare a step outline of the teleplay. For such purpose, the term "step outline" shall mean a development of the story in the form of a condensed scene-by-scene progression indicating action and the substance of essential story dialogue, but without dialogue.

7. Schedule of Minimum Compensation

- a. **Story** (For all television films except (1) network prime time programs of the types covered by subparagraph d. below and (2) serials which are covered by subparagraph e.(1) or e.(3) below)

HIGH BUDGET

Program Length in Minutes	5/02/11-5/01/12	5/02/12-5/01/13 ⁶	5/02/13-5/01/14 ⁶
15 or less	\$ 2,868	\$ 2,918	\$ 2,969
30 or less (but more than 15)	5,247	5,339	5,432
60 or less (but more than 30)	9,534	9,701	9,871
75 or less (but more than 60)	13,574	13,812	14,054
90 or less (but more than 75)	14,329	14,580	14,835
120 or less (but more than 90)	18,777	19,106	19,440

LOW BUDGET

Program Length in Minutes	5/02/11-5/01/12	5/02/12-5/01/13 ⁷	5/02/13-5/01/14 ⁷
15 or less	\$ 2,441	\$ 2,484	\$ 2,527
30 or less (but more than 15)	4,060	4,131	4,203
60 or less (but more than 30)	7,674	7,808	7,945
75 or less (but more than 60)	10,927	11,118	11,313
90 or less (but more than 75)	11,700	11,905	12,113
120 or less (but more than 90)	15,454	15,724	15,999

⁶See footnote 2 on page 69.

⁷See footnote 2 on page 69.

- b. **Teleplay** (For all television films except (1) network prime time programs of the types covered by subparagraph d. below and (2) serials which are covered by subparagraph e.(1) or e.(3) below)

HIGH BUDGET

Program Length in Minutes	5/02/11-5/01/12	5/02/12-5/01/13⁸	5/02/13-5/01/14⁸
15 or less	\$ 5,247	\$ 5,339	\$ 5,432
30 or less (but more than 15)	8,520	8,669	8,821
60 or less (but more than 30)	16,513	16,802	17,096
75 or less (but more than 60)	24,031	24,452	24,880
90 or less (but more than 75)	25,399	25,843	26,295
120 or less (but more than 90)	33,689	34,279	34,879

LOW BUDGET

Program Length in Minutes	5/02/11-5/01/12	5/02/12-5/01/13⁹	5/02/13-5/01/14⁹
15 or less	\$ 3,821	\$ 3,888	\$ 3,956
30 or less (but more than 15)	6,567	6,682	6,799
60 or less (but more than 30)	12,524	12,743	12,966
75 or less (but more than 60)	18,071	18,387	18,709
90 or less (but more than 75)	19,175	19,511	19,852
120 or less (but more than 90)	25,373	25,817	26,269

⁸See footnote 2 on page 69.

⁹See footnote 2 on page 69.

- c. **Story and Teleplay** when the same writer prepares both ("bargain rates") (For all television films except (1) network prime time programs of the types covered by subparagraph d. below and (2) serials which are covered by subparagraph e.(1) or e.(3) below)

HIGH BUDGET

Program Length in Minutes	5/02/11-5/01/12	5/02/12-5/01/13¹⁰	5/02/13-5/01/14¹⁰
15 or less	\$ 7,159	\$ 7,284	\$ 7,411
30 or less (but more than 15)	13,114	13,343	13,577
60 or less (but more than 30)	23,837	24,254	24,678
75 or less (but more than 60)	33,973	34,568	35,173
90 or less (but more than 75)	35,824	36,451	37,089
120 or less (but more than 90)	46,946	47,768	48,604

LOW BUDGET

Program Length in Minutes	5/02/11-5/01/12	5/02/12-5/01/13¹¹	5/02/13-5/01/14¹¹
15 or less	\$ 6,081	\$ 6,187	\$ 6,295
30 or less (but more than 15)	10,135	10,312	10,492
60 or less (but more than 30)	19,194	19,530	19,872
75 or less (but more than 60)	27,805	28,292	28,787
90 or less (but more than 75)	29,252	29,764	30,285
120 or less (but more than 90)	38,641	39,317	40,005

¹⁰See footnote 2 on page 69.

¹¹See footnote 2 on page 69.

For programs in excess of one hundred twenty (120) minutes, compensation is based on the one hundred twenty (120) minute or less minimum (shown above) plus, for each additional thirty (30) minutes or less, the following additional payments:

High Budget	5/02/11-5/01/12	5/02/12-5/01/13¹²	5/02/13-5/01/14¹²
Story	\$ 4,447	\$ 4,525	\$ 4,604
Teleplay	8,290	8,435	8,583
Story and Teleplay	11,120	11,315	11,513

Low Budget	5/02/11-5/01/12	5/02/12-5/01/13¹³	5/02/13-5/01/14¹³
Story	\$3,750	\$3,816	\$3,883
Teleplay	6,180	6,288	6,398
Story and Teleplay	9,394	9,558	9,725

The minimums set forth in the above schedules constitute the writer's minimum compensation for the purposes of Article 15.B.

The category of minimums provided for in subparagraph c. of this paragraph 7. (the so-called "bargain rate") is applicable only when the employment is for story and teleplay, not when the employment is for story with option for teleplay.

cc. Story with Options

If Company engages a writer to write a story with an option to have the writer write a teleplay, the Company must exercise such option, if at all, within fourteen (14) days after delivery of the final story.

d. Network Prime Time

(For all network prime time episodic series, one-time shows, unit series shows, once-per-week network prime time serials, and anthology programs. This subparagraph d. is not applicable to programs covered by Appendix A and other non-dramatic programs (e.g., *Wild Kingdom* and travelogues).

¹²See footnote 2 on page 69.

¹³See footnote 2 on page 69.

The rates set forth in this subparagraph d. are not to be utilized for the purposes of Article 15.B. of this Agreement.)

(1) Story

Program Length in Minutes	5/02/11-5/01/12	5/02/12-5/01/13¹⁴	5/02/13-5/01/14¹⁴
15 or less	\$ 4,248	\$ 4,322	\$ 4,398
30 or less (but more than 15)	7,787	7,923	8,062
45 or less (but more than 30)	10,746	10,934	11,125
60 or less (but more than 45)	13,708	13,948	14,192
90 or less (but more than 60)	18,315	18,636	18,962
For Serials and Episodic Programs 120 or less (but more than 90)	24,457	24,885	25,320
For other than Serials and Episodic Programs 120 or less (but more than 90)	26,690	27,157	27,632

(2) Teleplay

Program Length in Minutes	5/02/11-5/01/12	5/02/12-5/01/13¹⁵	5/02/13-5/01/14¹⁵
15 or less	\$10,317	\$10,498	\$10,682
30 or less (but more than 15)	16,752	17,045	17,343
45 or less (but more than 30)	17,719	18,029	18,345
60 or less (but more than 45)	22,601	22,997	23,399
90 or less (but more than 60)	32,566	33,136	33,716
For Serials and Episodic Programs 120 or less (but more than 90)	41,783	42,514	43,258
For other than Serials and Episodic Programs 120 or less (but more than 90)	45,595	46,393	47,205

¹⁴See footnote 2 on page 69.

¹⁵See footnote 2 on page 69.

(3) Story and Teleplay when the same writer prepares both ("bargain rates")

Program Length in Minutes	5/02/11-5/01/12	5/02/12-5/01/13¹⁶	5/02/13-5/01/14¹⁶
15 or less	\$12,763	\$12,986	\$13,213
30 or less (but more than 15)	23,358	23,767	24,183
45 or less (but more than 30)	26,930	27,401	27,881
60 or less (but more than 45)	34,355	34,956	35,568
90 or less (but more than 60)	48,336	49,182	50,043
For Serials and Episodic Programs 120 or less (but more than 90)	63,598	64,711	65,843
For other than Serials and Episodic Programs 120 or less (but more than 90)	69,513	70,729	71,967
For programs in excess of one hundred twenty (120) minutes, compensation is based on the one hundred twenty (120) minute or less minimum (shown herein) plus, for each additional thirty (30) minutes or less, the following additional payments:			
Story	\$ 4,102	\$ 4,174	\$ 4,247
Teleplay	7,651	7,785	7,921
Story and Teleplay	10,266	10,446	10,629

dd. Segment Rate

Writers who are employed to write segments for use on programs meeting the requirements of this section may, at the option of the Company, be paid in accordance with this section rather than in accordance with the otherwise applicable provisions of this Agreement. In order to utilize this section, the Company (1) must apply this section to all writers employed on the program or, in the case of a program series, the individual episode; and (2) must inform such writers no later than the time of assignment to the program that this section is being utilized. As to any single dramatic program or any program of a dramatic television series thirty (30) minutes or more in length which consists of self-contained segments of various lengths (whether

¹⁶See footnote 2 on page 69.

or not such segments are intercut within each program), the aggregate minimum compensation shall be one hundred seventy-five percent (175%) of the applicable minimum compensation for story and teleplay set forth in subparagraphs c. and d. Writers employed to write segments for use in such programs shall be compensated at the following rates:

Total Length of Program	Length of Segment	Segment Compensation as Percentage of Aggregate Minimum Compensation
30 min. or less	3 min. or less	10%
	5 min. or less (over 3)	15%
	10 min. or less (over 5)	30%
	15 min. or less (over 10)	40%
60 min. or less (but more than 30 min.)	8 min. or less	16b%
	15 min. or less (over 8)	20%
	20 min. or less (over 15)	25%
	30 min. or less (over 20)	40%
90 min. or less (but more than 60 min.)	8 min. or less	10%
	15 min. or less (over 8)	12½%
	20 min. or less (over 15)	16b%
	30 min. or less (over 20)	27½%
	60 min. or less (over 30)	40%
120 min. or less (but more than 90 min.)	8 min. or less	8a%
	15 min. or less (over 8)	10%
	20 min. or less (over 15)	12½%
	30 min. or less (over 20)	20%
	60 min. or less (over 30)	30%

Should the total minimum compensation payable to the writers of the segments pursuant to the schedule immediately above be less than the aggregate minimum compensation specified above, the difference shall be distributed among the segment writers in proportion to the segment compensation set forth above. In said distribution, the Company may credit to an individual writer any overscale payment paid to such writer.

With respect to such programs, the following provisions will be incorporated into appropriate sections of the MBA:

- (1) The applicable minimums for rewrites shall be twenty-five percent (25%) of the segment minimum as determined in accordance with the above formula.

- (2) Separation of rights shall apply to each segment, excluding only those elements (continuing characters, etc.) which are part of the continuing series format.
- (3) Any story for which no teleplay is written during the same production season will revert to the writer.
- (4) The minimum compensation as computed above for each writer shall be the basis for calculation of all rerun, foreign telecast and theatrical exhibition payments required under the Basic Agreement.
- (5) Writing credits are to be given for each individual segment, identified by segment title, with a single card devoted to each segment.

e. Serials

- (1) Employment and purchase of literary material for serials produced for broadcast three (3), four (4), five (5), six (6) or seven (7) times per week other than prime time is treated in Appendix A. (See Appendix A, Article 13.)
 - (2) The minimum compensation for stories and/or teleplays, rewrites and polishes for episodes of a once-a-week network prime time serial shall be the corresponding minimums or stories and/or teleplays, rewrites and polishes for episodes of network prime time episodic series.
 - (3) As to serials other than those described in subparagraphs e.(1) and (2) above, there is to be no differentiation between stories and teleplays for compensation purposes and minimum compensation for writing such material for such serials shall be as follows:
-

Program Length in Minutes	5/02/11-5/01/12	5/02/12-5/01/13¹⁷	5/02/13-5/01/14¹⁷
15 or less	\$ 4,937	\$ 5,023	\$ 5,111
30 or less (but more than 15)	8,221	8,365	8,511
60 or less (but more than 30)	15,617	15,890	16,168
90 or less (but more than 60)	22,319	22,710	23,107

For programs in excess of ninety (90) minutes, compensation is based on the ninety (90) minute or less minimum shown herein, plus, for each additional thirty (30) minutes or less, the difference between the appropriate ninety (90) minute compensation and the sixty (60) minute compensation.

f. Installment Payments

Payment of the writer's agreed upon compensation shall be made in installments as follows:

- (1) If employment is for Story and Teleplay, not less than
 - (a) Thirty percent (30%) of agreed compensation on delivery of story.
 - (b) Forty percent (40%) of agreed compensation on delivery of first draft teleplay. In no event shall the total of installments (a) and (b) be less than ninety percent (90%) of the applicable minimum compensation for story and teleplay.
 - (c) Balance of agreed compensation on delivery of final draft teleplay.
- (2) If employment is for Teleplay, not less than
 - (a) Sixty percent (60%) of agreed compensation or ninety percent (90%) of applicable minimum compensation, whichever is greater, on delivery of first draft teleplay.
 - (b) Balance of agreed compensation on delivery of final draft teleplay.

With respect to any employment under Article 13.B.7.a., b., c. or d. above relating to pilots and one-time programs ninety (90) minutes

¹⁷See footnote 2 on page 69.

or more in length, the Company will pay to the writer, not later than the next regular payday in the week following the day the Company instructs the writer to commence his/her services, a single advance amount (to be applied against the first compensation which otherwise would be due to the writer) at least equal to ten percent (10%) of the monies which otherwise would be due to the writer upon delivery of the first required material.

If the writer of a television motion picture ninety (90) minutes or longer has negotiated a salary sufficient to allow for three (3) revisions of the teleplay as follows, and the writer's contract provides for such revisions, the first draft teleplay shall be delivered to the producer (or other executive) designated in the writer's deal memorandum or contract and such producer shall be authorized to give notes to the writer and the writer shall utilize such notes in the first revision.

Payment for such writing steps would be as follows:

- (1) commencement (10% of agreed compensation);
- (2) delivery of story (20% of agreed compensation);
- (3) delivery of first draft teleplay to producer (40% of agreed compensation);
- (4)¹⁸ (a) delivery of first set of revisions to producer, based on producer's notes, if any (10% of agreed compensation); or
(b) if producer has not requested a revision, delivery of first set of revisions to network or licensee (10% of agreed compensation);
- (5) delivery of second set of revisions (10% of agreed compensation); and
- (6) delivery of polish (10% of agreed compensation).

SPECIAL COMPANY AFFIRMATIVE COVENANT OF TIMELY PAYMENT IN LONG-FORM TELEVISION

The following is without derogation of any other payment obligation in this Agreement.

Given that industry practice in long-form television includes situations in which the Company (which employs the writer) receives payments, sometimes in stages, from a licensee, and that the licensee may contract with the Company for a

¹⁸See Sideletter to Article 13.B.7.f. at page 528 of this Agreement ("Letter of Understanding Between the Guild and Licensees of Television Motion Pictures (90 Minutes or Longer)").

number of drafts of a script prior to a production commitment, it is understood, and the Company hereby affirms that:

- (1) The obligation to make timely payment to the writer pursuant to this Article 13.B.7.f. and Article 13.B.9., including with respect to step (4)(a) above, or otherwise, is an obligation of the Company regardless of any funding arrangement with a licensee of the motion picture; and
- (2) Lack of receipt by Company of payment from a licensee is not, and shall not be used as, an excuse for failure to pay the writer on a timely basis.

g. Plot Outline - Narrative Synopsis of Story

Company may request writer to prepare a narrative synopsis of reasonable length (herein designated as an "outline") of a story owned by writer in order to determine its suitability for television purposes. The minimum compensation for the preparation of such outline shall be:

Program Length in Minutes	5/02/11-5/01/12	5/02/12-5/01/13¹⁹	5/02/13-5/01/14¹⁹
15 or less	\$1,435	\$1,460	\$1,486
30 or less (but more than 15)	2,391	2,433	2,476
60 or less (but more than 30)	4,530	4,609	4,690
75 or less (but more than 60)	5,907	6,010	6,115
90 or less (but more than 75)	6,694	6,811	6,930
120 or less (but more than 90)	8,827	8,981	9,138

Company shall, within fourteen (14) days from time of delivery of such outline, notify writer of its election to acquire such outline and employ writer to prepare a teleplay based thereon. If Company shall so elect, the agreed compensation paid for the outline shall be deemed an advance against the applicable minimum compensation for such story with an option for teleplay, which option shall be deemed exercised, and writer shall receive the difference, if any. If Company shall elect not to proceed, it shall return the outline to the writer not later than the end of such fourteen (14) day period and writer shall be entitled to retain the above applicable minimum for the outline and shall own all right, title and interest in the literary

¹⁹See footnote 2 on page 69.

material contained in such outline, except to the extent that the outline was prepared for an episodic series or serial-type film and program format and/or characters belonging to the Company were incorporated in the material written by the writer.

Company shall sign and deliver to writer, on the date of hiring, a slip stating it has employed the writer to prepare an outline of such material and that the conditions of such employment are upon terms not less favorable than those provided by this subparagraph g.

h. Compensation for Rewrites and Polishes

Company shall pay not less than the following minimum compensation with respect to rewrites and polishes:

(1) Rewrites

High Budget - Non-serial pictures and serials described in 13.B.7.e.(2)

Program Length in Minutes	5/02/11-5/01/12	5/02/12-5/01/13²⁰	5/02/13-5/01/14²⁰
15 or less	\$ 3,093	\$ 3,147	\$ 3,202
30 or less (but more than 15)	5,162	5,252	5,344
45 or less (but more than 30)	7,464	7,595	7,728
60 or less (but more than 45)	9,764	9,935	10,109
75 or less (but more than 60)	13,707	13,947	14,191
90 or less (but more than 75)	14,386	14,638	14,894
120 or less (but more than 90)	19,003	19,336	19,674

²⁰See footnote 2 on page 69.

Low Budget - Non-serial pictures and serials described in 13.B.7.e.(2)

Program Length in Minutes	5/02/11-5/01/12	5/02/12-5/01/13²¹	5/02/13-5/01/14²¹
15 or less	\$ 2,264	\$ 2,304	\$ 2,344
30 or less (but more than 15)	3,877	3,945	4,014
60 or less (but more than 30)	7,391	7,520	7,652
75 or less (but more than 60)	10,272	10,452	10,635
90 or less (but more than 75)	10,913	11,104	11,298
120 or less (but more than 90)	14,419	14,671	14,928

Teleplays for serials described in 13.B.7.e.(3)

Program Length in Minutes	5/02/11-5/01/12	5/02/12-5/01/13²²	5/02/13-5/01/14²²
15 or less	\$2,461	\$2,504	\$2,548
30 or less (but more than 15)	4,114	4,186	4,259
60 or less (but more than 30)	7,798	7,934	8,073

(2) Polishes

High Budget - Non-serial pictures and serials described in 13.B.7.e.(2)

Program Length in Minutes	5/02/11-5/01/12	5/02/12-5/01/13²³	5/02/13-5/01/14²³
15 or less	\$1,547	\$1,574	\$1,602
30 or less (but more than 15)	2,577	2,622	2,668
45 or less (but more than 30)	3,726	3,791	3,857
60 or less (but more than 45)	4,890	4,976	5,063

(continued)

²¹See footnote 2 on page 69.

²²See footnote 2 on page 69.

²³See footnote 2 on page 69.

(continued)

Program Length in Minutes	5/02/11-5/01/12	5/02/12-5/01/13²⁴	5/02/13-5/01/14²⁴
75 or less (but more than 60)	\$6,844	\$6,964	\$7,086
90 or less (but more than 75)	7,185	7,311	7,439
120 or less (but more than 90)	9,500	9,666	9,835

Low Budget - Non-serial pictures and serials described in 13.B.7.e.(2)

Program Length in Minutes	5/02/11-5/01/12	5/02/12-5/01/13²⁵	5/02/13-5/01/14²⁵
15 or less	\$1,126	\$1,146	\$1,166
30 or less (but more than 15)	1,933	1,967	2,001
60 or less (but more than 30)	3,690	3,755	3,821
75 or less (but more than 60)	5,133	5,223	5,314
90 or less (but more than 75)	5,461	5,557	5,654
120 or less (but more than 90)	7,213	7,339	7,467

Teleplays for serials described in 13.B.7.e.(3)

Program Length in Minutes	5/02/11-5/01/12	5/02/12-5/01/13²⁶	5/02/13-5/01/14²⁶
15 or less	\$1,237	\$1,259	\$1,281
30 or less (but more than 15)	2,068	2,104	2,141
60 or less (but more than 30)	3,908	3,976	4,046

i., j., k. and l. [deleted]

²⁴See footnote 2 on page 69.

²⁵See footnote 2 on page 69.

²⁶See footnote 2 on page 69.

m. **(1) Format**

Minimum basic compensation for a format shall be:

5/02/11-5/01/12	\$ 9,922
5/02/12-5/01/13²⁷	10,096
5/02/13-5/01/14²⁷	10,273

If a story, or stories, are included in a purchased format and the story is used, the applicable minimum for such story or stories shall apply. If such story or stories are not used, no story minimum would apply.

If a writer is employed to write a format and a story or stories are included, at the direction of Company, the applicable story minimum shall apply.

At the time of purchase or hire, Company shall submit to writer any formats in control of the Company relating to the project for which writer has been engaged. The writer shall be obligated to read, initial and date such format.

(2) Bible

Minimum basic compensation for a network prime time bible shall be:

5/02/11-5/01/12	\$50,159
5/02/12-5/01/13²⁸	51,037
5/02/13-5/01/14²⁸	51,930

plus ten percent (10%) thereof for each detailed storyline in excess of six (6) ordered by the Company in connection therewith. With respect to a non-network and/or non-prime time bible for a multi-part closed end series, the minimum basic compensation shall be twenty percent (20%) less than set forth above. The writer of the bible shall be entitled to the applicable story payment (including the additional compensation set forth in Article 13.B.7.d.(1), if applicable) for each segment or episode of the multi-part program or prime-time serial for which he/she receives story credit. Ten percent (10%) of the

²⁷See footnote 2 on page 69.

²⁸See footnote 2 on page 69.

applicable minimum for a bible may be credited against such payment for each story. Notwithstanding the foregoing, should the Company separately pay the full story and teleplay minimum to the bible writer or any other writer, the story payment (including the additional compensation set forth in Article 13.B.7.d.(1), if applicable) otherwise due to the bible writer under this subparagraph shall not be required.

(3) Rewrite or Polish of Format or Bible

Minimum basic compensation for a rewrite of a format shall be fifty percent (50%) of the applicable minimum set forth above. Minimum basic compensation for a polish of a format shall be twenty-five percent (25%) of the applicable minimum set forth above.

Minimum basic compensation for a rewrite or polish of a bible shall be:

	Rewrite	Polish
5/02/11-5/01/12	\$25,079	\$12,541
5/02/12-5/01/13²⁹	25,518	12,760
5/02/13-5/01/14²⁹	25,965	12,983

provided, however, that when the writer rewrites or polishes more than six (6) story lines in the bible, the minimum basic compensation shall be increased as follows (for rewrite or polish, as the case may be) for each such story line in excess of six (6):

	Rewrite	Polish
5/02/11-5/01/12	\$2,506	\$1,255
5/02/12-5/01/13³⁰	2,550	1,277
5/02/13-5/01/14³⁰	2,595	1,299

With respect to rewriting or polishing a non-network and/or non-prime time bible, the minimum basic

²⁹See footnote 2 on page 69.

³⁰See footnote 2 on page 69.

compensation shall be twenty percent (20%) less than set forth above.

n. **Narration**

Minimum basic compensation for a narration shall be as follows:

NARRATION

(by writer other than writer of teleplay or story and teleplay)

FILM ASSEMBLED IN STORY SEQUENCE

Nature of Material Already Written under MBA when Narration Writer Hired	Credit to Narration Writer³¹	Freelance Minimum	Residuals to Narration Writer
1. No Material	"Narration Written by"	See Rate Schedule A	Yes, based on % of applicable freelance minimum in Rate Schedule A
2. Story only	"Narration Written by" (If story credit, then on same card)	See Rate Schedule A	Yes, based on % of applicable freelance minimum in Rate Schedule A
3. Story and Teleplay	None, but if over 8 minutes of narration (aggregate), only receive "Narration by" credit (same card) Automatic arbitration	See Rate Schedule C	If "Narration by" credit, then only shared residuals, as determined in WGA credit arbitration (aggregate of no more than story & teleplay residuals)

³¹Credit not to affect rates - There is no separation of rights for narration.

NARRATION

(by writer other than writer of teleplay or story and teleplay)

FILM FOOTAGE NOT ASSEMBLED IN STORY SEQUENCE

Nature of Material Already Written under MBA when Narration Writer Hired	Credit to Narration Writer³²	Freelance Minimum	Residuals to Narration Writer
1. No Material	"Written by"	See Rate Schedule B	Yes, based on % of applicable freelance minimum in Rate Schedule B
2. Story only	"Narration Written by" (If story credit, then on same card)	See Rate Schedule A	Yes, based on % of applicable freelance minimum in Rate Schedule A
3. Story and Teleplay	None, but if over 8 minutes of narration (aggregate), only receive "Narration by" credit (same card) Automatic arbitration	See Rate Schedule C	If "Narration by" credit, then only shared residuals, as determined in WGA credit arbitration

NOTE: Excluded from these provisions is material described in Article 13.B.7.p.

Two writers collaborating equal one unit, to receive in the aggregate not less than applicable minimum.

Narration writer may be hired on a week-to-week basis, subject to Article 13.B.7.s.

³²Credit not to affect rates - There is no separation of rights for narration.

The following rates are for High Budget:³³

RATE SCHEDULE A

Program Length in Minutes*	5/02/11-5/01/12	5/02/12-5/01/13³⁴	5/02/13-5/01/14³⁴
15 or less	\$ 6,203	\$ 6,312	\$ 6,422
30 or less (but more than 15)	10,310	10,490	10,674
60 or less (but more than 30)	19,552	19,894	20,242
75 or less (but more than 60)	27,409	27,889	28,377
90 or less (but more than 75)	28,804	29,308	29,821
120 or less (but more than 90)	38,044	38,710	39,387
plus, for each additional ½ hour or fraction thereof	9,242	9,404	9,569

RATE SCHEDULE B

Program Length in Minutes*	5/02/11-5/01/12	5/02/12-5/01/13³⁵	5/02/13-5/01/14³⁵
15 or less	\$ 7,159	\$ 7,284	\$ 7,411
30 or less (but more than 15)	13,103	13,332	13,565
60 or less (but more than 30)	23,837	24,254	24,678
75 or less (but more than 60)	32,778	33,352	33,936
90 or less (but more than 75)	34,560	35,165	35,780
120 or less (but more than 90)	45,278	46,070	46,876
plus, for each additional ½ hour or fraction thereof	10,741	10,929	11,120

* Running time is in terms of soundtrack.

³³If Low Budget, then applicable rates are equal to corresponding rates for Low Budget teleplay (under "A" above) and Low Budget story and teleplay (under "B" above).

³⁴See footnote 2 on page 69.

³⁵See footnote 2 on page 69.

RATE SCHEDULE C

Aggregate sound track running time in minutes of narration written by writer hired pursuant to this chart	5/02/11-5/01/12	5/02/12-5/01/13 ³⁶	5/02/13-5/01/14 ³⁶
2 minutes or less of narration	\$ 995	\$1,012	\$1,030
Over 2 minutes through 5 minutes of narration	3,478	3,539	3,601
Over 5 minutes of narration	Teleplay rewrite minimum for applicable program length		

o. Remakes

The Company's right to remake a television motion picture shall be subject to the following.^{37 38}

- (1) If the credited writer's material is used for the remake and no writer is employed to rewrite, adapt or revise such material for the remake, the Company will pay such writer a sum equal to the applicable minimum compensation for the intended medium of the remake appropriate to the writer's initial employment to write such material. Said minimum compensation shall not be diminished by virtue of any sharing of credit by said writer for the remake (but this provision shall not be construed as affecting the rule that a *bona fide* team shall be considered a unit as provided in subparagraph B.1. of this Article). In addition, the writer will be entitled to receive payments in accordance with Article 15.A. with respect to a theatrical remake licensed to free television, Article 15.B. with respect to reruns or foreign telecast of a television remake, and Article 51 with respect to a theatrical or free television remake released in Supplemental Markets.

³⁶See footnote 2 on page 69.

³⁷But as to any series in production prior to March 6, 1973, this paragraph B.7.o. shall remain as in the 1970 WGA Agreement and as to any series in production prior to March 2, 1977, which was not in production prior to March 6, 1973, this paragraph B.7.o. shall remain as in the 1977 WGA Agreement.

³⁸See Sideletter to Article 13.B.7.o. on page 530.

- (2) If a writer is employed to rewrite, adapt or revise such literary material for the remake, then the credited writer of the original material also shall be a participant in the credit determination and if accorded credit shall be paid the applicable minimum compensation for the intended medium of the remake appropriate to such credit. In the event of a television remake, the writer of the original material, if accorded credit, will be entitled to share, in accordance with such credit, in any additional compensation for television reruns or theatrical exhibition which may become due. Said minimum compensation shall not be diminished by virtue of any sharing of credit by said writer for the remake, (but this provision shall not be construed as affecting the rule that a *bona fide* team shall be considered a unit as provided in subparagraph B.1. of this Article). In addition, such writer of the original material will be entitled to share in any additional compensation in accordance with Article 15.A. with respect to a theatrical remake licensed to free television, Article 15.B. with respect to foreign telecast of a television remake, and Article 51 with respect to a theatrical or free television remake released in Supplemental Markets. The portion of additional compensation referred to in this subparagraph (2) which is payable to the original writer shall be equal to the portion of credit awarded pursuant to subparagraph (a) below.
- (3) With respect to a television remake, the "applicable minimum compensation" in subparagraphs (1) and (2) of this paragraph o. means the applicable rates provided for in Article 13.B.7.a., b. or e. of this Agreement.

In a credit arbitration concerning such remake, the arbitrators shall determine the following issues:

- (a) the contribution made by the writer(s) of the original material expressed as a percentage of the whole; and
- (b) the form of credit to be accorded such writer(s), which credit may include a credit in the nature of a source material credit, such as "Based on a Teleplay by ..."

p. **Non-Commercial Openings and Closings**

When a writer other than the writer of the teleplay for a television film writes literary material for self-contained units of entertainment which are used as opening, closing and/or bridging material in such film, the total minimum compensation for all such self-contained units in such film will be:

Aggregate Running Time of Material	5/02/11-5/01/12	5/02/12-5/01/13³⁹	5/02/13-5/01/14³⁹
3 minutes or less	\$2,577	\$2,622	\$2,668
More than 3 minutes	3,618	3,681	3,745

It is further expressly understood that the foregoing rates are not intended to apply to customary or routine introductions, bridges or conclusions. An example of the material intended to be covered is the material delivered by Alfred Hitchcock on the series "*Alfred Hitchcock Presents*." In addition, if such units are rerun, as the term "rerun" is used in Article 15.B.1.b., Company shall pay the writer additional payments expressed in percentages of said total minimum compensation at the rates specified in said Article 15.B.1.b. It is expressly understood that, except as specifically provided herein, this paragraph is not intended to extend the coverage of this Basic Agreement to, nor provide payment for, any matter in any television film not elsewhere covered by this Basic Agreement.

q. **Total Writing Cost**

Company shall not produce a television film based upon material subject to this Basic Agreement the total purchase and writing cost for which shall be less than the applicable minimum compensation for narration, a story and teleplay, or teleplay, as the case may be.

r. **Pilot Scripts, Back-up Scripts and Spin-offs**

(1) Pilot Script

A writer employed to write a pilot story or a pilot story and teleplay shall receive for said pilot story or pilot story and teleplay an amount equal to one hundred fifty percent (150%) of the applicable minimum initial basic compensation (including the rates set forth in Article 13.B.7.d., where applicable) set forth in this Article 13.B. for a pilot story or pilot story and teleplay, but this provision shall not be construed to increase said writer's rights or minimum compensation for any other purpose under this Basic Agreement, such as, but not limited to, reruns and theatrical uses.

³⁹See footnote 2 on page 69.

If a writer was paid less than the amount set forth herein by reason of the fact that Company did not intend that the material would be used in a pilot at the time the writer was engaged or material acquired by the Company, but the Company nevertheless actually exploits the television series sequel rights to such material without making a pilot, then such writer shall be paid the amount by which the applicable pilot fee set forth above exceeds the compensation originally paid to the writer for such material.

(2) Back-up Script

A writer employed to write a back-up script shall receive for said story and/or teleplay an amount equal to one hundred fifteen percent (115%) of the applicable minimum initial basic compensation (including the rates set forth in Article 13.B.7.d., if applicable) set forth in this Article 13.B. for a story and/or teleplay, but this provision shall not be construed to increase said writer's minimum compensation for any other purpose under this Basic Agreement, such as, but not limited to, reruns and theatrical uses.

(3) Spin-off

When the Company knows prior to engaging a writer to write a story or story and teleplay for an episode of a series that such episode is intended to be used as a spin-off, the Company shall also advise the writer at the time of the initial interview. If Company does not have such knowledge but thereafter broadcasts one or more programs in a new television series based upon such episode, then, if the initial compensation paid such writer for such episode was less than one hundred fifty percent (150%) of the WGA minimum initial basic compensation therefor, Company shall pay writer the difference between such one hundred fifty percent (150%) and writer's initial compensation, but this provision shall not be construed to increase the writer's minimum basic compensation for any other purposes under this Basic Agreement, such as, but not limited to, reruns and theatrical use. Such payment need not be made when the new television series is based primarily on either a public domain format or public domain character or characters used in the spin-off episode.

s. **Week-to-Week and Term Employment**

- (1) Company agrees that except as hereinafter provided, all employment of writers shall be only on a freelance (non-exclusive) basis, and such employment shall be upon terms
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and conditions which conform in principle to, and shall not be less favorable than, the terms and provisions hereof.

- (2) The Company may employ writers on a term contract basis as follows:

Overall Term	Guaranteed Weeks of Employment	Compensation Per Week		
		5/02/11-5/01/12	5/02/12-5/01/13 ⁴⁰	5/02/13-5/01/14 ⁴⁰
(a) 52	40	\$3,268	\$3,325	\$3,383
(b) 26	20	3,576	3,639	3,703
(c) 14	14	3,877	3,945	4,014
(d) 6	6	4,171	4,244	4,318

- (e) In no event shall a writer employed on a term basis receive less than the total applicable minimum compensation, as set forth in this Basic Agreement, to which he/she would have been entitled had he/she been employed on a freelance basis. At the end of each guaranteed period of employment on a term basis, Company shall compute the aggregate minimum compensation to which the writer would have been entitled under this Basic Agreement had he/she been employed on a freelance basis to write the literary material written by the writer during such period, and shall deduct therefrom the total compensation accruing to the writer during such period, and will promptly pay to the writer the excess, if any. Any dispute as to the amount of compensation payable under this subparagraph (e) may be submitted to arbitration, as herein provided. All the provisions of this Basic Agreement, to the extent the same are applicable, shall apply to such term employment, including but not limited to the provisions relating to additional compensation for reruns and theatrical release, and the separation of rights provisions.

⁴⁰See footnote 2 on page 69.

- (f) The suspension period provided in the so-called "*force majeure*" clause of employment agreements with writers employed on a week-to-week basis or for a definite term, who receive salary at the rate set forth in subparagraph (d) above or less a week, shall not exceed four (4) weeks; provided, however, that Company shall have the right to continue such suspension from week to week, not exceeding six (6) additional weeks, at one-half salary. If the salary of any such writer shall be at the rate of more than set forth in subparagraph (d) above per week, such suspension period shall not exceed eight (8) weeks. Nothing herein contained shall be construed to deprive the Company of its right to terminate any such employment agreement after the commencement of the suspension period.
- (g) For a partial workweek (defined as a workweek consisting of less than six (6) days work) following the guaranteed period of employment, a writer shall be paid one-fifth of his/her weekly compensation for each day employed in such partial workweek.
- Such writer shall be paid one-fifth of weekly compensation for each day worked at Company's direction in excess of five (5) times the number of weeks worked.
- (h) Such writer under a week-to-week employment may write any literary material covered hereunder; provided, however, if such literary material amounts to a rewrite or more, such writer shall be paid not less than the minimum freelance compensation for such literary material, computed as of the end of his/her employment or as of the end of each six (6) month period, whichever occurs sooner. The compensation of a week-to-week writer shall be the compensation per week as set forth in subparagraph (d) above.
- (3) Notwithstanding the foregoing, the Company may employ on a term contract basis a writer who has not been previously employed as a writer under any Guild MBA in television, theatrical motion pictures or radio dramatic or comedic programs as follows:
- (a) An overall term of fourteen (14) consecutive weeks with fourteen (14) weeks guaranteed employment at a minimum compensation equal to seventy-five percent (75%) of the rate set forth in subparagraph (2)(c) above;
or
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(b) An initial overall term of seven (7) consecutive weeks with seven (7) weeks guaranteed employment at a minimum compensation equal to sixty percent (60%) of the rate set forth in subparagraph (2)(d) above plus, pursuant to option or agreement, a second overall term of seven (7) consecutive weeks with seven (7) weeks guaranteed employment at a minimum compensation equal to eighty percent (80%) of the rate set forth in subparagraph (2)(d) above.

(4) The Company may employ a writer on a guaranteed episode basis. When such writer's initial guarantee is at least five (5) episodes, the minimums provided in Article 13.B.7.s.(2) (a) - (c) shall apply to such initial guarantee based on the number of weeks such writer actually works.

8. Reading Time and Obligations of Freelance Writer Re Revisions

a. Story

The Company shall have not more than fourteen (14) days (including Sundays and holidays) after the writer's first submission of the story within which to make one (1) request for revision of such story; provided that if, after the writer has made the requested revision of the story first submitted, the Company shall make a second request for revision, such second revision shall be incorporated in the teleplay; it being understood that the Company shall not be entitled to more than two (2) requests for revision of the story and not more than fourteen (14) days shall elapse between the first submission of the story and the commencement of the preparation of the teleplay by the writer.

Company may have a second revision of story before teleplay upon additional payment of one-half story minimum, except when second revision of the story is accomplished by execution in the teleplay. It is understood this does not permit a new story.

Story revision time and obligations shall apply to formats.

b. Teleplay

The Company shall have not more than fourteen (14) days (including Sundays and holidays) after the writer's first submission of the material in teleplay form within which to make one (1) request for revision of the material; provided that if

Company shall make such request within seven (7) days (including Sundays and holidays) after the first submission of the literary material in teleplay form, Company shall be entitled to make a second request for revision within seven (7) days (including Sundays and holidays) after submission of the teleplay as first revised. Neither revision permitted under this subparagraph b. shall involve a substantial change in the story line.

c. Teleplays Over 30 Minutes

With respect to films more than thirty (30) minutes in length, the fourteen (14) day period mentioned in subparagraph b. shall be increased to twenty-one (21) days and the first seven (7) day period mentioned in subparagraph b. shall be increased to fourteen (14) days.

d. Writer's Obligation

The writer shall be obligated to make revisions requested by the Company in compliance with the foregoing provisions.

e. Company's Best Efforts

Company agrees to use its best efforts to read the material submitted and call for any necessary revisions as soon as possible after submission.

f. Writer Entitled to Script

The Company shall promptly, at the close of production, provide the writer with two (2) copies of the revised final shooting script.

g. Revisions in Pilot

The time limits referred to in subparagraphs a., b., and c. shall be increased by seven (7) days for pilot stories and teleplays whenever the writer is paid at least double minimum compensation.

9. Time of Payment

Company will use its best efforts to pay to the writer the applicable installment payment provided in Article 13.B.7.f. within forty-eight (48) hours after delivery of the narrative synopsis, story, first draft or final draft teleplay, as the case may be, but in no event shall any such payment be made later than seven (7) days after the delivery of such narrative synopsis, story or first or final draft teleplay. Payment shall not be contingent upon the acceptance or approval by the Company of the literary material so delivered. Company shall include in writer's deal memorandum or personal service contract:

- a. the place where and the name(s) and function of the person(s) to whom delivery of such material is to be made, and
- b. the name(s) of the person(s) authorized to request rewrites of such material.

Company shall give writer written notice of any change in the name(s) of the person(s) to whom delivery is to be made and/or the name(s) of the person(s) authorized to request rewrites.

The payment for the week shall be made on the Company's regular payday in the following week for writers employed on a week-to-week or term basis.

Company will pay interest of one and one-half percent (1.5%) per month when any payment due to the writer pursuant to this Article 13.B. is due and not paid as provided herein. If the Company has failed to make such payment because the executed contract was not delivered by the writer to the Company, then no such interest is due. If the contract is not so delivered by the writer because of a dispute as to the terms of the contract and the Company shall be held to be wrong, the above-described interest payment shall be applicable.

10. Cut-Off

There shall be no right to cut-off in teleplay employment.

11. Script Annotations

If the Company is to require one or more script annotations, it shall so inform the writer at the time of the negotiation of the writing assignment, or option or acquisition of literary material, unless from the nature of the project the Company's need for the annotation(s) is not reasonably known at the outset. In the latter case, the Company shall inform the writer that an annotation is needed when the Company knows, or reasonably should have known, of it.

If the Company uses written guidelines or standards describing the type of information to be included in an annotation for a fact-based project or a project inspired by fact, such guidelines or standards shall be furnished to the writer when the Company first informs the writer that an annotation is needed.

12. Notice of Conditions Precedent

For long-form television projects, Company shall attach a cover sheet to the document memorializing the agreement reached between the Company and the writer which sets forth in summary form all

conditions precedent which must be satisfied before writing services can commence. The terms of such cover sheet shall not alter or vary the terms of the agreement reached between the Company and the writer and, in any event, the terms of the writer's agreement shall prevail.

C. CLAIMED OVERPAYMENTS (See Article 11.A.9.)

D. PAYMENT PROCEDURES (GENERAL)

Company agrees to meet from time to time at the request of the Guild with representatives of the Guild to review Company's payment procedures for the purpose of assuring timely payment of compensation as provided in this Article 13. The AMPTP shall cooperate with the Guild in obtaining compliance by the Companies with the provisions of this Basic Agreement governing time of payment. In addition, the AMPTP has issued a bulletin dated August 11, 1989 to Companies signatory to the 1988 MBA reminding them of their obligations to make payment to writers within the time periods set forth in Articles 13.A., 13.B., 15.A., 15.B. and 51 and advising them of the interest charge of one and one-half percent (1.5%) per month assessed on monies not paid timely as provided therein.