

September 14, 2023

Scott Knox President Institute of Canadian Agencies 2300 Yonge Street, Suite 3002 Box 2350 Toronto ON, M4P 1E4

Ron Lund President and CEO Association of Canadian Advertisers 91 St. Clair Avenue East, Suite 1201 Toronto ON, M4T 1L9

Dear Scott and Ron,

Without Prejudice

By email scott@theica.ca

By email rlund@acaweb.ca

In your September 11, 2023 proposal, ICA asserts and emphasizes that your critical bargaining issue that led to the lock-out and labour dispute with ACTRA is Article 3005. ICA communicated the concern that non-adhered advertising agencies should not have access to ACTRA performers.

As ICA well knows, even prior to the Eli Gedalof mediation process, ACTRA has unequivocally communicated a commitment to address ICA's concern over Article 3005. Your main issue of the Article 3005 third parties was taken very seriously by ACTRA. In the negotiations prior to your lockout, ACTRA was supportive and immediately responsive to dealing with the issue. Throughout this process, including the OLRB mediation with Bernie Fishbein in August 2022, and in bargaining January 2023, ACTRA reiterated its commitment to fully and finally address your key concerns. In fact, both parties exchanged proposals on this issue and ICA legal counsel advised by way of written email on January 12, 2023, that ACTRA's proposal "looks good" and "obviously subject to moving ahead with all aspects of the agreement".

To put any doubt about this to rest, ACTRA formally agrees to the following language as full and complete resolution of the Article 3005 issue, on the understanding that this language reflects precisely what ICA has communicated is both necessary and acceptable:

3005 Exclusivity of Access to ACTRA Performers. Non-adherent Engagers shall not have access to ACTRA Performers. Adherent third-party payroll companies shall sign the letter attached hereto as Appendix "X" before being granted access to ACTRA Performers. All agreed and executed copies of Appendix "X" must be filed with ACTRA, ICA and ACA. These adherent third-party payroll companies, whether agencies, production companies or advertisers, shall then have the right to access ACTRA Performers for the sole purpose of working with non-adherent foreign Engagers, where the commercial is not intended primarily for the Canadian market. For clarity, non-adherent Engagers and non-adherent foreign Engagers producing commercials primarily for the Canadian market shall not have access to ACTRA Performers. Commercials produced under adherent third-party payroll companies shall not be transferred to any entity that is not an advertiser or a signatory agency.



It is important to emphasize that with this proposal, ACTRA has once again fully responded to the overriding issue raised by ICA throughout this labour dispute.

Together with ACTRA's proposals for tv/digital media/out of home (video) bundle pilot project, two-tiered low budget digital pilot project and large cast letter of understanding, ACTRA's agreement to fully and completely resolve the third party Article 3005 issue means that there is simply no justification whatsoever for any of the additional substantial pay cuts and concessions ICA has proposed.

However, if ICA continues to press for those same additional cuts and concessions – despite ACTRA having responded on ICA's major issue which led to its decision to lockout ACTRA members - and does not immediately signal a willingness to withdraw those cuts and concessions within the next 48 hours, it will be crystal clear to ACTRA and its members that ICA has no intention of entering into a renewal collective agreement with ACTRA on any reasonable or fair terms.

Sincerely,

Marie Kelly

National Executive Director

Ware Kelly

cc. ACTRA NCA Negotiating Committee