# 2011-2014 AFTRA INTERACTIVE MEDIA AGREEMENT MEMORANDUM OF AGREEMENT

This Memorandum of Agreement is entered into between the **American Federation of Television and Radio Artists** (hereinafter referred to as "AFTRA or "the Union") and (hereinafter referred to as "the Employer").

The provisions of this Memorandum of Agreement represent modifications to the **2010-2011 AFTRA Interactive Media Agreement**. Except as specifically modified herein, the terms of such Agreement shall otherwise remain the same, subject to conforming language.

The language in this Memorandum of Agreement does not necessarily represent final contract language.

The provisions shall be effective as of the dates hereinafter set forth.

### 1. Term

The term of the Agreement shall be for three and one-half  $(3\frac{1}{2})$  years, commencing on July 1, 2011 and terminating on December 31, 2014.

#### 2. Wages

All wage rates set forth in the Prior Agreement shall increase by 1% effective on the first business day after AFTRA provides notification of ratification of this Agreement to counsel for the Companies listed in Schedule "A." All wages rates will increase an additional 2% effective May 1, 2013. See rate sheet beginning on Page 4.

## 3. **Health and Retirement**

Effective July 16, 2011, the aggregate contribution rate to the Health and Retirement Funds will increase by one-half of one percent (0.5%) to fifteen and one-half percent (15.5%).

# 4. New Atmospheric Voice Rate

In addition to the existing Atmospheric Voice rate there will be a new rate for a performer engaged to work for up to one (1) hour and to perform up to three (3) Atmospheric Voices. The rate for such an engagement will be tied to the rate for a Principal Performer engaged at Off-Camera, Day Performer (1 hour/1 voice) rate.

## 5. Remote Delivery and Cloud Gaming

Prior to the 2011-2014 Interactive Media Agreement, the predecessor agreements contained provisions relating to "Remote Delivery." The Remote Delivery provisions were the subject of disputes between AFTRA and the various signatory companies, with

those companies contending that the Remote Delivery provisions did not apply to any service that was in existence or that had been announced through and including the term of the 2010-2011 Interactive Media Agreement.

In Settlement of the disputes arising out of and/or related to the Remote Delivery provisions, AFTRA and the signatory companies agree that the Remote Delivery provisions of all prior Interactive Media Agreements are deemed null and void and AFTRA (on behalf of itself and its members, successors and assigns) releases any and all claims arising out of or related to the Remote Delivery provisions of the 2010-2011 Interactive Media Agreement and all predecessor agreements. Similarly, games produced under the 2010-2011 Interactive Media Agreement and all predecessor agreements are not subject to the below Cloud Gaming payment provisions.

In consideration for the foregoing, the parties agree as follows:

#### **Cloud Gaming:**

If, during the period from the effective date of this Agreement until October 31, 2014, a complete Interactive Program produced and released under this Agreement, that is otherwise distributed, is also fully streamed, via one or more electronic communication streaming services, to the consumer for game play and use by the consumer (i.e., no portion of the Interactive Program is downloaded to and/or stored on the consumer's client device) and the consumer is required to maintain a continuous connection to the service in order to interact with the Interactive Program (referred to as "Cloud Gaming"), an additional one-time Cloud Gaming payment in the amount of 15% of the then current minimum scale session fee shall be paid to each Principal Performer employed on the Interactive Program under this Agreement. This one-time payment shall be all that is required for any and all Cloud Gaming services on which the Interactive Program is played.

Payment may be made in advance, but if not made in advance, Producer shall provide prompt notice to AFTRA and make timely payment to Principal Performers in accordance with the Payment provision of this Agreement.

By way of clarification, no Cloud Gaming payment would be due as a result of the Interactive Program being fully or partially downloaded to and/or stored on the consumer's device. Alternatively, if what is downloaded is part of the streaming service's user interface used solely to connect the user to the full streaming game play of an Interactive Program (as contrasted with a part of the Interactive Program itself) such a download in and of itself would not exempt the Interactive Program from the Cloud Gaming payment.

Also as clarification, if the Interactive Program is available only through a Cloud Gaming service and is not available as a packaged good or a digital download, no Cloud Gaming payment shall be owed to the Principal Performers and only the applicable minimum scale compensation under the Agreement would be due. However, if an Interactive

Program is initially released through Cloud Gaming and subsequently is released as a packaged good or a digital download, the Cloud Gaming payment would be due.

Demos and trial versions of the Interactive Program would fall within the promotional use exception and would not trigger Cloud Gaming payment.

#### 6. <u>Early Negotiations</u>

The parties agree to early negotiations for the successor to the 2011-2014 AFTRA Interactive Media Agreement. Those negotiations will commence during a window period from approximately August 15, 2014 through not later than September 30, 2014.

#### 7. Vocal Stress

AFTRA and the Companies shall establish a committee to meet and discuss "best practices" to deal with ways to reduce vocal stress.

# 8. Agency Issues

AFTRA will facilitate a meeting with the ATA to address issues related to agency group boycotts and the minimum terms under the Agreement.

## 9. Drafting Issues and Conforming Changes

The parties will cooperate to correct the drafting issues discussed during bargaining and to make necessary conforming changes in the Agreement.

Demos and trial versions of the Interactive Program would fall within the promotional use exception and would not trigger Cloud Gaming payment.

| ACK. | NOWLE  | DGED AND AGREED:      |                          |
|------|--------|-----------------------|--------------------------|
| Empl | loyer: | ,                     |                          |
|      | By:    |                       |                          |
|      |        |                       | Date                     |
|      |        | Print name and Title  |                          |
| AME  | CRICAN | FEDERATION OF TELE    | VISION AND RADIO ARTISTS |
|      |        |                       |                          |
| BY:  |        |                       | Dated:                   |
|      |        | oberts Hedgpeth       |                          |
|      | Nation | al Executive Director |                          |

# RATES EFFECTIVE JULY 1, 2011 – OCTOBER 31, 2014

| On-Camera Performers                           | <u>7/1/11</u> | <u>7/16/11</u> | <u>5/1/13</u> |
|--|---------------|----------------|---------------|
| Day Performers (including solo/duo singers)    | \$801.30      | \$809.30       | \$825.50      |
| 3-Day Performers (including solo/duo singers)  | 2,027.05      | 2,047.30       | 2,088.25      |
| Weekly Performers (including solo/duo singers) | 2,780.85      | 2,808.65       | 2,864.80      |
| 6 Day Overnight Location                       | 3,058.50      | 3,089.10       | 3,150.90      |
| Group Singers 3-8 (4-hour day)                 | 760.15        | 767.75         | 783.10        |
| Group Singers 9+ (4-hour day)                  | 663.00        | 669.65         | 683.05        |
| Contractor 3-8<br>Contractor 9+                | +50%<br>+100% | +50%<br>+100%  | +50%<br>+100% |

#### a) Over-Dubbing

33 ½% of above applicable rate without limitation as to the number of tracks.

#### b) Sweetening

100% of the applicable rate (with or without Over-Dubbing), without limitation as to the number of tracks.

#### c) Stepping-Out

- (i) If a solo or duo is called upon to Step Out of a group to sing up to fifteen (15) cumulative bars during a session, the solo/duo shall be paid an adjustment of fifty percent (50%) of the solo/duo rate in addition to the appropriate group rate for that day.
- (ii) If a solo or duo is called upon to Step Out of a group to sing sixteen (16) or more cumulative bars, or remain more than one (l) hour after the group has been released, to perform a solo or duo of any length, the solo/duo shall be paid the full solo/duo rate in addition to the appropriate group rate for that day.
- (iii) Any member of a group who Steps Out to perform as part of a smaller group to sing over four (4) consecutive bars shall be paid at the smaller group fee for that day. Such re-classification shall not operate to reduce the size of the overall group with respect to fees payable to the remainder of the group.

| <u>Dancers</u>                               | <u>7/1/11</u> | <u>7/16/11</u> | <u>5/1/13</u> |
|--|---------------|----------------|---------------|
| Rehearsal Days Only                          | \$470.90      | \$475.60       | \$485.10      |
| Work Days (no rehearsal)                     |               |                |               |
| Solo/Duo                                     | \$801.30      | \$809.30       | \$825.50      |
| Group 3-8                                    | 702.05        | 709.05         | 723.25        |
| Group 9+                                     | 613.40        | 619.55         | 631.95        |
| Weekly Option (includes rehearsals) Solo/Duo | \$2,576.05    | \$2,601.80     | \$2,653.85    |
| Group 3-8                                    | 2,360.70      | 2,384.30       | 2,432.00      |
| Group 9+                                     | 2,107.40      | 2,364.30       | 2,432.00      |
| Group 71                                     | 2,107.40      | 2,100.03       | 2,212.23      |
| Background Actor Rates                       | <u>7/1/11</u> | <u>7/16/11</u> | <u>5/1/13</u> |
|  |               |                |               |
| General Background Actors                    | \$137.25      | \$138.60       | \$141.35      |
| Special Ability Actors and Stand-ins         | 172.10        | 173.80         | 177.30        |
| Off-Camera Performers                        | <u>7/1/11</u> | <u>7/16/11</u> | <u>5/1/13</u> |
|  |               |                |               |
| Day Performer (Up to 3 voices/ 4-hour day)   | \$801.30      | \$809.30       | \$825.50      |
| Day Performer (1 voice / 1 hr)               | 400.65        | 404.65         | 412.75        |
| Additional Voices (each)                     | 267.10        | 269.75         | 275.15        |
| 6-10 Voices / 6-hour day                     | 1,602.65      | 1,618.70       | 1,651.05      |
| Singers (4 hour day)                         |               |                |               |
| Solo/Duo                                     | \$801.30      | \$809.30       | \$825.50      |
| Hourly Rate*                                 | 400.65        | 404.65         | 412.75        |
| Group Singers 3-8                            | 424.40        | 428.65         | 437.20        |
| Group Singers 9+                             | 368.45        | 372.15         | 379.60        |
| Group Hourly Rate*                           | 237.55        | 239.95         | 244.75        |
| Contractor 3-8                               | +50%          | +50%           | +50%          |
| Contractor 9+                                | +100%         | +100%          | +100%         |
|  |               |                |               |

Over-dubbing, Sweetening and Stepping-Out for Off-Camera Singers (same as on-camera rates, see Subsections (a) - (c) above).

<sup>\*</sup> Once Producer engages Singers at hourly rate, no conversion to Day Player rates.

| Atmospheric Voices   | <u>7/1/11</u> | <u>7/16/11</u> | <u>5/1/13</u> |
|--|---------------|----------------|---------------|
| Up to twenty (20) Atmospheric Voices [300-word limit] (4-hour session) | \$801.30      | \$809.30       | \$825.50      |
| Unlimited number of Atmospheric Voices (4-hour session)                | 1,602.60      | 1,618.65       | 1,651.00      |
| Up to 3 Voices (1-hour session)  | N/A           | 404.65         | 412.75        |

- a) A Producer that employs at least ten (10) principal performers on a specific Interactive Program may hire performers to do "Atmospheric Voices" under the terms set forth above.
- b) "Atmospheric Voices" shall be defined as voices for characters that (1) do not have more than 300 scripted words and (2) do not advance the principal storyline.
- c) A performer (or his or her agent) must be notified in writing prior to engagement that the Producer shall be recording Atmospheric Voices including whether the Producer is utilizing the twenty (20) voices or less option or the unlimited option. If the required notice is not given, then all voices beyond the third voice recorded in that session shall be paid as "additional voices" as set forth in the AFTRA Interactive Media Agreement.
- d) A Performer may not record Atmospheric Voices and non-Atmospheric Voices in the same session.

| <b>Overtime Rate Maximums</b>                     | <u>7/1/11</u>                      | <u>7/16/11</u>                     | <u>5/1/13</u>                      |
|---|------------------------------------|------------------------------------|------------------------------------|
| Day Players<br>3-Day Players<br>Weekly Performers | \$3,412.15<br>4,313.25<br>5,746.45 | \$3,446.25<br>4,356.40<br>5,803.90 | \$3,515.20<br>4,443.55<br>5,920.00 |
| <u>Hazardous Work</u>                             | <b>7/1/11</b><br>\$72.20           | <b>7/16/11</b><br>\$72.90          | <u><b>5/1/13</b></u><br>\$74.35    |
| Wet Work  | 13.50                              | 13.65                              | 13.90                              |
| Body Makeup, Skull Cap, Hair Goods                | 18.00                              | 18.20                              | 18.55                              |

HEALTH AND RETIREMENT CONTRIBUTION: 15%, effective 7/16/11 15.5%