AREA STANDARD AGREEMENT

AGREEMENT
by and between

WALKING MAN, INC.

And

INTERNATIONAL ALLIANCE OF THEATRICAL STAGE
EMPLOYEES AND MOVING PICTURE MACHINE OPERATORS

for the

FEATURE PRODUCTION

ONLY
THIS AGREEMENT is made and entered into between "Employer," and the INTERNATIONAL ALLIANCE OF THEATRICAL STAGE EMPLOYEES AND MOVING PICTURE MACHINE OPERATORS ("IATSE") and the IATSE herein “Union.” Employer is engaged in the production of the theatrical motion picture whose working title is "Film," in the State of California in connection therewith will employ motion picture production technicians represented by the Union. It is the intent of the parties hereto that this Agreement establish the wages and working conditions applicable to such motion picture production technicians.

ARTICLE I - RECOGNITION

a) The Employer recognizes the Union as the exclusive collective bargaining representative for all crafts represented by the Union employed in the State of California. This Agreement is not applicable to office clerical employees, production assistants, camera department employees, editorial employees, other post-production employees, drivers, guards or supervisors as defined by the National Labor Relations Act.

b) The Union represents that a majority of the employees within the above described unit have designated the Union as their exclusive representative for the purposes of collective bargaining.

ARTICLE II - UNION SECURITY

Employees covered by this Agreement, as a condition of employment, shall become and thereafter remain members in good standing of the Union on and after the thirtieth day of their employment or thirty days following the execution of this Agreement, whichever is the later date. The foregoing shall be subject to and limited by applicable
State law and to the extent that any applicable State law does not permit the form of union security herein provided, then and in that event, this Agreement shall be deemed to provide for the maximum form of union security permitted by said State law.

ARTICLE III - SCOPE OF AGREEMENT

a) This Agreement shall be applicable to all employees performing work within the bargaining unit described in Article 1, hired in the State of California.

b) To the extent that the Employer is in need of qualified persons to perform work covered by this Agreement, it will give notice to the Union and consideration to available qualified persons referred by the Union on a non-discriminatory basis. The Employer reserves the right to interview referrals for department head, key and rated positions.

c) The term “employee” as herein used shall be deemed to mean an employee subject to the terms and conditions of this Agreement.

ARTICLE IV - APPLICATION OF AGREEMENT

The wage scales and working condition provisions of this Agreement shall be applicable to all persons employed in covered classifications during pre-production and principal photography. The wage scales and working condition provisions of this Agreement shall be minimums and employees shall not be precluded from obtaining “better conditions” as that term is understood in the motion picture industry. Any employee enjoying such better conditions shall not have their wages or working conditions reduced as a consequence of this Agreement.
ARTICLE V – ACCESS

The Business Representative or an International Representative of the Union shall be permitted reasonable access to all production sites where persons covered by the Agreement are performing services.

ARTICLE VI – JOB STEWARD

The Union may appoint a steward on the production and it is distinctly understood that the Steward shall in no way be discriminated against for any cause whatsoever in the performance of his duties as Steward.

ARTICLE VII – NO DISCRIMINATION

The Employer and the Union agree that there shall be no discrimination against any employee or prospective employee due to race, color, creed, sex, age, physical handicap, Union membership or national origin or as otherwise provided in applicable state or federal legislation.

ARTICLE VIII – GRIEVANCE PROCEDURE

Any dispute between the Union and the Employer concerning the interpretation and/or application of this Agreement which cannot be initially resolved between the Local Business Representative and the Unit Production Manager or Producer or thereafter be resolved by an International representative of the IATSE and the Employer may be submitted to arbitration by either party for resolution. If an arbitrator cannot be mutually selected, then one shall be selected by lot from an arbitration panel obtained from the Federal Mediation and Conciliation Service. The
arbitrator and parties shall follow the labor arbitration rules of the American Arbitration Association. Any claim not reduced to writing and submitted to other party within thirty (30) days following the incident giving rise to the claim or knowledge thereof shall be deemed waived. The arbitrator’s decision shall be final and binding on the parties.

**ARTICLE IX – NO STRIKE – NO LOCKOUT**

During the term of this Agreement, there shall be no strikes, sympathy strikes, picketing, work stoppages or disruptive activity by the Union or by an employee, or lockout-by the Employer, except as covered under Article XVI, Safety and Hazardous Work.

**ARTICLE X- MINIMUM CONDITIONS**

a) **Wages.** The minimum wage scales effective during the term of this Agreement shall be no less than those specified in Appendix "B".

The Employer may negotiate directly with employees the hourly rate for rated positions, key positions and department head provided such rates must thereafter be approved by the Union.

These are minimum wage scales in Appendix "B" and the employee shall not be precluded from obtaining "better wages."

b) **Work day.** The daily minimum work call shall be eight (8) hours, excluding meal periods.

c) **Workweek.** The production workweek shall be any five (5) or six (6) consecutive workdays. A day off shall be deemed the end of the week and the next work call shall commence a new production workweek.
d) **Overtime.** For all employees covered by this Agreement, after eight (8) straight time work hours in a day or forty (40) straight time work hours in a production workweek, or a sixth consecutive day worked within the employee’s workweek, employees shall be paid at the rate of time and one-half. All work hours after fourteen (14) elapsed hours on any workday and for all work on the seventh (7th) day of the production workweek or on a scheduled holiday shall be paid at double time. Overtime shall be computed and paid in one-quarter (1/4) hour increments. Overtime premiums shall not be compounded.

e) **Rest Periods.** There shall be a ten (10) hour daily rest period following dismissal. There shall be a thirty-two (32) hour rest period following a six (6) day work week and a fifty-two (52) hour rest period following a five (5) day work week. Rest periods shall not be cumulative. In the event the proper rest period is not allowed, the employee shall return to work at the premium rate which was in effect at the time of dismissal until the full applicable rest period has elapsed from such time of dismissal. On one occasion during the production the Company may allow a thirty (30) hour rest period for a six (6) day work week without incurring penalties.

f) **Distant Location.** Any Employee whose primary residence is more than sixty (60) miles from a production location and who is housed at said location for the convenience of the Employer shall be provided with housing or a housing allowance and per diem on the same basis as all other crew members employed on distant location.

g) **Per Diem.**

1. Employer shall pay per diem to employees housed overnight at a location more than 30 miles from the intersection of Beverly and La Cienega Boulevard, Los Angeles. Per diem shall be no less than thirty-five dollars ($35.00) per day allocated as follows:
2. Any meals supplied by the Employer shall not be deducted from per diem at the above specified rate.

   h) **Idle Pay.** When an employee is on distant location, the employee shall be paid four (4) hours of straight time for each idle sixth or seventh day in a work week. In addition, the employee shall receive one day’s benefit contributions for each such idle sixth or seventh day.

   i) **Travel.** On a “travel only” day the minimum call shall be four hours at straight time on any given day. A full days benefit contribution shall be contributed for all “travel only” days.

**ARTICLE XI – MEALS**

   a) Meal periods shall not be less than one-half hour (1/2) nor more than one (1) hour in length. Not more than one meal period shall be deducted from work time for an employee during the minimum call. (A second work time for these employees who work in excess of the minimum call.) During Principal Photography meals shall be provided by the Employer or a meal allowance paid for employees off-production. Payments or per diem or a location allowance to an employee shall be deemed to satisfy the meal allowance obligation.

   b) The employee’s first meal period should commence within six (6) hours following the time of first call for the day; succeeding meal periods shall commence within six (6) hours after the end of the preceding meal period. An employee’s first meal period shall commence no earlier than two (2) hours after such employee reports for work except as provided in paragraph “d” of this “Meals” section.

   c) Meal intervals may be extended twelve (12) minutes without penalty when
used for completing a camera setup in progress or one (1) hour for wrap if the employee is dismissed within one (1) hour. If the employee is not dismissed within said one (1) hour extension, meal penalty shall be computed from the sixth hour.

d) If an employee is called up to one (1) hour prior to the principal crew call and a hot catered meal is provided at the work site, without deducting the time eating from work time, that employee shall be on the same meal schedule as the principal unit. In order for this paragraph to be in effect, the company shall make the aforementioned meal available to the employee forty-five (45) minutes prior to, and after, the regular crew call.

e) Meal penalty for delayed meals shall be computed as follows:

(1) First ½ hour meal delay or
fraction thereof ................................. $7.50

(2) Second ½ hour meal delay or
fraction thereof ................................. $10.00

(3) Third and each succeeding ½ hour
meal delay or fraction thereof ............ $12.50

Such allowance shall be in addition to the compensation for work time during the delay and shall not be applied as part of any guarantee.

ARTICLE XII- PAYMENT OF WAGES

Weekly wages shall be paid no later than the Friday following the end of each production workweek. Earned overtime may be paid on the following Friday.
ARTICLE XIII – HOLIDAYS

a) The following shall be recognized as holidays: New Year's Day, Martin Luther King's Birthday, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the day after Thanksgiving and Christmas Day. If any of the above-named holidays falls on a Sunday, the following Monday shall be considered the holiday and if any of the above-named holidays falls on a Saturday, the preceding Friday shall be considered the holiday. Holiday pay shall be calculated on the basis of eight (8) hours (at the employee's regular straight time hourly rate). In order for an employee to be eligible for holiday pay, an employee must work the scheduled workday before and after the holiday.

ARTICLE XIV- BENEFIT CONTRIBUTION OR ALLOWANCES

a) The Employer shall contribute the sum of thirty-two dollars ($32.00) a day to the IATSE National Health and Welfare Fund for each day worked by employees in classification covered by this Agreement to be distributed as follows:

<table>
<thead>
<tr>
<th>Health/Welfare</th>
<th>$_________</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annuity</td>
<td>$_________</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$ 32.00</strong></td>
</tr>
</tbody>
</table>

b) Except as otherwise provided herein, the foregoing fringe benefit payments shall be paid directly to the I.A.T.S.E. National Health and Welfare and Annuity Funds which are established as appropriate trust funds and which comply with all applicable legal requirements.
ARTICLE XV – COVERED WORK

a) The work covered by this Agreement shall generally include the work normally associated with motion picture production as is reflected by the job classifications within the motion picture industry.

b) Subcontracting work covered by this agreement is expressly prohibited.

ARTICLE XVI – SAFETY AND SPECIAL WORK

a) The employee selected to perform special work will negotiate and agree upon a rate in advance for such work with the Producer and, if no agreement is so reached, the employee will not jeopardize working opportunities by refusing to perform work that is considered special. The employee may request the assistance of the Business Representative of the Union in such negotiations.

b) Rigid observance of safety regulations must be adhered to and willful failure of any employee to follow safety rules and regulations can lead to disciplinary action including discharge; however, no employee shall be discharged or otherwise disciplined for refusing to work on a job that exposes the individual to a clear and present danger to life and limb.

ARTICLE XVII - LOCAL LOCATIONS

a) Employees shall report to work at designated local production locations unless there are access difficulties, in which case the Employer will make appropriate transportation arrangements.

b) Employees may be requested to report to a production location within a 30 mile radius of the intersection of Beverly and La Cienega Boulevard.
c) When the employee reports to a local location outside the thirty (30) mile zone, mileage covering the distance from the production office to the reporting place and return shall be paid at the rate of thirty cents ($0.30) per mile (or the prevailing IRS mileage rate).

ARTICLE XVIII - CANCELLATION OF CALLS

In the event of cancellation for previously called employees, it is understood that if notification is not given by 3:00 PM of the previous day's work, then the employees shall be paid an eight (8) hour minimum call.

ARTICLE XIX- CHECK-OFF

The Employer agrees to withhold from each employee covered herein the working dues assessment of three (3%) percent of Gross Wages for whom there has been or shall be filed with the Employer, a written assignment in accordance with Section 302© of the Labor Management Relations Act, 1947. Within ten (10) days after the end of each payroll period, the Employer or its authorized agent shall remit to the Union or its designated local payment of the total amount of all deductions during said payroll period.

ARTICLE XX - TEAM AND EFFECTIVE DATE

This Agreement shall be effective retroactively to the first date of hire of an employee covered hereunder and shall remain in effect through completion of the production.
APPENDIX B

MINIMUM HOURLY WAGE RATES

ELECTRIC DEPARTMENT
Gaffer                   Individual Negotiation
Best Boy                Individual Negotiation
Journeyman Electrician  17.50
Generator Operator      17.50
Rigging – Electrician   17.50

GRIP DEPARTMENT
Key Grip                Individual Negotiation
Best Boy Grip           Individual Negotiation
Dolly Grip              Individual Negotiation
Journeyman Grips        17.50
Rigging Grip            17.50

PROPERTY DEPARTMENT
Property Master          Individual Negotiation
Assistant Propmaster    Individual Negotiation
Journeyman Props/Buyer  17.50
Greens                  17.50

SET DRESSING
Set Decorator           Individual Negotiation
Lead Person             18.50
Swing Gang              17.50
Off. Production Buyer   17.50

SPECIAL EFFECTS
Key Special Effects     Individual Negotiation
Chargeman               17.50
Journeyman EFX/Powder   17.50

COSTUME DEPARTMENT
Costume Designer         Individual Negotiation
Key Costumer             Individual Negotiation
Assistant Key           18.50
Wardrobe Assistant/Buyer/Sewer  17.50

CONSTRUCTION DEPARTMENT
Construction-Coordinator Individual Negotiation
Foreperson               Individual Negotiation
Gang Boss                18.50
Shop Craft Persons/Painter/Plasterer/Buyer  17.50
**CONSTRUCTION DEPARTMENT (continued)**

<table>
<thead>
<tr>
<th>Position</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shop Craft Person</td>
<td>17.50</td>
</tr>
<tr>
<td>Paint Foreman</td>
<td>Individual Negotiation</td>
</tr>
<tr>
<td>Scenic Artist (Specialty)</td>
<td>18.50</td>
</tr>
<tr>
<td>Construction Painter/Standby</td>
<td>17.50</td>
</tr>
<tr>
<td>*Utility Persons</td>
<td>15.00</td>
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**SOUND DEPARTMENT**

<table>
<thead>
<tr>
<th>Position</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mixer</td>
<td>Individual Negotiation</td>
</tr>
<tr>
<td>Boom</td>
<td>Individual Negotiation</td>
</tr>
<tr>
<td>Cable/Video Assist</td>
<td>17.50</td>
</tr>
</tbody>
</table>

**MISCELLANEOUS**

<table>
<thead>
<tr>
<th>Position</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Craft Service</td>
<td>17.50</td>
</tr>
<tr>
<td>Assistant Craft Service</td>
<td>15.00</td>
</tr>
<tr>
<td>First Aid/Paramedic</td>
<td>17.50</td>
</tr>
</tbody>
</table>

*Company may utilize utility persons in construction and paint departments only. One (1) utility person may be hired for each five (5) full journey positions filled in each department respectively.*