

# INDEPENDENT PRODUCTION AGREEMENT

## Memorandum of Settlement as of October 26, 2001

The Undersigned Parties agree to renew the Independent Production Agreement, which came into force on the 9<sup>th</sup> of August 1999 and which expires on 31<sup>st</sup> of December, 2001 on the terms and conditions set out herein.

This Agreement to Renew is subject to Ratification:

- by the Alliance of Canadian Cinema, Television & Radio Artists (ACTRA) in accordance with its Constitution & By-Laws,
- by the Canadian Film & Television Production Association and
- by L'Association des Producteurs de Films et de Télévision du Québec

### 1. General Increases

All Rates / Fees (Hourly, Daily, etc.) in the IPA to be increased:

- a. 3% for the First Year of the Term effective 1<sup>st</sup> of January, 2002
- b. 3% for the Second Year of the Term effective 1<sup>st</sup> of January, 2003

### 2. Background Performers

- a. Modify C502 by adding a sentence at the end: "...and such rate shall be not less than \$8.50 per hour."
- b. Persons who are group hired to perform in non-descript crowd scenes, in which none of the said persons are provided with individual direction, shall not be entitled to the said Hourly Rate, save and except for the first 25 Background Performers in Toronto, the first 15 Background Performers in Montréal and the first 10 for any Production outside of Toronto and Montréal (over the minimums provided for in Art. C501).
- c. All existing grievances relating to the Background Performers hired over the minimums provided for in C501 shall be withdrawn by ACTRA and no further grievances shall be filed in relation to any claims the factual basis for which pre-dates the effective date of the renewed IPA. In respect of any claims filed by ACTRA in respect of such Background Performers arising at any time after the said effective date, the Parties strictly reserve their rights in all respects to take any position(s) in regard to any issues that arise in the context of any such claims.

- d. All grievances filed by ACTRA alleging a violation of Art. C502 – relating to the claims that Producers are responsible for the payment of Permit Fees for Background Performers referred to in C501 – shall be withdrawn by ACTRA. From the effective date of the renewed IPA, the Producers' Associations agree that a Producer shall be directly responsible for the payment of the Permit Fees in accordance with the language of C502 and the Producer shall not be entitled to deduct such Permit Fees from a Performer's pay. Consequential amendments shall be made to Appendix 17 to reflect the agreements and understandings herein.

### 3. **Fact Based Productions**

The Parties agree to the establishment of a Committee / Task Force to examine and analyze the emerging production opportunities in the area of Fact Based Programming. The Committee will have a mandate to recommend to the Parties hereto suggested improvements in the IPA that would effectively deal with this type of Programming. Each of the 3 Parties shall nominate up to three members to the Committee, and the Committee will establish its own procedure and shall report to the Parties within 12 months of the execution date of this Memorandum.

### 4. **Internet Productions**

The Producers' Associations recognize that ACTRA has jurisdiction in respect of Internet Productions. Producers who intend to produce Internet Productions shall comply with the following procedure, on the basis that the parties recognize the currently experimental nature of creating programming directly for the Internet.

- a. *Internet Productions*, shall mean original audio-visual productions for Internet-only exhibition or like means of distribution.
- b. **Negotiations:** ACTRA and the Internet Producer, and the CFTPA or APFTQ shall negotiate in good faith in relation to the terms and conditions of engagement of Performers, including Use Fees, and at a minimum,
  - i. the Producer shall be required to make contributions, on behalf of the Performers, on account of Insurance & Retirement Plans as per A38 of the IPA; and,
  - ii. remit administration fees and make deductions from each Performer's remuneration as per A37; and,
  - iii. use the Standard Performer Contract provided for in the IPA (*Appendix 12*) as appropriately amended.
- c. Appendix 21 shall be modified so as to recognize that the APFTQ does not represent producers whose field of activity is solely New Media production.

### 5. **Low Budget:** The Canadian Independent Production Incentive Program (CIPIP) shall be amended by:

- a. Increasing the budgetary levels in Schedule 6 by the increases in the Minimum Rates provided for in this Memorandum (Art. 1)

- b. Eliminate the discretion of ACTRA and the CFTPA or APFTQ through the following amendments to Schedule 2. Application Procedure.
    - i. Amend the heading of Schedule 2 to read "Filing Procedure";
    - ii. Amend c) to read as follows: c) At least four (4) weeks in advance of principal photography the Producer will provide to ACTRA filing documents including a copy of the shooting script, detailed and certified Production and cast budgets, outlines of distribution arrangements (both extant and under negotiation), and full disclosure of all sources of financing for the project, together with confirmation of the Producer's intent to access the CIPIP agreement.
    - iii. Delete d) e) and f)
  - c. The Canadian Low-budget Incentive for Performers and Producers (CLIPP) will be phased out, however, the parties agree to review individual low-budget feature film projects on a case by case basis.
6. The Letter of Understanding re: Work Permits and Work Opportunities relative to A707, A708 and A709 is attached hereto as *Appendix 1* to this Memorandum.
7. **Term:** Subject to ratification by the parties, the new version of the IPA shall come into effect on the 1<sup>st</sup> day of January, 2002 and shall expire on the 31<sup>st</sup> day of December, 2003.

Agreed as of 26 October 2001

**ACTRA, per:**

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**Canadian Film & Television Production Association, per:**

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**L'Association des Producteurs de Films et de Télévision du Québec, per:**

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**Letter of Understanding Re: Work Permits and Work Opportunities**

ACTRA and the CFTPA / APFTQ agree to the following principles:

1. ACTRA's past practices with regard to the numbers of permits issued will continue;
2. ACTRA will consider requests for work permits, promptly, reasonably and in good faith, managed by a single point of contact in each of the 3 ACTRA regions; ("promptly" means within 3 business days - under the terms of A708 - from the date on which the Producer provides all the necessary supporting documentation and information.)
3. Work permits will not be unreasonably withheld;
4. Canadian Performers will be given preference of audition and engagement;
5. To give meaning to this principle, producers commit themselves to real and *bona fide* casting sessions for ACTRA members in a professional audition environment consistent with good industry standards.
6. The Producer shall, at the earliest opportunity, meet with ACTRA to review and discuss cast requirements of Production.
7. The Parties shall agree that the time limits
  - a. in A708 shall be amended from "5 business days" to "3 business days"
  - b. In A709 c. shall be amended from "5 business days" to "2 business days"
  - c. In A709 d. shall be amended from "5 business days" to "1 business day"
  - d. In A709 f. shall be amended from "5 business days" to "2 business days"
8. The Parties shall agree to a roster of Arbitrators who shall be authorized to hear and determine matters under A709 and consequential amendments shall be made to A709
  - b. The Producers' Associations shall nominate 4 Arbitrators, and ACTRA shall be entitled to nominate 4 - the panel will be composed of 6 Arbitrators - with each party having the right to remove one of the 4 nominated by the other party.

The Parties hereby agree to meet after 6 months to review implementation and discuss further improvements. In the event issues arise which cannot be resolved, they will be referred to Mr. Rick MacDowell, who will serve as troubleshooter.

ACTRA, per:

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Canadian Film & Television Production Association,  
per:

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L'Association des Producteurs de Films et de  
Télévision du Québec, per:

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