Studio Transportation Drivers, Teamsters Local #399

2015
COMMERCIALS AGREEMENT

LOCATION SCOUTS/MANAGERS

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Teamsters Commercials Agreement
Location Scouts/Managers

This Agreement dated as of the 1st day of February, 2015, by and between STUDIO TRANSPORTATION DRIVERS, LOCAL NO. 399 of the INTERNATIONAL BROTHERHOOD OF TEAMSTERS ("Local 399"), and the ASSOCIATION OF INDEPENDENT COMMERCIAL PRODUCERS, INC. ("AICP"), and is binding on those commercial and promo[1] production companies that have consented to be bound hereby ("Employer" or "Employers").

Employer is engaged in the physical production of commercials and promos pursuant to contracts with advertising agencies and/or advertisers intended for exhibition. Local 399 represents professional Location Scouts/Managers, many of whom work in the production of commercials and promos.

Commercial and promo production services the advertising industry by providing filmed and taped commercials and promos for television, the internet, movie theaters and other screens. While the physical production processes of commercials and promos parallels that of motion picture production, the process is creatively controlled by advertisers and their agencies whose requirements affect personnel selection, production schedules, work practices and budgets.

This Agreement is intended to recognize and address the special needs of the commercial and promo production process. It is the intent of the parties hereto that this Agreement establish the wage and working conditions applicable to professional Location Scouts/Managers employed in the production of commercials and promos.

ARTICLE I - RECOGNITION

The Employer recognizes Local 399 as the exclusive collective bargaining representative of professional Location Scouts/Managers employed by the Employer in the County of Los Angeles to perform services either within or without said County in the production of commercials or promos. This Agreement is not applicable to production assistants, office clerical employees or guards as defined by the National Labor Relations Act.

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[1] As used herein, the term "promo" refers to advertisements by a broadcast, cable or satellite network promoting one of its shows.

Nothing in this agreement shall require the Employer to transport Location Scouts/Managers from the Los Angeles metropolitan area to another state.

ARTICLE II - UNION SECURITY

Employees covered by this Agreement, as a condition of employment, shall become and thereafter remain members in good standing of Local 399 on and after the thirtieth day of their employment or thirty days following the execution of the Agreement, whichever is the later date. The foregoing shall be subject to and limited by the National Labor Relations Act and 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 State law.

ARTICLE III - MULTI-EMPLOYER UNIT

For purposes of the Industry Experience Roster provisions of Article VIII of this Agreement, employees hired by the Employer in the County of Los Angeles to perform services covered by this Agreement in the County of Los Angeles, or hired by the Employer in the County of Los Angeles to perform services outside said county shall be deemed to be within a multi-employer bargaining unit established by this Agreement. Employers agreeing to be bound to this Agreement shall be deemed to have consented to becoming part of such multi-employer bargaining unit.

ARTICLE IV - NO DISCRIMINATION

The Employer and Local 399 agree that there shall be no discrimination against any employee or prospective employee due to race, color, creed, sex, sexual orientation, age, physical handicap, union membership or national origin, or as otherwise provided in applicable State or Federal legislation.

ARTICLE V - GRIEVANCE PROCEDURE

Any dispute between the Employer on the one hand and Local 399 on behalf of itself or an affiliated Local Union and/or any covered employee(s) on the other

hand concerning the interpretation and/or application of this Agreement which cannot be initially resolved between the parties shall be referred to the designated representatives of Local 399 and AICP for resolution. If they are unable to resolve the matter, it may be submitted to arbitration by either Local 399 or the Employer. 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 the other party within forty-five (45) calendar days following the incident giving rise to the claim or within forty-five (45) calendar days after the affected employee(s), Local 399 or affiliated Local Union had a reasonable opportunity to become aware of the incident, whichever is the later, but in no event more than one year after the incident, shall be deemed to be waived.

ARTICLE VI - NO STRIKE - NO LOCKOUT

During the term of this Agreement, there shall be no strikes, picketing, or work stoppages by Local 399, affiliated Local Unions or by any covered employee, or lockout by the Employer. The Producer will not discipline any employee covered by this Agreement because of his refusal as an individual to cross a picket line, providing that such picket line has been sanctioned by the Joint Council of Teamsters, No. 42.

ARTICLE VII - ACCESS

The designated representatives of Local 399 shall be permitted reasonable access to all production sites where persons covered by the Agreement are performing services, subject to reasonable limitations (*e.g.* signing non-disclosure agreements) relating to the protection of design, patent or trade secrets and other confidential matters.

ARTICLE VIII - EMPLOYMENT OF LOCATION SCOUTS/MANAGERS

(a) A Location Scout/Manager must be hired on any production for locations that are not self-contained. For the purposes of clarification a "self-contained location" includes, but is not limited to, the following:

a) Studio lots;
b) Warehouses;
c) Stages;
d) Filming Ranches; and/or
e) Other locations not open to the public with sufficient parking for the production other than on public streets.

(b) The professional duties of a Location Scout/Manager consist of finding and arranging motion picture locations, as more specifically set forth below. Location Scout/Manager duties include, but are not limited nor exclusive to:

a) Locating sites, whether through file search or scouting.
b) Contacting property owners.
c) Negotiations of property rental and use rates between owners and production companies.
d) Obtaining necessary permission or permits for location sites and location parking from appropriate governmental agencies.
e) Maintaining the negotiated condition and use of the location site in accordance with the rental contract or government permit.
f) Contacting appropriate area film council and maintaining a liaison with same during the course of location use.

The foregoing description of duties is not intended, nor shall it be construed, either to enlarge or diminish the duties of Location Scouts/Managers, as such duties are presently and were heretofore customarily performed in the commercial industry. The Employer agrees that the utilization of Location Scouts/Managers shall not be unreasonably withheld.

(c) The Employer shall inform or instruct its payroll company to inform the Union, in writing, within ten (10) days (Saturdays, Sundays and holidays excluded) from the first day of employment pursuant to this Agreement, of the name and date of the first day of employment of any employee subject to this Agreement.

(d) The Employer may cancel the call of any employee subject to this Agreement by notifying the employee of the cancelled call no later than 8:00 p.m. on the evening before the day of the call. If the Employer fails to notify an employee of a cancelled call by 8:00 p.m. on the evening before the day of the call, such employee shall be paid as if he or she worked the call.

(e) The parties hereby establish an Industry Experience Roster, which will be maintained under this Agreement, composed of the names of employees subject to this Agreement who were employed as Location Scouts/Managers in the industry as of the signing of this Agreement and employees who thereafter satisfactorily fulfill all of the eligibility provisions set forth below, including the actual performance of services hereunder in the production of commercials in Los Angeles County or who have been hired hereunder in said county and performed such services outside said county. The physical maintenance of said roster shall be under the supervision of Local 399.

(f) i) Persons employed under the terms and conditions of this Agreement for thirty (30) days or more within a two (2) year period may, upon application to Local 399, have their name added to the Industry Experience Roster. The employees shall have the burden of establishing their eligibility for such Industry Experience Roster placement.

ii) During each year of this Agreement, the AICP may place up to three (3) individuals whom it certifies possess the skills and abilities of a Location Manager/Scout on the Industry Experience Roster.

(g) For Location Scouts/Managers employed to work in Los Angeles County or employed in Los Angeles County to work outside said County, preference of employment shall be given to individuals named on the Industry Experience Roster. The Employer shall not be required to provide such preference of employment if the number of Location Scouts/Managers available for work on the first date of employment is fifteen (15) or less.

(h) It shall not be a violation of the preference of employment provisions of this Article for an employer to hire Location Scouts/Managers from the Industry Experience Roster established pursuant to the 2012 Producer and Studio Transportation Drivers, Teamsters Local #399 Location Managers Agreement ("LMA") or its successor.

ARTICLE IX - HEALTH, WELFARE & PENSION

(a) The provisions of Articles 12 (Health Plan), 13 (Pension Plan), 13A (Individual Account Plan), 14 (Retiree Health Plan), and 22 (Contract Services Administration Trust Fund) of the 2009 Producer and Studio Transportation Drivers,

Teamsters Local #399 Location Managers Agreement ("LMA") and any successor agreement shall be applicable to employees hired by the Employer to perform services in the County of Los Angeles, or hired by the Employer in the County of Los Angeles to perform services outside the County of Los Angeles. Eight (8) hours of benefit contributions for travel days and idle days on overnight locations shall be made as provided in the LMA.

(b) The Employer will execute any documents required to constitute it an appropriate Employer contributor to the benefit plans specified in the LMA.

(c) During the term of this Agreement, the Pension and Health contribution rates will match those now in effect and as may later be modified in the Agreement between the AICP and the IATSE. All changes in the rates of contributions pursuant to this paragraph shall be effective on the Sunday closest to the next anniversary date of this Agreement.

ARTICLE X - MINIMUM TERMS AND CONDITIONS

The wage scales and working condition provisions of the Agreement shall be minimums and no employee shall waive or be deemed to have waived any minimum condition. However, employees shall not be precluded from obtaining "better conditions" as that term is understood in the motion picture and television industry. Any employee enjoying such better conditions shall not have their wages or working conditions reduced as a consequence of this Agreement. The following language shall be included in all deal memos or personal service contracts: "All provisions of this deal memo (or personal service contract) are subject to and must provide no less than the terms and conditions of the Local 399 2015 Commercials Location Scouts/Managers Agreement."

ARTICLE XI - WAGES

(a) Daily Employees

All Location Scouts/Managers shall be deemed to be daily employees. No Location Scout/Manager shall be deemed to be an independent contractor. Location Scouts/ Managers are considered exempt employees.

(b) Time Records

The employee's start times and end times shall be accurately recorded each shoot day on time cards and any production reports.

(c) Daily On Call Wage Rates

Effective Feb. 1, 2015	Effective Feb. 22, 2015	Effective Feb. 1, 2016
$627.42	$641.54	$660.78

(d) Daily Overtime

Although the parties agree that bargaining unit employees are exempt employees, for all work following 14 elapsed hours on shoot days, employees shall nevertheless be paid one tenth of their daily rate for each additional hour worked or part thereof.

(e) Sixth and Seventh Days

For all work on a sixth and seventh consecutive day on the same production, employees shall be paid one and one-half (1½) times their regular daily rate. There shall be no layoffs or other reductions solely to avoid 6th or 7th days. Location Scouts/Managers shall notify the Employer prior to working a sixth or seventh consecutive day.

(f) Replacing a bargaining unit employee who works as a Scout with another bargaining unit employee who works as a Manager is not a violation of this Agreement.

(g) The parties agree that employees covered by this Agreement are "engaged in the production of motion pictures" as that phrase is used in Section 201.5 of the California Labor Code.

(h) The parties are reminded that in the State of California the failure to timely pay wages shall entitle each effected employee to liquidated damages equal to a day's wages for each day of delay, up to a maximum of thirty (30) days pursuant to section 203 of the Labor Code.

ARTICLE XII - REST PERIODS

Location Managers should be entitled to a minimum nine (9) hour rest period between calls. Such rest period shall not be invaded unless specifically authorized by the Production Coordinator or an authorized representative of the Producer on such production. When the rest period is so invaded as authorized, the Location Manager shall receive an additional premium equal to one-half (½) of the applicable daily rate.

ARTICLE XIII - PSA, SPEC, LOW-BUDGET

This Agreement excludes spec spots (demonstration commercials funded by the producer and made for the purpose of showcasing the talent of producers and directors to prospective clients).

With respect to Public Service Announcements, wage rates shall be subject to individual negotiation between the Producer and the employee. All other provisions of the contract, including low budget provisions, shall be applicable. Public service announcements are commercials produced for non-profit or governmental agencies to disseminate information or promote services which serve the public interest. No commercial products, services or corporate names may be referenced or shown in PSAs.

A Low Budget Commercial is defined as a commercial whose costs (excluding "Editorial and Finishing", "Talent Costs" & "Talent Expenses") as set forth in the AICP Film Production Cost Summary does not exceed $100,000 per shoot day and the total cost does not exceed $500,000.00.

For Low Budget Commercials, wages shall be individually negotiated and contributions to the MPIPHP shall be based on hours worked or guaranteed and the lAP shall be based on scale wages.

As quickly as is reasonably possible after the project is "green lit" but in no event later than the day before calls are placed, Producer must notify the Union of its intent to produce a Low Budget Commercial and the working title of the Low Budget Commercial.

Producer must submit to the Union, no later than thirty (30) days after the last shoot day, the AICP Film Production Cost Summary. Upon request, the Producer will

submit verification of the final approved budget. The Union has the right to audit records relating to the cost of the commercial. Budgetary documents and information provided will be kept confidential.

ARTICLE XIV - HOLIDAYS

(a) Recognized holidays shall be the same as those designated in the then current Screen Actors Guild Commercials Contract: New Year's Day, Martin Luther King, Jr.'s Birthday, President's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving, Christmas.

(b) If any of the above holidays falls on a Saturday, the preceding Friday shall be considered the holiday and if a holiday falls on Sunday, the following Monday shall be considered the holiday, except that on distant location, Saturday holidays will be recognized on Saturday.

(b) For all work on Holidays, employees covered by this Agreement shall receive two (2) times their regular daily rates.

ARTICLE XV - LOCATIONS/TRAVEL

(a) Employees shall report to work at designated local production locations within the Studio Zone. The Studio Zone shall be the area within a circular thirty (30) mile zone, the radius of which shall be calculated from Beverly Boulevard and La Cienega Boulevard in Los Angeles, California.

(b) Employees on overnight locations shall be provided with a per diem allowance and either housing or a housing allowance in accordance with the GSA's CONUS M&IE (Government Services Administration Continental United States Meal & Individual Expenses).

(c) The Employer shall provide transportation to and from overnight locations. All travel by commercial jet shall be not less than coach class. All other travel by commercial carriers shall be by the best class available.

(d) On any day in which an employee covered under this agreement works in excess of 16 hours including travel time from the edge of the zone and the location

is more than thirty (30) miles from the edge of the zone, the Employer shall offer that employee (and if accepted, shall pay for) first class nearby hotel accommodations. If, on the following day, work is four hours or less, the employee will be paid one-half (½) their daily rate. If more than four hours are worked then a full day's wages are due. Contributions to the Motion Picture Industry Health, Pension and Individual Account Plans shall, irrespective of the number of hours worked on that following day, be based upon a full day of work.

ARTICLE XVI - REIMBURSEMENT OF EXPENSES

(a) The Employer shall reimburse all employees covered by this Agreement for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, provided that expenditures other than ordinary and customary ones (*e.g.* parking) have been approved in advance by the Employer.

(b) Reimbursement for mileage traveled on behalf of the Employer, including on shoot days, shall be at the rate recognized by the Internal Revenue Service.

(c) Reimbursement for use of the employee's entire kit (*e.g.,* computer, cell phone, cameras, printer, maps) shall be no less than $55.00 per work day, including shoot days.

ARTICLE XVII - CONFIDENTIALITY AGREEMENTS

(a) In recognition of the confidentiality requirements imposed on the employer by advertising agencies and their clients, employees covered by this agreement shall, with respect to any commercial production on which they are employed, hold in strictest confidence all non public information, trade secrets, creative material and production techniques and shall not disparage or give out unauthorized publicity concerning any aspect of the production process except as protected or required by applicable labor laws, rules and regulations. Employer strictly forbids the capturing of images and/or recordings except as authorized by Employer as an essential function of employee's specific job.

(b) When required by the Agency or Advertiser, the employee shall be required as a condition of employment to acknowledge that he/she understands and agrees to comply with the provisions of this Article XVII by signing a copy of the

form attached hereto as Appendix A hereto. The employee shall be given a copy of the signed form.

(c) Any document provided to an employee for execution, other than standard payroll forms or pre-approved confidentiality agreements, must be approved in advance by the Union. Failure to obtain the Union's approval will result in any executed document being deemed null and void and unenforceable at the discretion of the Union. The Union will answer the Employer's request for approval via e-mail within 48 hours of receipt (exclusive of weekends and holidays) of the proposed document and if no answer to the request is received, the proposed document shall be deemed approved by the Union.

ARTICLE XVIII - POLITICAL ACTION COMMITTEE CHECKOFF

The Employer agrees to deduct from each employee's gross wages at each payroll period such voluntary contributions to the Teamsters DRIVE or such other political action committee (PAC) as the Union may designate from time to time as the employee has authorized in writing to be deducted. The Employer will issue a single check for all employees' deductions payable to the PAC and remit same directly to the PAC within ten calendar days of the deduction. Along with the check the Employer will provide the PAC with the following information: (1) the name of each employee for whom a deduction has been made, (2) the employee's social security number, and (3) the amount of the deduction. The Union will indemnify and hold harmless the Employer from any and all liability arising from deductions provided for in this action. The foregoing may be assigned to the Employer's payroll service for administration.

ARTICLE XIX - TERM

The term of this Agreement shall be effective commencing February 22, 2015 to and including January 31, 2017.

STUDIO TRANSPORTATION DRIVERS LOCAL 399
OF THE INTERNATIONAL BROTHERHOOD OF
TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN
AND HELPERS OF THE UNITED STATES AND CANADA:

BY: _____
Steve Dayan
ITS: Secretary-Treasurer

DATED: 2/25/15

ASSOCIATION OF INDEPENDENT
COMMERCIAL PRODUCERS, INC.

BY: _____
Matthew Miller
ITS: President and CEO

DATED: 2/26/2015

APPENDIX "A"

Pre-Approved Confidentiality Agreement

The undersigned employee:

A. Acknowledges that Article XVII of the 2015 AICP/Teamsters Local 399 Agreement provides as follows:

> "In recognition of the confidentiality requirements imposed on the employer by advertising agencies and their clients, employees covered by this agreement shall, with respect to any commercial production on which they are employed hold in strictest confidence all non public information, trade secrets, creative material and production techniques and shall not disparage or give out unauthorized publicity concerning any aspect of the production process except as protected or required by applicable labor laws, rules and regulations. Employer strictly forbids the capturing of images and/or recordings except as authorized by Employer as an essential function of Employee's specific job;" and

B. Agrees to comply with the provisions of Article XVII with respect to the commercial production described below.

_____	_____
Date Signed	Signature of Employee
_____	_____
Name of Employee	Production Company
_____	_____
Category	Description of Commercial