

MEMORANDUM OF AGREEMENT AS OF DECEMBER 16, 2015 BETWEEN THE ALLIANCE OF CANADIAN CINEMA, TELEVISION AND RADIO ARTISTS (“ACTRA”) AND THE CANADIAN MEDIA PRODUCTION ASSOCIATION (“CMPA”) AND L’ASSOCIATION QUEBECOISE DE LA PRODUCTION MEDIATIQUE (“APQM”) (COLLECTIVELY, THE “PARTIES”) IN CONNECTION WITH CHANGES TO THE INDEPENDENT PRODUCTION AGREEMENT (THE “IPA”)

This Memorandum of Agreement reflects the complete understanding reached between the Parties. As soon as practicable and subject to ratification as per the practices of the Parties, this Memorandum of Agreement (and any Appendices) will be reduced to formal contract language, where necessary, for inclusion into the 2016-2018 IPA.

All of the provisions of the IPA between the Parties expiring December 31, 2015 are renewed and/or modified subject to the following:

GENERAL MODIFICATIONS

G101 This Agreement will become effective on January 1, 2016, and remain in effect until December 31, 2018.

ACTRA PROPOSALS

A-1 (General Fee Increase)

General Fee Increase: 2% effective January 1, 2016; 2% effective January 1, 2017, and 2% effective January 1, 2018.

A-3 (A502 Equal Opportunity Policy)

Modify Article A502 as follows:

- (a) The Producer will not discriminate against any Performer because of age, race, sex, creed, colour, sexual orientation, **gender identity**, disability, or national origin. In accordance with this policy, the Producer will make every effort to cast Performers belonging to all groups in all types of Roles, so that the composition of Canadian society may be portrayed realistically. The Performer agrees that the Performer will not discriminate against any Producer or fellow Performer or refuse to work for any Producer or with any Performer because of age, race, sex, creed, colour, sexual orientation, **gender identity**, disability, or national origin. In light of the foregoing, the Producer is committed to inclusive casting policies that are based on ability and the requirements of a particular Role.

- (b) All Roles in a Production shall be open to all Performers regardless of age, sex, race, creed, colour, sexual orientation, **gender identity**, disability, or national origin, except those Roles that may be restricted because of specific requirements. In initiating casting sessions, Producers shall indicate, as known, those Roles that are so restricted.

A-7 (Article A2303 Choreographers and Article 2304 Vocal or Dialogue Coach)

Modify Article A2303 and Article A2304 as follows:

A2303 Choreographer When an ACTRA member is engaged as a Choreographer, the person so engaged will be compensated at not less than the ~~rate of the~~ **applicable daily or weekly Solo Dancer** ~~Principal Actor weekly~~ fee for all time spent on the engagement.

A2304 Vocal or Dialogue Coach When an ACTRA member is engaged as a Vocal or Dialogue Coach, the person so engaged will be paid at the rate of one and a half (1½) times the **applicable daily or weekly** Solo Singer fee for all time spent on the engagement.

A-9 (Article A2601 Categories)

Modify Article A2601 as follows:

A2601 Categories

The following are the stunt performance categories:

(a)-(d) Status Quo

(e) **Stunt Coordinator** A Stunt Coordinator is responsible for the creation and engineering of stunts and the engagement of Stunt Performers. The Stunt Coordinator must be a member of ACTRA and be an experienced and qualified Stunt Performer. In consultation with and subject to the approval of the Producer, the Stunt Coordinator is responsible for determining

- (i) the number and category of personnel required for the stunt,
- (ii) the amount of stunt adjustment that is required for each performance of each stunt, and
- (iii) the safety precautions that are required for each stunt.

It is the responsibility of the Producer or Production staff to communicate any scheduling changes.

(f) Status Quo

A-10 (Article A2602 Fees)

a) *Modify Article A2602 as follows:*

A2602 Fees

(a)-(e) Status Quo

(f) **Stunt Coordinator** The minimum daily fee shall be that set out in Article B101, Category (f) for an eight (8) hour day, with no residual payments or Use fees and no meal or turnaround penalties. **The minimum rest between days will be ten (10) hours.** Work in excess of eight (8) hours shall be payable in accordance with Article A12. However, Stunt Coordinators will participate in units assigned to Performers on the aggregate amount of Distributors Gross Revenue and will form a part of the rateable distribution to Performers as outlined in Article B512.

b) *Modify Article A1301 as follows:*

A1301 Rest Between Days (Turnaround)

(a) For Performers other than Stunt Coordinators, there shall be a rest period of not less than eleven (11) hours between the end of one work day and the beginning of work on the next day (i.e., from set to set). If a Performer is required by the Producer to report for work within such eleven (11) hour period, the Performer shall be paid for such hours at the rate of two hundred percent (200%) of such Performer's contracted hourly rate.

c) *Add new Article A1301 (b) as follows:*

(b) For Stunt Coordinators, there shall be a rest period of not less than ten (10) hours between the end of one work day and the beginning of work on the next day (i.e. from set to set). If a Stunt Coordinator is required by the Producer to report to work within such ten (10) hour period, the Stunt Coordinator shall be paid for such hours at the rate of two hundred percent (200%) of such Stunt Coordinator's contracted hourly rate.

A-13 (Article A2809 Audition Environment)

Modify Article A2809 as follows:

A2809 Audition Environment The Producer shall take reasonable and concrete steps to ensure that proper Audition facilities are used when auditioning Performers, including but not limited to a closed Audition space with proper lighting and adequate acoustic insulation to ensure the Performers' privacy, **as well as washrooms that are cleaned regularly.**

CMPA and AQPM to issue the following bulletin to their respective membership:

NOTICE TO CMPA and AQPM MEMBERS:

During negotiations for the renewal of the ACTRA Independent Production Agreement, the CMPA, AQPM and ACTRA discussed issues relating to the accessibility of audition facilities for performers with varying abilities.

The [CMPA/AQPM, as applicable] considers this to be an important matter and encourages all Producers to take reasonable steps to hold auditions in facilities that are accessible to performers with varying abilities.

NOTE: CMPA/AQPM agree as per Appendix 33 to meet to discuss among other issues furthering the goal that casting and production facilities be barrier free.

A-16 (Article A3601 Payment)

Modify Article A3601 as follows:

A3601 Payment All fees must be paid within ~~fifteen (15)~~ **fourteen (14)** calendar days following performance.

A-20 (Article B511 Reporting and Payment Procedure)

Modify Article B511 as follows:

B511 Reporting and Payment Procedure

- (a) The Producer shall deliver to the ACTRA PRS reports setting forth the amount of Distributor's Gross Revenues in respect of **all Uses of** the Production derived in the applicable accounting period. Each report shall be delivered to the ACTRA PRS in the same manner and with the same frequency as the Producer reports to government agencies and/or other financiers, but it shall be no less than semi-annually for the first two (2) years following the first report filed hereunder, and annually thereafter. The first report shall be due sixty (60) days following the last date of the first reporting period and the ensuing reports shall be due with the frequency provided above. The first reporting period is the period immediately following delivery of the Production to the Distributor.

The reports will be accompanied by the aggregate Use payments payable to Performers and an outline of the method of calculation of said payments.

- (b)-(e) Status Quo

A-23 (Article C401 Booking and Upgrades)

Modify Article C401 as follows:

C401 Booking and Upgrades

- (a) Status Quo
- (b) Background Performers will be provided with the time of Call and location prior to twelve (12) hours before the Call time, subject to unexpected occurrences that can be verified. **In the case of Stand-Ins, the notice shall be given twenty-four (24) hours before the Call time.**
- (c) Status Quo

A-25 (Article C501)

Modify Article C501 as follows:

C501

- (a) Subject to Article C301, the Producer is required to engage only the following number of Background Performers at the rates herein provided:

If the Producer engages

- (i) ~~twenty (20)~~ **twenty-one (21)** ACTRA members, or ~~twenty-five (25)~~ **twenty-six (26)** ACTRA members in the case of feature films with budgets over \$35 million dollars, for any Production in Toronto or Montréal, except as provided for in subparagraph (b)(i) below,
- (ii) ~~fifteen (15)~~ **sixteen (16)** ACTRA members for any purely Canadian dramatic content Production (i.e. that would qualify as 10/10) in Toronto, Montréal or Vancouver, or for purely Canadian dramatic content Production with Budgets consistent with CIPIP thresholds, ~~ten (10)~~ **eleven (11)** ACTRA members, or
- (iii) ~~ten (10)~~ **eleven (11)** ACTRA members for any Production outside of Toronto, Montréal or Vancouver

to work on a Production on the same day, the Producer may hire any additional number of persons to perform work normally performed by ACTRA members (subject to Article C304) on that day. The minimum shall exclude Stand-Ins, ~~and~~ Photo Doubles **and two (2) non-member Special Skill Background Performers.**

- (b) In respect of television Series, the Producer shall elect, prior to the commencement of each season, either of the following two options:
- (i) a Producer will not be required to comply with Article C501(a), but rather shall be required to engage only a maximum of ~~twenty (20)~~ **twenty-one (21)** ACTRA members for any Production in Toronto and to maintain the weekly rate for Stand-Ins on the understanding that Background Performers shall be compensated in accordance with practices in place under the 2002–2003 IPA, or
 - (ii) a Producer shall comply with the provisions of Article C501(a) on the understanding that the minimum fees for Background Performers shall be only the applicable daily rate, regardless of the number of Episodes, except in Toronto where, for the purposes of this C501 (b) and notwithstanding C501 (a), the maximum required number of ACTRA member Background Performers shall be ~~30~~ **thirty-one (31)**.

A-26 (Article C503)

Modify Article C503 as follows:

C503 There will be no permit fee required for additional Background Performers, and they will be paid at a rate to be negotiated between the Producer and such Background Performers. Such rate shall be not less than ~~\$11.50~~ **\$12.25** per hour for the first (1st) year of the term of this Agreement, **effective January 1, 2016**, ~~\$11.75~~ for the second (2nd) year of the term **\$12.50 per hour effective January 1, 2017**, and ~~\$12.00~~ for the third (3rd) year of the term. **\$12.75 per hour effective January 1, 2018.**

A-28 (Article D106 Doubling)

Modify Article D106 as follows:

D106 Doubling

(a)-(c) Status Quo

(d) Sound library material for a character may only be used on a Production in which the Performer who recorded the material is also contracted to perform the same character as either a Principal Actor or Actor role. Use of material from a sound library on a different Production (for which the Performer has not been contracted to perform that character) requires a payment equivalent to either the Principal Actor or Actor Category fees (depending on the amount of material used) as set out in Article D103.

A-29 (Article D109 Series Guarantees and Discounts)

Modify D109 as follows:

D109 Series Guarantees and Discounts

Where an Animation Performer is guaranteed

(a)-(c) Status Quo

(d) ~~a minimum of thirteen (13) or more Episodes in an animated Series to be produced within six (6) months for each thirteen (13) Episodes, and where the Performer's contracted obligations are met within no more than two (2) eight (8) hour sessions, the minimum fees payable may be discounted by thirty five percent (35%).~~

For the purposes of these subparagraphs (a), (b), and (c), a season shall not exceed ~~six (6)~~ **twelve (12)** months from the first recording Session to the last Session.

A-32 (Appendix 20)

Appendix 20 Dubbing Section to be subject to the General Fee Increase.

A-33 (Article A3 – Performer Definitions)

Modify Article A301 as follows:

A301 Actor means a Performer engaged to speak, sign, or mime five (5) or fewer Lines of Dialogue, or whose performance constitutes an individual characterization notwithstanding the absence of dialogue.

A-33 (Article C407 Wardrobe)

Modify C407 as follows:

C407 Wardrobe

(a) Status Quo

(b) Formal or specialty wardrobe (e.g., tuxedos, formal gowns, **culturally specific formal or ceremonial wardrobe**, clown uniforms, etc.) shall be compensated at the rate of \$35.00 per change per week.

(c)-(d) Status Quo

A-34 (Legal Addendum)

a) *Introduce a new Appendix 34 as follows:*

ACTRA and the Associations agree to strike a working committee of their respective legal counsel to review the arbitration procedures under the Independent Production Agreement (“IPA”) and to make joint recommendations for their modernization and simplification.

The parties’ counsel shall provide their joint recommendations to ACTRA and the Associations within six (6) months following the effective date of the IPA. If ACTRA and the Associations endorse such recommendations, the parties shall enter a Memorandum of Agreement containing these recommendations, which shall be ratified in accordance with their respective practices.

The parties agree that upon ratification, the recommendations set out in the Memorandum of Agreement shall become effective. Unless otherwise indicated in the Memorandum of Agreement, all provisions of the IPA shall remain in force and effect until the expiry of the IPA.

For clarity, the work of this committee shall not constitute “negotiations”, and no strike or lockout shall occur prior to the expiry of the IPA. For greater clarity, the work of the committee cannot trigger Appendix 2, nor can it prevent the usual application of Appendix 2.

b) *Modify list of arbitrators in Appendix 2 as follows:*

8.01 The Parties agree that either Party (meaning ACTRA on the one hand and the Producers’ Associations on the other) shall have the right to enforce the provisions of this Appendix by reference to arbitration, as set out in and accordance with Appendix 11. The process for arbitration is as follows:

(a) the Parties agree that Marilyn Nairn, ~~Christopher Albertyn~~ **Mary Ellen Cummings** and ~~Stephen Raymond~~ **Rick MacDowell** are deemed acceptable to the Parties.

c) **Reservation of Positions (Cyber Scanning and Social Media)**

ACTRA and the Associations reserve their respective positions on Cyber Scanning and Social Media. For clarity, ACTRA reserves its position that Cyber Scanning is included within ACTRA’s jurisdiction, and that the use of Social Media for promotional purposes is included within ACTRA’s jurisdiction. The Associations maintain that both Cyber Scanning and Social Media are outside of ACTRA’s jurisdiction for all purposes.

d) Reservation of Positions (Prepayments)

ACTRA and the Associations reserve their respective positions with respect to theatrical Use in the context of prepayments. For clarity, ACTRA maintains its position that theatrical Use is excluded in any television or other production prepayment. The Associations maintain that theatrical Use is included in any television or other production prepayment.

PRODUCERS' PROPOSALS

P-4 (Article A508 Right to Negotiate Above Minimums)

Modify Article A508 as follows:

A508 Right to Negotiate Above Minimums The Producer shall not restrict the right of the Performer to negotiate terms (including rates or fees) and conditions in excess of the minimum provisions of this Agreement. ~~Oral and/or written notices advising that the Producer is offering minimum fees only may not be issued.~~ **While the Producer may advise that a Role has been budgeted at minimum fees, such advisement, in oral or written notices, must state that Performers who work above minimum fees are welcome to audition and will be considered.**

P-5 (Article A609 Performer Residency)

Add a NEW Article A609 Performer Residency:

A609 Performer Residency

- (a) **At the time of negotiation of a Performer's contract of engagement or, in the case of a Background Performer, by his or her call time on his or her first day of engagement, the Performer shall supply to the Producer reasonable residency information sufficient to ensure that the Producer receives all federal and applicable provincial tax credits and/or grants. Such information shall be kept confidential and held in compliance with all applicable privacy legislation except to the extent necessary to obtain the production tax credits.**
- (b) **A Performer engaged in Ontario shall also, at the time of negotiation of his or her contract of engagement or, in the case of a Background Performer, by his or her call time on his or her first day of engagement, supply to the Producer proof that he or she has successfully completed the Ministry of Labour's**

Health and Safety Awareness Training for workers and/or supervisors, as applicable.

- (c) **Should the Producer inform the Performer and ACTRA that the Performer has failed to furnish appropriate residency information consistent with Section (a) above and the bulletin set forth below or has failed to furnish proof of completion of training as provided in Section (b) above, then the Performer shall have two (2) business days within which to provide the required information to the Producer. Should the Performer fail to do so within that time period, the Producer may cancel that Performer.**
- (d) **A Background Performer who fails to furnish appropriate residency information consistent with Section (a) above and the bulletin set forth below or proof of completion of training as provided in Section (b) above by his or her call time on his or her first day of engagement may be cancelled and replaced immediately.**

Bulletin

ACTRA shall issue the following bulletin to its members on an annual basis. It is understood that the documentary requirements for establishing residency may change from time to time. In that event, the parties agree to modify the bulletin accordingly and ACTRA agrees to issue the modified bulletin to its members as soon as practicable thereafter.

NOTICE TO ACTRA MEMBERS:

As you know, Producers often apply for tax credits and/or grants available to them under provincial and federal programs. ACTRA has pledged its cooperation with those Producers to ensure that they receive residency information from the Performers who work under the Independent Production Agreement sufficient to meet the requirements for receipt of those tax credits and/or grants.

To that end, we are writing to advise you of the documents that a Producer may request that you supply. For Performers, these documents must be provided to the Producer at the time of negotiation of your contract of engagement. For Background Performers, these documents must be provided by your call time on your first day of engagement.

You may be required to provide to the Producer a declaration of residency, a provincial driver's licence and one or more of the following documents as proof of residency:

- (1) **a Notice of Assessment;**

- (2) a mortgage, rental or lease agreement with rent receipts;
- (3) utility bills;
- (4) a property tax notice;
- (5) a Motor Vehicle Registration; or
- (6) an insurance policy covering a Canadian residence.

If you are engaged through a loan-out corporation, you may be asked to provide to the Producer the loan-out corporation's most recent Notice of Assessment as well as the most recent Schedule 50 indicating whether the loan-out corporation has single or multiple shareholders. If the loan-out corporation is newly-formed and has not yet filed tax returns, you may be asked to provide a Shareholder Register.

P-6 (Article A701 Preferential Engagement of ACTRA Members)

Modify Article A701 as follows:

A701 Preferential Engagement of ACTRA Members In accordance with Article A501, preference of engagement shall be given to ACTRA members. However, after making reasonable efforts to comply and having established that a person who is not a member of ACTRA is required in a Production, an application shall be made for a work permit at the local ACTRA office at least forty-eight (48) hours prior to commencement of work, and the following procedure will apply for the issuance of work permits:

- (a)-(b) Status Quo
- (c) Subject to the other provisions of this Article, when a work permit is issued to a Performer who is not a Canadian citizen or landed immigrant and not a member of ACTRA, the fee for such work permit shall be \$225.00 for the first week and \$175.00 for each subsequent week of recorded performance for which the non-Canadian Performer is engaged. This subsection (c) shall apply to Series on the understanding that work permit fees shall be payable solely on a weekly basis, without regard to the number of Episodes in which a Performer is engaged to perform during any given week.

Note: For the purposes of clarification, a week as used in Article A701(a), (b), and (c) is understood to be seven (7) consecutive days, commencing from the Performer's first contracted day.

P-11 (Article A2101 Upgrading)

Modify Article A2101 as follows:

A2101 When a Performer is upgraded in category during the course of production (except as provided for in Article C405: Background Performers upgraded in a Background Performer category), the Performer shall receive payment in accordance with fees and rates for the higher category of performance for the entire period of the engagement in the same Production or Episode. When a Background Performer, by virtue of an individual characterization or the addition of **unscripted** dialogue, is upgraded to Principal Actor or Actor, the Performer shall be contracted and receive payment in accordance with the fees and rates for the higher category, ~~which shall be retroactive for all days during which the Performer was engaged to portray such Role or individual characterization. The aforementioned upgrading of a Background Performer need not apply retroactively provided that the Background Performer so upgraded has not been previously identified with such Role or individual characterization.~~ **for the day on which he or she is upgraded. If the Background Performer is called back for the same role in the same Production (meaning, in reference to a Series, the same Episode), the Performer shall continue to receive payment in accordance with the fees and rates for the higher category of performance for the remainder of the engagement. Otherwise, the Performer shall revert back to the original rate of engagement.**

P-14 (Article A2803 Audition Recall)

Modify Article A2803 Audition Recall as follows:

A2803 Audition Recall Where ~~When~~ **When** a Performer is required to attend a third (3rd) or subsequent Audition **at which someone with a significant role in the selection of cast for the Production is not present, or a subsequent Audition**, the Producer shall compensate the Performer for expenses incurred by paying an amount not less than ~~\$72.50 / \$74.00 / \$75.50~~ **\$77.00 / \$78.50/\$80.00** for each hour or part thereof.

P-21 (Article C6 – Background Performer List)

Modify Article C601 as follows:

C601 ~~Upon request, ACTRA will provide a Producer with a copy of an up-to-date list of members of ACTRA who have indicated their willingness to accept Background Performer engagements.~~

ACTRA will make the following information available to Producers and casting directors:

(a) the names of ACTRA members who have indicated their willingness to accept Background Performer engagements;

(b) the most recent contact information of such members (as provided by the members to ACTRA);

(c) when available, the date at which the member last expressed his or her willingness to accept Background Performer engagements; and

(d) any other information relating to their members that ACTRA wishes to make available to Producers and casting directors.

If the information is not made available through an ACTRA-maintained website, it shall be made available in the form of an electronic document.

P-24 (Appendix 18 Canadian Independent Production Incentive Program (CIPIP))

Increase CIPIP budget thresholds by the General Fee Increase (two percent (2%) per year in each of the three years of the renewed IPA).

P-26 (Article 9—Use Payments in Appendix 18 Canadian Independent Production Incentive Program (CIPIP)).

Modify Appendix 18, Article 9 Use Payments as follows:

9. Use Payments

At the time of production, the Producer shall choose one of the following options that requires payment of a corresponding percentage of Performers' Net Fees as a non-refundable Advance against the Performers' participation in Distributor's Gross Revenue:

(a) All Uses Prepayment Option The Producer may acquire unrestricted Use rights, in all media (A445(a-h)) throughout the world, including New Media, for a period of four (4) consecutive years from the date of first exploitation release in any Residual Market, for one hundred and thirty five percent (135%) of Net Fees for theatrical Productions, or one hundred and ten percent (110%) of Net Fees for television and other Productions.

(b) Conventional Uses Prepayment Option The Producer may acquire unrestricted Use rights, in all conventional-media (A445(a-g)) throughout the world, excluding New Media, for a period of four (4)

consecutive years from the date of first exploitation release in any Conventional Residual Market, for one hundred and thirty percent (130%) of Net Fees for theatrical Productions or one hundred and five percent (105%) of Net Fees for television and other Productions.

The Producer shall declare and specify the prepayment in the individual contract of the Performer. The prepayment must be paid to Performers at the time of production.

If the Producer elects one of the above options, the Performer shall be paid Use fees pursuant to Article B504; however, the aggregate Use fees paid to Performers shall be five percent (5%) of DGR.

(c) **Advance Option** At the time of production, the ~~a~~ Producer **that has not elected a prepayment option above** shall choose one of the following options that requires payment of a corresponding percentage of Performers' Net Fees as a non-refundable Advance against the Performers' participation in Distributor's Gross Revenue **for all Uses set out in Article A445 (a)-(h)**

**Advance Option table – Status Quo*

P-27 (Housekeeping)

a) *Modify A3701 admin fee caps as follows:*

A3701 Administrative Fees

(a)-(b) Status Quo

(c) **CMPA Fees** If the Producer is a member in Good Standing of the CMPA as of the date of remittance of the administration fee, the Producer shall pay to the CMPA two percent (2%) of Gross Performers' Fees, to a maximum of ~~four thousand~~ **three thousand and eight hundred dollars** (\$4,000.00 **3,800.00**) per Production or Episode. However, if the Gross Performers' Fees in respect of a Production (excluding a Series) exceed two million dollars (\$2,000,000.00), the above noted maximum administration fee shall be ~~six~~ **five thousand and seven hundred dollars** (\$6,000.00 **5,700.00**)

(d)-(h) Status Quo

- b) Update CMPA and AQPM contact information under A108, change AQPM's name throughout and discuss the inclusion of email as a valid delivery method under A108(d).
- c) Ensure all conforming changes are made resulting from the agreement reached between the parties to these negotiations.
- d) Add a new Section 7 of Appendix 21 (and renumber the rest of the provisions of the appendix accordingly) to provide that, in the province of Quebec, section A803 of the IPA must be read as follows:

A803 The Performer shall be provided with a contract at least forty-eight (48) hours prior to the commencement of work. Where exceptional circumstances dictate, the Producer may apply to the local ACTRA office for relief from the provisions of this Article. The Performer shall return a fully executed copy of the contract to the Producer by the earlier of within forty-eight (48) hours of receipt or commencement of rendering of services. **The Producer shall file a copy of each contract with the local ACTRA office and AQPM.** ~~The Producer shall file a copy of each contract with the local ACTRA office.~~ ACTRA undertakes to maintain such information confidential and shall not allow anyone who is not a full-time employee of ACTRA or a party to the contract access to same without prior written consent of the Producer.

JOINT ACTRA / CMPA / AQPM NEW MEDIA PROPOSALS

P/A-1 (Definition of Terms)

- a) *Delete Article A422 – definition of Internet Production*

~~**A422 – Internet Production** means an original audio-visual Production for Internet only exhibition.~~

- b) *Add Article A4XX – definition of New Media as follows:*

A4XX New Media means all media currently known in the marketplace, other than those media listed in Article A445(a)-(g), including but not limited to download-to-rent (“DTR”), subscription-video-on-demand (“SVOD”), ad-supported video-on-demand (“AVOD”), and paid permanent downloads (aka “electronic sell-through” or “download-to-own”, hereinafter referred to as “EST”).

- c) *Modify Article A430 as follows:*

A430 Non-theatrical means the distribution in all formats in all media save for Theatrical, Network Television, Syndicated Television, Pay Television, Cable Television, ~~and~~ Compact Device distribution, **and New Media**, except Uses contemplated in Article B515 of this Agreement.

d) *Modify Article A445 to add New Media as a Use as follows:*

A445 Use means the exhibition or broadcast of a Production that is

- (a) on Free Television
 - (i) Network Television
 - (ii) Syndicated Television
- (b) on Cable Television
- (c) on Pay Television
- (d) Theatrical
- (e) Non-theatrical
- (f) on Compact Devices
- (g) Educational
- (h) New Media**

The following uses that occur pursuant to and during the term of any Television (Network, Syndicated, Cable, Pay and Educational) licence shall be considered part of Television Use:

- i) Availability of the Production for linear streaming simultaneous with the television exhibition; and**
- ii) Availability of the Production on any free-to-consumer platform (e.g., non-simultaneous viewing when the consumer does not pay a specific fee to view the Production, such as on Globaltv.com, HBOGo, Showtime Anytime); and**
- iii) Availability of the Production on any CRTC-licensed video-on-demand (“VOD”) service or VOD service of a multichannel video programming distributor (“MVPD”) or any similar service that currently exists or may hereafter be developed for which the consumer is not required to pay a separate charge for access to that service.**

For clarity, any use by a licensee of a Production on any of the platforms set out above (linear streaming platform, free-to-consumer platform, MVPD or AVOD service or CRTC-licensed VOD service) when the licensee does not also have the

right to exhibit the Production on Television (Network, Syndicated, Cable, Pay and Educational) are considered an exercise of New Media Use rights.

P/A-2 (Article B516 Security for Payments Due During Production)

Delete Article B516(i) and move it, in part, to Part E (see Part E, Section E112 for changes)

P/A-3 (Article B301 Declared Use)

Add New Media as a Declared Use

(g) New Media - worldwide Use for one (1) year for:

(i) Option 1 New Media Productions (as defined in Part E) with a budget of ten thousand dollars (\$10,000) per minute or less; and

(ii) Option 1 New Media Productions with a budget of over ten thousand dollars (\$10,000) per minute where the Producer elects to pay a Prepayment or Advance; and

(iii) High Budget SVOD Productions where the Producer elects to pay a Prepayment or Advance.

All other Option 1 New Media Productions and High Budget SVOD Productions shall have a worldwide declared Use of six (6) months.

P/A-4 (Article B408 New Media Residuals)

Add Article B408 – New Media Residuals as follows:

B408 New Media

- | | |
|-----------------------------------------------------------|-------------------|
| <u>(a) Use in Canada</u> | |
| <u>each one (1) year of Use in Canada</u> | <u>10%</u> |
| <u>(b) Use in the United States</u> | |
| <u>each one (1) year of Use in the U.S.</u> | <u>15%</u> |
| <u>(c) Use in foreign markets</u> | |
| <u>each one (1) year of Use in foreign markets</u> | <u>15%</u> |

P/A-5 (Article B501 Options)

Modify Article B501 as follows:

B501 Options If a Producer plans to exploit a Production by a Use other than the declared Use, and elects not to pay residual payments in accordance with Article B4, the Producer shall elect one of the ~~two~~ following options at the time of production:

(a) All Uses Prepayment Option **The Producer may acquire unrestricted Use rights, in all media ~~(A445(a)-(h))~~ throughout the world, including New Media, for a period of four (4) consecutive years from the date of first exploitation release in any Residual Market, for one hundred and thirty-five percent (135%) of Net Fees for theatrical Productions, or one hundred and ten percent (110%) of Net Fees for television and other Productions.**

(b) Conventional Uses Prepayment Option The Producer may acquire unrestricted Use rights, in all **conventional** media ~~(A445(a)-(g))~~ throughout the world, **excluding New Media**, for a period of four (4) consecutive years from the date of first exploitation release in any **conventional** Residual Market, for one hundred and thirty percent (130%) of Net Fees for theatrical Productions or one hundred and five percent (105%) of Net Fees for television and other Productions.

The Producer shall declare and specify the prepayment in the individual contract of the Performer. The prepayment must be paid to Performers at the time of production.

(c) Advance Option The Producer may pay, at the time of production, one of the following percentages of Net Fees as a non-refundable advance (“Advance”) against the following Use fees **for all Uses set out in Article A445(a)-(h)**, based on Performer participation in Distributor’s Gross Revenue as defined in Article B509.

[Stet Advance chart from B501]

P/A-6 (Article B601 Use Rights for Documentary Programs)

Modify Article B601 as follows:

(c) Conventional Prepayment Rights Upon payment of not less than fifty percent (50%) of the Performer’s total Net Fees, the Producer is entitled to unlimited **conventional** Use ~~(A445(a)-(g))~~ of the Production, **excluding New Media**, in all

countries for five (5) years. At the expiry of any five (5) year period, the Producer may elect to either:

- (i) pay a further fifty percent (50%) of the Performer's Net Fees in order to acquire unlimited conventional Use rights ~~(A445(a)-(g))~~, **excluding New Media**, in all countries for a further five (5) year period; or
- (ii) pay 3.6% of DGR. Once the 3.6% DGR applies, production cannot revert back to the fifty percent (50%) for five (5) years formula.

(d) All Uses Prepayment Rights Upon payment of not less than fifty-five percent (55%) of the Performer's total Net Fees, the Producer is entitled to unlimited Use ~~(A445(a)-(h))~~ of the Production, including New Media, in all countries for five (5) years. At the expiry of any five (5) year period, the Producer may elect to either:

- (i) pay a further fifty-five percent (55%) of the Performer's Net Fees in order to acquire unlimited Use rights, including New Media, ~~(A445(a)-(h))~~ in all countries for a further five (5) year period; or**
- (ii) pay 3.6% of DGR. Once the 3.6% DGR applies, production cannot revert back to the fifty-five percent (55%) for five (5) years formula.**

P/A-7 (Article B602 Use Rights for Industrial Programs)

Modify Article B602 as follows:

- (c) **Conventional Use Prepayment Rights** Upon payment to the Performer of not less than fifty percent (50%) of the Performer's total Net Fees, the Producer is entitled to unlimited conventional Use ~~(A445(a)-(g))~~ of the Production, **excluding New Media**, in all countries for five (5) years.
- (d) **All Uses Prepayment Rights Upon payment to the Performer of not less than fifty-five percent (55%) of the Performer's total Net Fees, the Producer is entitled to unlimited Use ~~(A445(a)-(h))~~ of the Production, including New Media, in all countries for five (5) years.**

P/A-8 (Article F3 Use Rights for Fact-based/Lifestyle Production)

Modify Article F302 as follows:

F302 Use Fees Performers contracted under this section are entitled to conventional Use Fees, **excluding New Media**, ~~(A445(a)-(g))~~ **or** 50% of Net Fees **and all Use Fees**,

including New Media, (A445(a)-(h)) for 55% of Net Fees for four (4) years. Prior to the expiry of the four (4) year period, the Producer would have the choice of paying an additional 50% **or 55%, as applicable,** of Net Fees and clearing an additional four (4) year period or paying 3.6% of DGR. The election must be made prior to the end of the relevant Use period. Once the 3.6% DGR applies, the Producer cannot revert back to the 50% **or 55%, as applicable,** for four (4) years formula.

P/A-9 (Articles B504 and B509 Distributor's Gross Revenue)

Modify Article B504 as follows:

B504 (a) Participation in Gross: Prepayment If the Producer elects to make ~~the~~ a prepayment as set out in Article B501(a) **or (b) or D111(a) or (b),** the Performers shall be paid Use fees in the aggregate in the amount of 3.6 % of ~~the Distributor's Gross Revenue~~ **DGR or, in the case of CIPIP productions the amount shall be 5% and in the case of Option 1 New Media Productions with a budget of \$10,000 per minute or less the amount shall be 8%,** except that revenues earned by the Production within the first four (4) year period of prepaid Use shall not entitle the Performer to receive any such payments on such revenues, i.e., revenues attributed to Uses within the initial four (4) year period shall not form part of the ~~Distributor's Gross Revenue~~ **DGR** for the purposes of calculating additional Use fees.

(b) In the event the Producer elects any Conventional Use prepayment under the IPA or CIPIP provisions and the Producer subsequently exploits the Production in New Media, the Performers shall be paid New Media Use fees in the aggregate in the amount of 3.6 % of DGR or, in the case of CIPIP productions the amount shall be 5%, from the date of first exploitation in the New Media Use.

Modify Article B509 as follows:

B509 Distributor's Gross Revenue ("DGR") shall mean all monies derived in any manner whatsoever from distribution of the Production, including through the sale, license, or other like means of distribution of the Production, and shall be calculated before or simultaneously with any other gross participants from first dollar, without deductions of expenses of any kind. In the case of animated Productions, Distributor's Gross Revenue shall include only revenues from licences of the English-language version of the Production. For greater certainty,

(a) – (c) stet

(d) Notwithstanding the foregoing, ~~Distributor's Gross Revenue~~ **DGR** derived from **EST and** the sale or rental of Compact Devices shall be deemed to be equal to twenty percent (20%) of the wholesale selling price. ~~of such Compact Devices, provided that in~~ **In** the event that the wholesale selling price of **Compact Devices** is at or less than the typical sell-through price to wholesalers (currently \$30 per unit), the deemed ~~Distributor's Gross Revenue~~ **DGR** shall be ten percent (10%) **of the wholesale selling price.**

P/A-10 (Article D111 Use-Payment Options)

Modify Article D111 as follows:

Use Payment Options Performers working under the provisions of Part D shall be entitled to Use fees as provided for in Articles B3 to B5. However, an additional Prepayment Option to those outlined in Article B501(a) **or (b)** shall be available for Producers engaging Performers working under the provisions of Part D, as follows:

- (a) **Conventional Use Prepayment Option** ~~The~~ Producer may acquire unrestricted Use rights **in all conventional** media throughout the world, **excluding New Media (A445(a-g))**, for a period of ten (10) consecutive years from the date of first exploitation release in any **conventional** Residual Market, for two hundred percent (200%) **of Net Fees** for ~~a~~ Animation Productions; or
- (b) **All Uses Prepayment Option** ~~The~~ Producer may acquire unrestricted **Use rights in all media throughout the world (A445(a-h))**, **including New Media, for a period of ten (10) consecutive years from the date of first exploitation release in any Residual Market, for two hundred and five percent (205%) of Net Fees for Animation Productions.**

Producer shall declare and specify the prepayment in the individual contract of the Performer. The prepayment must be paid to Performers at the time of production.

P/A-11 (Part E - Made for New Media Productions)

Replace existing IPA Part E with the following:

Part E – Productions Made for New Media

Productions with a declared Use of New Media as defined in Article AXXX of the IPA (a “New Media Production”) may proceed under Option 1 or Option 2, as applicable.

E1 - Option 1

E101 Purpose The purpose of this Option 1 is to encourage low budget Canadian New Media Productions to engage professional performers represented by ACTRA.

E102 Eligibility Except as provided for in E105, Option 1 is ~~automatically~~ available to all **New Media** Productions produced by a Canadian Producer with a **total** budget of twelve thousand dollars (\$12,000) or less per minute. New Media Productions with a **total** budget of over ~~of~~ twelve thousand dollars (\$12,000) per minute shall be subject to the terms and conditions of the IPA except for the determination of Use fees which is set out in section E108 below.

E103 Applicability In all instances in which Option 1 is silent, the standard terms and conditions of the IPA shall apply.

E104 Co-productions When a New Media Production is a co-production, the budget must meet the requirement in E102 above. Allocation of revenue issues, if any, shall be determined pursuant to the provisions of Article B509(g), as per the rules applicable to Official Treaty Co-productions.

E105 Excluded Productions The following Productions shall be deemed excluded Productions for the purposes of Option 1: industrial/corporate videos, dubbing and Pilot Programs for which the Producer is utilizing Article B206 of the IPA unless the Series, in relation to which the Pilot Program is produced, qualifies as a Production.

E106 Minimum Fees

(a) Live Action New Media Productions shall, where applicable, receive discounts on all applicable rates set out in the IPA as described below. **Subject to sections E106(b) and E107, A**available discounts shall apply to all performance category minimum daily, hourly, overtime and weekly fees. No other rates or fees in the IPA may be discounted unless otherwise specified in Option 1.

Tier A Over \$12,000 per minute	No discount and IPA terms and conditions
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apply except ~~as provided herein~~ **for the determination of Use fees which is set out in section E108 below**

Tier B Over \$10,000 to \$12,000 per minute	No discount*
Tier C Over \$7,500 to \$10,000 per minute	25% discount if only one non-Canadian Performer engaged or no discount if more than one non-Canadian Performer engaged*
Tier D \$0 to \$7,500 per minute	35% discount if only one non-Canadian Performer engaged or no discount if more than one non-Canadian Performer engaged*

*(i) Where a New Media Production has a projected segment length of 15 minutes or less, Performers to be paid on a per-day of production basis, regardless of the number of segments and total length of the New Media Production provided that the New Media Production is held together by the same title, trade name or trademark, identifying devices or common characters; and (ii) ~~Where~~ where a New Media Production has a projected segment length of over fifteen (15) minutes, Performers to be paid in accordance with the existing IPA E202(a) and (b), unless the **New Media Production** qualifies as a Mini-series under Article A426 of the IPA, in which case Performer to be paid on a per-day of production basis, regardless of the number of segments and total length of the New Media Production.

[NTD: include applicable language from current IPA E202(a) and (b)]

(b) Minimum Fees – Animation

Minimum fees and conditions of engagement for Animation Performers engaged on ~~Animation~~ **animated** New Media Productions ~~with a budget of twelve thousand dollars (\$12,000) or less per minute~~ **at any budget level** will be those set out in Article D of the IPA. For clarity, **animated New Media** Productions ~~using the provisions of Article D~~ may not access fee discounts from this Part E, **but Use fees shall be those set out in section E108.**

E107 Background Performers The minimum fees payable to Performers in Background Performer categories may not be discounted; however, if the Producer wishes to engage Background Performers, the Producer shall only be required to engage a maximum of ten

(10) ACTRA members as Background Performers, excluding Stand-ins, Photo Doubles and two (2) non-member Special Skill Background Performers.

E108 Use Fees Based on Participation in Distributor's Gross Revenue

1. The Producer of a New Media Production with a budget of ten thousand dollars (\$10,000) per minute or less (Option 1 Tiers C and D) may at any time elect one of the following options:

a) **New Media Use Prepayment** Producer may, at any time, acquire unrestricted New Media Use rights (A445(h)) for a period of four (4) consecutive years beyond the New Media declared Use period, for one hundred and five percent (105%) of Net Fees. Following the Prepayment period, Performers shall be paid Use fees in the aggregate of 8% of Distributor's Gross Revenue as provided in B504.

b) **All Uses Prepayment** Producer may, at any time, elect the "All Uses Prepayment option" as set out in Article B501(a) of the IPA. Following the Prepayment period, Performers shall be paid Use fees in the aggregate of 8% of Distributor's Gross Revenue as provided in B504.

e) ~~Advance~~

If no Prepayment is elected, Performers shall be paid Use fees in the aggregate in the amount of eight percent (8%) of DGR for exploitation of the New Media Production in any ~~New Media~~ **New Media** Use following the declared Use period provided for in Article B301(~~hg~~). **The Producer shall, prior to any conventional Use of the Production, notify ACTRA and, subject to ACTRA's consent*, pay 8% of DGR** for ~~The exercise of the 8% DGR~~ **the conventional Use.** ~~option shall be subject to the Union's~~ **ACTRA's consent.*** ~~A Producer desiring to utilize this option shall so notify the Union~~ **ACTRA.**

* See Sideletter No. X for administration of consent process.

2. The Producer of a New Media Production with a budget of more than ten thousand dollars (\$10,000) per minute (Option 1 Tiers A and B) may elect one of the following options at the time of production:

a) **New Media Use Prepayment Option** Producer may acquire unrestricted New Media Use rights (A445(h)) for a period of four (4) consecutive years beyond the New Media declared Use period, for one hundred and five percent (105%) of Net Fees. Following the Prepayment period,

Performers shall be paid Use fees in the aggregate of 3.6% of Distributor's Gross Revenue as provided in B504.

- b) **All Uses Prepayment Option** Producer may elect the "All Uses Prepayment option" as set out in Article B501(a) of the IPA. Following the Prepayment period, Performers shall be paid Use fees in the aggregate of 3.6% of Distributor's Gross Revenue as provided in B504.
- c) **Advance Option** Producer may, ~~at any time,~~ elect to pay an Advance as set out in Article B501(c) against all Uses listed in A445(a)-(h).

If no Prepayment or Advance is elected at the time of production, Performers shall be paid Use fees in the aggregate in the amount of 3.6% of DGR from revenues received from New Media Use following the declared Use period provided for in Article B301(~~hg~~). Producer may, prior to conventional Use of the Production, elect to pay the traditional Advance option set out in Article B501(c), the Conventional Uses Prepayment option set out in Article B501(b), or 3.6% of DGR attributable to conventional Use. The exercise of the 3.6% DGR option shall be subject to ~~the Union's~~ **ACTRA's** consent.* A Producer desiring to utilize this option shall so notify ~~the Union~~ **ACTRA**.

* See Sideletter No. X for administration of consent process.

- 3. The Producer of an ~~Animation~~ **animated** New Media Production may elect one of the following options at the time of production:
 - a) **New Media Use Prepayment Option** Producer may acquire unrestricted New Media Use rights (A445(h)) for a period of four (4) consecutive years beyond the New Media declared Use period, for one hundred and five percent (105%) of Net Fees. Following the Prepayment period, Performers shall be paid Use fees in the aggregate of 3.6% of Distributor's Gross Revenue as provided in B504.
 - b) **All Uses Prepayment Option** Producer may elect the "All Uses Prepayment option" as set out in Article B501(a) of the IPA or the additional Use Payment Options set out in Article D111(**b**). Following the Prepayment period, Performers shall be paid Use fees in the aggregate of 3.6% of Distributor's Gross Revenue as provided in B504.
 - c) **Advance** Producer may, ~~at any time,~~ elect to pay an Advance as set out in Article B501(c) against all Uses listed in A445(a)-(h).

~~If no Prepayment is elected, Performers shall be paid Use fees in the aggregate in the amount of eight percent (8%) of DGR for exploitation of the New Media Production in any New Media Use following the declared Use period provided for in Article B301(h). The exercise of the 8% DGR option shall be subject to the Union's ACTRA's consent.* A Producer desiring to utilize this option shall so notify the Union ACTRA.~~

If no Prepayment or Advance is elected at the time of production, Performers shall be paid Use fees in the aggregate in the amount of 3.6% of DGR from revenues received from New Media Use following the declared Use period provided for in Article B301(g). Producer may, prior to conventional Use of the Production, elect to pay the traditional Advance option set out in Article B501(c), the Conventional Uses Prepayment options set out in Article B501(b) or D111(a) or 3.6% of DGR attributable to conventional Use. The exercise of the 3.6% DGR option shall be subject to the Union's ACTRA's consent.* A Producer desiring to utilize this option shall so notify the Union ACTRA.

* See Sideletter No. X for administration of consent process.

E109 Excerpts

- a) If content from a conventional Production is used in a New Media Production produced under Option 1, any amounts owed pursuant to Article A3301 shall be reduced by the discount applicable to that **New Media** Production, if any.
- b) If a Producer wishes to use an excerpt from a Production produced under Option 1 in a conventional Production, any fees owed to the Performer pursuant to Article A3301 shall be based **on the greater of** the applicable minimum fees outlined under Part B of the IPA **and the Performer's contracted daily fee for the original New Media Production.**

E110 Security Producer shall execute a standard Security Agreement as per Appendix 7A of the IPA prior to principal photography or key animation.

E111 Security for Payment No later than five (5) business days before any work is scheduled to begin for Performers, a payroll security deposit is required of the Producer. The deposit will be held in trust.

E112 The Parties understand that ~~Productions being made for~~ New Media Productions are often produced with small budgets. ~~New Media~~ Producers can request administrative arrangements with ACTRA to manage bonds and payroll security and ACTRA agrees to

give good faith consideration to such requests. ~~ACTRA will make guidelines available governing this issue and will discuss the nature and content of these guidelines with the Associations prior to their publication, which shall occur no later than three (3) months following the date of ratification.~~ ACTRA will notify the Associations of its decision with respect to any modified security arrangements requested by ~~New Media~~ Producers.

- E113 Filing Procedure** No later than two (2) weeks prior to principal photography, the Producer will provide to ACTRA a copy of the most up-to-date shooting script/outline and the production schedule. Producer shall also provide to ACTRA a detailed cast budget and a budget top sheet signed by the Producer along with a statutory declaration that the budget amount is the true and final budget.
- E114 Budget Changes** If, during the course of production, the Production budget increases beyond the level permitted by ~~E202~~**106**, Producer must disclose this information to ACTRA. Any New Media Production that is found to be taking unfair advantage of the terms and conditions of Option 1, through misrepresentation or falsification of budget, will become retroactively subject to the full rates, terms and conditions of the IPA.
- E115 Revised Scope** Within four (4) weeks of the first New Media Use, the Producer shall submit to ACTRA a detailed report of actual expenditures showing actual cost of the Production to date. In the event the actual production costs exceed the budget threshold under Tier D as set out in Article ~~E204~~**E106**, the Producer shall pay the Performers, or to ACTRA for the benefit of the Performers, any additional sums necessary to bring the compensation of the Performers in line with the fees applicable under Tier C. Should the actual production costs exceed the budget thresholds under Tier **C, the Producer shall pay the Performers, or to ACTRA for the benefit of the Performers, any additional sums necessary to bring the compensation of the Performers in line with the fees applicable under Tier B. Should the actual production costs exceed the budget thresholds under Tier B, it** will no longer be deemed a **Tier B** Production and shall become retroactively subject to the rates, terms and conditions of the IPA.
- E116 Notice to Performers** A Producer utilizing Option 1 must give notice to Performers at the time of casting (through casting notices) that discounted rates may apply. Such notices shall not contain any statement that attempts to restrict the right of any Performer to negotiate terms (including rates and fees) and conditions in excess of the minimum fees, rates and conditions.
- E117** A Producer may edit material at a session to create a new **New Media** Production upon payment of an additional 25% per **New Media** Production. It is confirmed that, for the purposes of Part E and consistent with past practice under the IPA, “versioning,” i.e., editing of a **New Media** Production for **segment** length, does not constitute a new **New Media** Production.

E2 – Option 2

E201 Option 2 is automatically available to New Media Productions that are guaranteed by an Approved Distribution Guarantor as per Article A518(b). The Approved Distribution Guarantor shall sign the *Alternate Guarantee letter for ACTRA and the ACTRA Performers' Rights Society Regarding Production Obligations and Distribution Rights* set out in Appendix 24.

E202 Terms of engagement and Use for all New Media Productions that meet the criteria set out in E201, other than High Budget SVOD Productions (defined in Article E203 below), may be negotiated by ACTRA and Producer.

E203 High Budget SVOD Productions means an original or derivative dramatic New Media Production made for initial exhibition on a subscription consumer pay New Media platform (such as Netflix) which meets the following criteria (hereinafter “High Budget SVOD Productions”):

Length of Production as Initially Exhibited*	“High Budget” Threshold
20-35 Minutes	\$1,475,000 and above
36-65 Minutes	\$2,825,000 and above
66 Minutes or more	\$3,400,000 and above

* Productions less than 20 minutes are not considered “high budget” for purposes of this provision, regardless of their budgets.

E204 Use Fees Based on Participation in Distributor’s Gross Revenue The Producer of a High Budget SVOD Production may elect one of the following options at the time of production:

- a) **New Media Use Prepayment Option** Producer may acquire unrestricted New Media Use rights (A445(h)) for a period of four (4) consecutive years beyond the New Media declared Use period, for one hundred and five percent (105%) of Net Fees. Following the Prepayment period, Performers shall be paid Use fees in the aggregate of 3.6% of Distributor’s Gross Revenue as provided in B504.
- b) **All Uses Prepayment Option** Producer may elect the “All Uses Prepayment option” as set out in Article B501(a) of the IPA. Following the Prepayment period, Performers shall be paid Use fees in the aggregate of 3.6% of Distributor’s Gross Revenue as provided in B504.

- c) **Advance Option** Producer may, at any time, elect to pay an Advance as set out in Article B501(c) against all Uses listed in A445(a)-(h).

If no Prepayment or Advance is elected at the time of production, Performers shall be paid Use fees in the aggregate in the amount of 3.6% of DGR from revenues received from New Media Use following the declared Use period provided for in Article B301(hg). Producer may, prior to conventional Use of the Production, elect to pay the traditional Advance option set out in Article B501(c), the Conventional Uses Prepayment option set out in Article B501(b), or 3.6% of DGR attributable to conventional Use. The exercise of the 3.6% DGR option shall be subject to ~~the Union's~~ **ACTRA's** consent.* A Producer desiring to utilize this option shall so notify ~~the Union~~ **ACTRA**.

* See Sideletter No. X for administration of consent process.

E3 - RETROSPECTIVE APPLICATION

E301 To the extent additional consent is necessary, if requested by the Producer, ACTRA and ACTRA PRS agree to use diligence in order to secure the consent of Performers appearing in Productions made under previous Independent Production Agreements to apply the terms of Option 1 or Option 2, as applicable, to the Use of those existing Productions in all **"New Media" as that term is defined in the 2016 IPA**. ACTRA agrees the IPA shall not bar such retrospective application. By paying 3.6% of DGR, the Producer may use Productions produced under a predecessor IPA in all New Media.

SETTLEMENT OF THE PAST

The following shall apply to any 'conventional' Production under the 2007, 2010 or 2013 ACTRA Independent Production Agreements between January 1, 2007 and December 31, 2015 which has heretofore been released or is hereafter released in 'New Media,' as that term is defined in the 2016 - 2018 IPA. **For greater clarity, the foregoing shall include all Productions that commenced principal photography prior to and continue beyond January 1, 2016 including, in the case of a Series, all episodes of the season (including the Pilot Program, if any) that began principal photography prior to January 1, 2016 as well as all episodes of the same season that began principal photography on or after January 1, 2016.**

1. For any such Production released in New Media, Producer shall pay 3.6% of Distributor's Gross Revenue, as that term is defined in B509 of the 2016 – 2018 IPA, earned from New Media Use of the Production (~~except that use in electronic sell-through shall be payable at 20% of 3.6% of DGR~~) following expiration of the ~~p~~**P**repayment period or recoupment of the Advance.

2. Any Producer ~~which~~ that has paid for New Media Use during the Prepayment period or before recoupment of the Advance shall be entitled to a credit equal to the amount paid to ACTRA or to ACTRA PRS for New Media Use of the Production based on revenue earned during the Prepayment/Advance period. This credit may be applied to amounts due for any other Use of the Production.

3. **In lieu of making payments for New Media Use under the provisions of the aforementioned Independent Production Agreements,** Producer shall be obligated to make payments pursuant to this Settlement Agreement as described above., ~~in lieu of **making payments** under the provisions of any other agreement, and e~~Compliance with this Settlement Agreement shall fully discharge Producer's obligations **to make payments for New Media Use** under the aforementioned Independent Production Agreements.

4. All Producer payments due in connection with this Settlement Agreement shall be made by June 30, 2016 after which interest on such payments shall accrue at a rate of prime (based on the Bank of Canada rate on July 1, 2016) plus one percent (1%) annually.

Entered into this 16th day of December 2015.

For ACTRA:



Stephen Waddell



Ferne Downey

For CMPA:



Reynolds Mastin

For AQPM:



Hugo Barnabé