



## Terms of Settlement Reached between ACTRA and CTV

The following Terms of Settlement have been agreed between ACTRA and CTV. These Terms of Settlement shall apply to the conventional operations of CTV Television Inc. and Agincourt Productions Inc. The additions, deletions and the revisions noted below reference the CTV/ACTRA Agreement, effective June 1, 1990, (the "Agreement"). Unless specifically indicated herein, the terms of the 1990 CTV / ACTRA Agreement shall continue to apply.

In this document:

- Existing text from the 1990 CTV / ACTRA Agreement is shown as normal text without embellishments.
- Additions to the 1990 CTV / ACTRA Agreement are indicated by underlined text.
- Deletions from the 1990 CTV/ACTRA Agreement are indicated by ~~struck-through text~~.
- Editorial comments added for clarification of the changes are shown in italicized text.

Term of Agreement: 3 years from date of ratification

General Increases in Fees: 8% effective on date of ratification  
2.5% effective year 2 of the Agreement  
2.5% effective year 3 of the Agreement

### ARTICLE 201 – EXCLUSIONS

Save and except for members of ACTRA as provided in clause 203 hereof, the following classifications of performer shall not be covered by the terms of this Agreement.

201b) "A person performing as an instrumentalist, musician, conductor or member of a chorus, choir, band or orchestra, who is within the jurisdiction of the American Federation of Musicians".

201e) " A person holding or a candidate for public office ~~when participating in a program on political affairs~~ except when appearing in a drama or variety program."

201m) "A reporter, analyst, or commentator, or a full time employee of CTV when appearing in any ~~news~~ program".

201n) "A person appearing as himself or herself at work or at home or in a situation related to a person's daily life in any ~~news~~ program, except when appearing in a drama or variety program."

## ARTICLE 202 – PARTIAL EXCLUSIONS

Partial Exclusions. A person in any of the following categories may be engaged to appear up to ~~four (4)~~ eight (8) times in any twelve (12) month period without being qualified by a work permit issued by ACTRA or by membership in good standing in ACTRA, but on the ~~fifth (5<sup>th</sup>)~~ ninth (9<sup>th</sup>) and following occasions shall be come qualified by obtaining work permits or membership:

- a) an interviewer or interviewee;
- b) a person speaking or commenting with special knowledge on a particular topic by reason of training or experience.

## ARTICLE 203 – ACTRA MEMBER NOT EXCLUDED

When a member of ACTRA is engaged in any of the above excluded categories, except 201 a), e), h) and k), the rates and conditions of this Agreement shall apply to such members unless the ACTRA member involved is, or becomes a regular full time employee of CTV in any category covered by clause 201(m) or 202 above. The participation of an ACTRA member in an excluded category shall not require the qualification of non-ACTRA participants who also appear in excluded categories of performance

Note: Please also see the proposed change to Article 323 – Staff Announcer definition in these Terms of Settlement.

## ARTICLE 3– PERFORMER DEFINITIONS

### ARTICLE 305– EXTRA

Amendment made to clarify applicability of changes to Use Fees structure that are outlined in Article 41.

305. Extra. Means a performer who is not required to give individual characterization or speak or sing any word or line of dialogue. Ad lib crowd noises, and/or singing and/or recital of certain commonly known verses, in crowd scenes when no words or music have been supplied and when such crowd noises and/or singing and/or recital has not been rehearsed as a directed entity shall not be deemed to be dialogue. For certainty, it is understood and agreed that extras are not entitled to receive any form of prepayment, (Article 4104), Advance Option payments (Article 4105), or use payments and fees (Article 4118).

### ARTICLE 323 – STAFF ANNOUNCER

~~Staff Announcer. Staff announcer means a regular full-time employee of CTV, employed to deliver non-commercial messages, news and/or network continuity material.~~

Staff Announcer. Staff Announcer means an employee of CTV, employed to deliver commercial messages and billboards (CTV use only), news, and network continuity material.

#### ARTICLE 4 - DEFINITION OF TERMS (NEW AND MODIFIED)

Please note this entire section will be re-numbered to reflect the new additions in alphabetical order. All existing definitions (with the revised numbering indicated below) will remain.

- 401 Audition. (No change)
- 402 Availability Enquiry. (No change)
- 403 Billboard. Billboard means an off-camera qualifying message on behalf of an advertiser that contains descriptive selling words or phrases qualifying the actual mention of the advertiser's name, product, service or outlets and occurs either at the opening or closing of a Program.
- 404 Booking. (No change)
- 405 Cable Television. Cable Television means the exhibition of a Program on television by means of cable, satellite, master antenna, or any combination thereof, where the signal embodying the Program is packaged with other signals or programming services for which a single fee is charged for all or some of such signals or services. Cable Television Use includes "basic cable channels" and "specialty" channels but does not include Free Television or Pay Television.
- 406 Call. (No change)
- 407 Commercial Message. (No change)
- 408 Compact Devices. Compact Devices means the distribution of a Program by manufacturing and selling or renting copies of a Program on tape, disc, cassette, laser disc, CD-ROM or any other format intended primarily for private, in-home exhibition.
- 409 Contracted Fee. (No change)
- 410 Dubbing. (No change)
- 411 Educational Television. Educational Television means curriculum based programming.
- 412 Episode. (No change)
- 413 Free Television. Free Television means the exhibition of a Program on the CTV network, CTV owned and operated stations and/or conventional television, whether analog, digital or HDTV and place-based media and delivered by any means but does not include cable or Pay Television.
- 414 Full-Time Employee. (No change)
- 415 In-Flight Use. In-Flight Use means the exhibition of Programs on any commercial carrier such as, but not limited to, airlines, trains, ships and buses.

- 416 Line of Dialogue. (No change)
- 417 Magazine Program. (No change)
- 418 Overscale Fee. (No change)
- 419 Pay Television. Pay Television means the exhibition of Programs on a television receiver by a Pay Television network operator distributed by means of broadcast, cable, closed circuit, Direct Broadcast Satellite (DBS) or any other form of distribution whether in conventional, scrambled, encoded or otherwise altered form where there is a requirement that the audience shall make a payment to receive such Program. Such payment may be in the form of (i) a separate amount for each Program or portion thereof, or (ii) a payment to receive a dedicated Pay Television channel which payment is made either in addition to a regular Cable Television subscription fee, or to the proprietor of a free standing microwave distribution system or a satellite master antenna television distribution system (SMATV) which distributes the said channel. Exhibition in theatres or comparable places is theatrical exhibition and shall not be considered Pay Television.
- 420 Performer's Gross Fees. (No change)
- 421 Pilot. (No change)
- 422 Post Synchronization. (No change)
- 423 Producer. (No change)
- 424 Program/Production. Program/Production means a recorded audio/visual work embodying the services and results of performers whether such work is fixed on film, tape, or otherwise and includes, but is not limited to each Episode of a Series, Pilot etc., regardless of the method of delivery.
- 425 Residual Markets. Residual Markets means a market in which the Program is exploited, apart from the market that is included in the Declared Use.
- 426 Risk Performance. (No change)
- 427 Series. (No change)
- 428 Single Unit. (No change)
- 429 Use. Use means the exhibition or broadcast of a Production on Free Television; Cable Television, Pay Television, Theatrical, Non-Theatrical, Compact Devices, In-Flight, and Educational.
- 430 Variety Program: Variety Program means a Program that consists of songs, music, dances, sketches, vignettes, blackouts and similar material, ordinarily as a mixture of some or all of such elements. Performers engaged to appear in a segment "of 5 consecutive minutes or less in duration in the body of a Variety Program" of thirty (30) minutes or longer in length shall be paid not less than the appropriate category of performance minimum for a fifteen (15) minute Program as set out in the fee schedule under Article 3905.

431 Warm-up and After Show. (No change)

#### ARTICLE 3304 – PICK -UP OF OUTSIDE PERFORMANCES – NEWS/MAGAZINE PROGRAM

Include the following new article as 3304:

News/Magazine Program. With the prior permission of the Performer(s) and the Producer of the original Program, an excerpt of up to two (2) minutes from such Program may be used on a news or news magazine program without payment to the Performer(s) involved, provided the material is used because of the newsworthy nature of the performance or for the promotion of the Performer(s), or the original production. There shall be no more than four (4) such excerpts of different Programs in any thirty (30) minute period.

#### ARTICLE 3405- PUBLICITY, STILLS, TRAILERS AND PROMOS – SELF -PROMOTION

Include the following new article as 3405:

Self-Promotion. A Performer may agree to appear and perform without fee on CTV for the purposes of self-promotion. Self-promotion appearances are defined as those occasions where a Performer is appearing in, or about to appear, in any film, television program, theatre, nightclub, concert, dance performance, circus, hotel, or studio setting, and/or where a Performer is promoting him/her self in the current release of a book record, video, or compact disc. The Performer shall execute a waiver form (per Appendix J) which shall be provided by CTV to the Performer in advance of the appearance, and which will be filed with the local ACTRA office.

Consequential Amendment – Delete Article 204 of the 1990 CTV/ACTRA Agreement

#### ARTICLE 204 – WAIVER FOR SELF-PROMOTION

~~A performer may apply to the General Secretary of ACTRA to be granted a waiver when appearing for self-promotion purposes only. This shall not apply if the performer is actually performing (for example: a singer singing).~~

#### ARTICLE 3804 – NON-MEMBERS

The current article 3804 will be deleted and replaced as follows:

~~Non-Members. CTV shall pay to the ACTRA Fraternal Benefit Society an amount equal to nine and one-half percent (9½ %) of the gross fees of each Canadian resident performer who is not a member of ACTRA for disposition in such manner and for such purposes as may be determined in the absolute discretion of the ACTRA Fraternal Benefit Society. The amount payable under this Article in case of each non-resident performer who is not a member of ACTRA shall be limited to minimum fees in the Agreement. ACTRA will be provided with details of the contract of such performers.~~

Non-member Equalization Payments and Deductions:

- a) In order to equalize the payments and deductions in respect of ACTRA members and non-members, CTV shall:
  - i) contribute an amount equal to 9.5% of the Gross Fees paid to each Performer who is not a member of ACTRA, including those designated as Apprentice or temporary members, and work permittees, (a Non-Member), and
  - ii) deduct from the remuneration payable to each Non-member and Apprentice Member an amount equal to 3% of the Performer's Gross Fees, (inclusive of Use Fees).
- b) The equalization Payments and deductions pursuant to this Article may be used and applied by ACTRA and ACTRA Fraternal Benefit Society for disposition in such manner and for such purposes as may be determined in their absolute and unfettered discretion.
- c) All contributions and deductions made pursuant to this Article shall be payable by cheque to:
  - i) the Union of British Columbia Performers in respect of Productions in the Province of British Columbia; and
  - ii) the ACTRA Fraternal Benefit Society in the case of all other productions.
- d) With respect to Non-member Equalization Payments and Deductions received by ACTRA Fraternal Benefit Society and UBCP, the Society and the UBCP shall each retain an amount equal to 10% of the Gross Fees received, and the balance shall be remitted to ACTRA.

ARTICLE 3806 – DEDUCTIONS FOR ACTRA DUES

Include the following new article as 3806:

Deductions for ACTRA Dues. CTV shall deduct 1.75% of the Gross Fees (inclusive of Use Fees) paid each performer who is an ACTRA member, and shall remit monthly such amount deducted to the local ACTRA office. During the life of this Agreement, ACTRA may amend the percentage of this deduction.

ARTICLE 3902 – CTV USE ENTITLEMENT

Article 3902 will be deleted and the use entitlement incorporated in the revised Article 41.

~~3902 CTV Use Entitlement. Upon payment to performers of the minimum fees per program provided in this Agreement, CTV shall be entitled to ONE (1) USE ON ONE~~

~~(1) TELEVISION STATION IN EACH MARKET IN CANADA. All other uses shall be governed by additional payments provided in this Agreement. For the purpose of this Agreement, a "market" shall mean one (1) use in:~~

- ~~(a) Calgary/Lethbridge/Medicine Hat~~
- ~~(b) London/Wingham~~
- ~~(c) Moncton/Saint John~~
- ~~(d) Sudbury/Timmins/North Bay~~
- ~~(e) Toronto/Hamilton~~
- ~~(f) Windsor/Sarnia/Chatham~~
- ~~(g) Each city in Canada not listed above shall be considered as a separate market.~~

~~Boosters, translators and rebroadcasters which transmit a CTV signal and do not originate broadcasts, shall be considered within the market of the originating CTV station.~~

#### ARTICLE 4002 – DISCOUNTS: DAYTIME PROGRAM

Daytime Program. Where a performer is contracted and is guaranteed payment for not less than five programs in a drama series, a panel or game show, or a news or magazine program broadcast during the daytime hours, the daily work fee or performance fee, as the case may be, may be discounted by five percent (5%) in addition to any discount provided in Clause 4001.

#### ARTICLE 41 – DISTRIBUTION, RESIDUAL FEES AND PREPAID USE FEES

Article 41 will be deleted in its entirety because the Distribution, Residual Fees and Prepaid Use Fees structure of the 1990 CTV/ACTRA Agreement does not reflect the conditions of the current market. These proposed changes bring the CTV Agreement more into line with the 2002-2003 Independent Production Agreement. The language of the 1990 CTV/ACTRA Agreement has been replaced as follows.

#### ARTICLE 41 – DECLARED USE, DISTRIBUTION RIGHTS, PREPAYMENT, ADVANCE AND SUBSEQUENT USE OPTIONS

#### ARTICLE 4101 – CTV DECLARED USE ENTITLEMENT

Upon payment to performers of the minimum rates and fees per Program provided in this Agreement, CTV shall be entitled to one of the following declared uses ("Declared Use"). At the time of contracting, CTV must declare the intended Use of the Production. All other Uses beyond the Declared Use shall require additional Use payments as specified in this Agreement:

a)	<u>Free TV:</u>	<u>1 year Use in Canada</u>
b)	<u>Cable:</u>	<u>3 years Use in Canada</u>
c)	<u>Pay TV:</u>	<u>1 year Use in Canada</u>
d)	<u>Compact Devices:</u>	<u>2 years Use in Canada</u>
e)	<u>Educational:</u>	<u>3 years Use in Canada</u>
f)	<u>In-Flight:</u>	<u>4 years Use in Canada</u>

ARTICLE 4102 – DECLARED USE IN A SINGLE MARKET

CTV may apply a discount of 10% to the minimum rates and fees provided in this Agreement for Programs produced for Use on a station or stations serving a Single Market (as defined below) for 1 year's Declared Use on Free TV only. Alternatively, upon payment of the minimum rates and fees, CTV will be entitled to produce a Program for Use in a Single Market for 4 year's Declared Use on Free TV only. For the purpose of this Agreement, a "Single Market" shall mean a station or stations serving any one of the following (or any portion thereof):

- a) Vancouver/Victoria
- b) Calgary/Lethbridge/Medicine Hat/Red Deer/Edmonton
- c) Saskatoon/Regina/Prince Albert/Yorkton
- d) Winnipeg
- e) Ottawa
- f) Sudbury/Timmins/North Bay/Sault Ste. Marie/Huntsville
- g) Toronto/Hamilton
- h) Kitchener/Oil Springs
- i) Montreal
- j) Moncton/Saint John/Halifax/Sydney/St. John's

Rebroadcasters, translators, boosters and other systems of distribution such as cable or satellite which transmit the signal of any station serving the communities noted above, shall be considered within the Single Market noted above.

ARTICLE 4103 – WINDOW OF SHARED PROGRAMMING

There will be a 20 consecutive day window of shared programming on CTV owned and operated or controlled services.

ARTICLE 4104 – OPTION ONE - PREPAYMENT OPTION

Upon payment at the time of production to performers of the following percentages of Contracted Fees earned during the production of a Program, CTV may acquire unrestricted Use rights (specified below) for a period of four (4) consecutive years from the date of first release in any Residual Market. CTV shall declare and specify the Media Uses of the Program for which prepayment is being made in the individual contract of the performer. Prepaid Use payments must be paid to performers at the time of production of a Program.



<u>Prepaid Media Uses</u>	<u>Canada</u>	<u>US</u>	<u>Foreign</u>	<u>World</u>
<u>Free TV (4 years)</u>	<u>25%</u>	<u>45%</u>	<u>20%</u>	<u>60%</u>
<u>Pay TV (4 years)</u>	<u>15%</u>	<u>30%</u>	<u>30%</u>	<u>45%</u>
<u>Cable (4 years)</u>	<u>15%</u>	<u>20%</u>	<u>20%</u>	<u>35%</u>
<u>Compact Devices (4 years)</u>	<u>15%</u>	<u>20%</u>	<u>20%</u>	<u>35%</u>
<u>Educational Use (4 years)</u>	<u>10%</u>	<u>15%</u>	<u>15%</u>	<u>20%</u>
<u>In-Flight</u>	<u>10%</u>	<u>15%</u>	<u>15%</u>	<u>20%</u>
<u>All Use for 4 years (Except theatrical)</u>	<u>40%</u>	<u>65%</u>	<u>30%</u>	<u>105%</u>

After the initial 4-year Pre-payment Option Term has expired, use fees ("Use Fees") will be payable to performers based on 3.6% of Distributor's Gross Revenue as outlined in Article 4111 of this Agreement.

Additionally, in the event there is a sale or license of the Program during the 4-year Prepayment Option Term in a Media which was not declared or specified as a Media Use as outlined above, or as a Declared Use pursuant to Article 4101, Use Fees payable to performers for such sale or license shall be based upon 3.6% of Distributor's Gross Revenue or the above percentages, whichever is greater.

ARTICLE 4105 – OPTION TWO - ADVANCE OPTION

As an alternative to the Prepayment Option, CTV may choose any one of the following four (4) Advance Options.

<u>Option Number</u>	<u>Non-Refundable Advance (% of Contracted Fees)</u>	<u>Participation in Distributors' Gross Revenue</u>
<u>1</u>	<u>100.0%</u>	<u>3.6%</u>
<u>2</u>	<u>75.0%</u>	<u>4.6%</u>
<u>3</u>	<u>50.0%</u>	<u>5.6%</u>
<u>4</u>	<u>25.0%</u>	<u>6.6%</u>

The Non-Refundable Advance ("Advance") shall be based upon the Contracted Fees paid to performers.

ARTICLE 4106 – SELECTION OF PREPAYMENT OR ADVANCE OPTIONS

The election made by CTV under this Article shall be the same for each performer engaged in the Production. CTV shall either elect to prepay all performers as set out in Article 4104 or as set out in Article 4105. For clarity, if CTV elects to prepay performers as set out in Article 4104, all performers engaged in respect of the Production shall be entitled to receive the same percentage of fees as a prepayment. On the other hand, if CTV elects to make an Advance Option payment as set out in Article 4105, CTV must

select the same percentage of the Advance and thus provide for the identical rate of participation in the Distributors' Gross Revenue for each performer on the Production. The exception to this Article shall be any performer paid a material Overscale Fee where CTV elects to prepay such performer(s) pursuant to Article 4104, in which case such material Overscale Fee performer may be cleared in additional Media and Markets beyond those Media and Markets cleared for the other performers in the Program.

#### ARTICLE 4107 – ADVANCE OPTION - PARTICIPATION IN GROSS

If CTV elects to make an Advance Option Payment as set out in Article 4105, the performers shall be paid as Use Fees an aggregate amount equal to the applicable percentage of Distributors' Gross Revenue, provided that no amounts shall be paid until such time as the Aggregate Advance, as defined in Article 4109, is recouped from the Distributors' Gross Revenue.

#### ARTICLE 4108 – LIMIT ON INDIVIDUAL ADVANCE

The parties acknowledge that the maximum amount of an individual performer's Advance shall be 50% of the Contracted Fees payable to such performer in respect of the Production. Save and except for any performer paid a material Overscale Fee in which case the rate of performer's participation in Distributors' Gross Revenue shall be negotiated by CTV and the performer.

#### ARTICLE 4109 – CALCULATION OF AGGREGATE ADVANCE

The Aggregate Advance shall be, for the purposes of calculating additional Use Fees, the total of all the Advance payments paid to performers in a Production, with the limitation that no performer shall be credited with an Advance Payment greater than the amount equal to the number of days of principal photography multiplied by 20 times the minimum fee for the Program for a Principal Performer.

#### ARTICLE 4110 – PAYMENT OF USE FEES

Use Fees shall be payable to ACTRA Performers' Rights Society (ACTRA PRS) and shall be distributed to performers pursuant to the provisions of Article 4114. Although Individual Advance payments in excess of the limitations specified in Articles 4107 and 4108 payable to individual Performers may not be credited to the Aggregate Advance, ACTRA PRS shall have the right to take into account such excess Advance payment to an individual Performer when determining the allocation that will be made to the said Performer under Article 4114.

#### ARTICLE 4111 – DISTRIBUTORS' GROSS REVENUE

Distributors' Gross Revenue shall mean all monies derived in any manner whatsoever from the distribution of the Production, including the sale, license, or other like means of distribution of the Production, and shall be calculated before or simultaneously with any other gross participants from first dollar, without deductions of expenses of any kind. In the case of animated Productions, Distributors' Gross Revenue shall include only revenues from licenses of the English-language version of the Productions. For greater certainty:

- a) monies derived through the exploitation of ancillary, allied and underlying rights and like rights, such as merchandising, novelization and sequel rights, shall not be included in Distributors' Gross Revenue
- b) Distributors' Gross Revenues shall also mean all monies received by those Distributors with which CTV has entered into a Distribution Agreement, (the "Head Distributor") in respect of the Production. The Distributors' Gross Revenues shall include all monies received by sub-distributors which:
  - i) Are related to, or which do not have an arm's length relationship with, CTV or the Head Distributor, or,
  - ii) Have an obligation to report and remit revenue directly to CTV or Head Distributor;
- c) Pre-sale revenues shall be included in Distributors' Gross Revenue. A pre-sale means the grant of a license or rights to utilize a Production prior to production, to an end user, for consideration. Distribution Advances, i.e. payments received by CTV from a Distributor, shall not be included in Distributors' Gross Revenue for the purpose of triggering the payment of Use Fees to performers; however, a Distributor shall not be entitled to deduct the amount of the Distributors' Advance from the Distributors' Gross Revenues for the purpose of calculating Use Fee payments.
- d) Notwithstanding the foregoing, Distributors' Gross Revenue derived from the sale or rental of Compact Devices, shall be deemed to be equal to 20% of the wholesale selling price of such Compact Devices, provided that in the event that the wholesale selling price is at or less than the typical sell-through price to wholesalers (currently \$30.00 per unit), the deemed Distributors' Gross shall be 10%.
- e) CTV, at the time of production, will make a reasonable allocation of revenues for the purposes of determining which portion thereof is attributable to the Declared Use and/or prepayment and which portion thereof is attributable to the Distributors' Gross Revenue upon which Use Fee payments are based, subject to the right of ACTRA to refer any difference to Arbitration, pursuant to Article 12. If, as a result of this allocation, Use Fees become payable from the Distributors' Gross Revenue, the said Use Fees payments shall be paid to ACTRA PRS at the time of production.
- f) Packaging. It is acknowledged by the parties that Distributors may seek to diversify their risks by packaging more successful and less successful Productions. Where Productions are packaged together for the purposes of distribution, the parties shall allocate the revenue attributable to each individual Production, subject to the right of ACTRA to refer any difference to Arbitration under Article 12.

#### ARTICLE 4112 – REPORTING TO ACTRA

Where CTV selects any of the Advance Options as outlined in Article 4105, or following the expiry of the initial 4 year Pre-payment Option Term as outlined in Article 4104, or in the event the Program is sold or licensed in a Media other than the Media specified in

the Prepayment Option payable at time of production pursuant to Article 4104, CTV shall deliver to ACTRA:

- a) The calculation of the total amount of Advance payments, certified by the individual responsible for verifying the finances of the production payroll due to performers and the back-up material in this regard;
- b) The first report that is due to ACTRA PRS pursuant to Article 4113 a);
- c) The information, and Use Fees, if any, payable pursuant to Article 4111 e).

#### ARTICLE 4113 – REPORTING AND PAYMENT PROCEDURE

- a) CTV shall deliver to ACTRA PRS reports setting forth the amount of Distributors' Gross Revenues in respect of the Production derived in the applicable accounting period. Each report shall be delivered to ACTRA PRS in the same manner and frequency as CTV reports to government agencies and/or other financiers, but it shall be no less than semi-annually for the first two years following the first report filed hereunder and annually thereafter. The first report shall be due 60 days following the last date of the first reporting period and the ensuing reports shall be due in the frequency provided above. The first reporting period is the period immediately following the delivery of the Production to the Distributor. The reports will be accompanied by the aggregate Use Fee payments payable to performers and an outline of the method of calculation of the said payment.
- b) At the request of ACTRA PRS, CTV will consent to the release of true copies of the reports dealing with Distributors' Gross Revenue filed with the government agencies and/or other financiers, subject to the right of the Distributor to edit the reports on the grounds that they contain confidential information.
- c) CTV (or Distributor) shall be deemed to hold the aggregate Use Fee payments in trust for the performers, from the time that Gross Revenues are recognized, until the disbursement of same to ACTRA PRS on the due date, i.e. the date that each report is due. In the enforcement of this Article, ACTRA, subject to its rights as a creditor, shall agree to not hold any employee of CTV (or Distributor) liable for negligence, provided the said employee acts in a bona fide fashion. The Distributors' Gross Revenues shall be recognized when a contract for the sale or conveyance of any rights in a Production is made, but Use Fee payments shall only be payable when the reports are due under Article 4113 a).
- d) If the currency of the Distributors' Gross Revenues is other than the Canadian Dollar, the Use Fee payment shall be calculated at the exchange rate for the said currency, on the basis of the established practice of CTV or Distributor, which practice shall be disclosed in writing to ACTRA PRS upon request. If the practice is amended at any time, such amendment shall be disclosed to ACTRA PRS.
- e) Use Fee payments shall be made to ACTRA PRS, a corporation without share capital, in trust for the performers concerned. ACTRA PRS shall be entitled to make a claim of interest on Use Fee payments received after the due date as provided herein, i.e. the date the reports are due to be filed, at the Prime rate of interest, as of the due date, plus 3%, calculated monthly, which claim shall be enforceable under the terms of this Agreement.

#### ARTICLE 4114 – DISTRIBUTION OF PAYMENTS

Use Fee payments shall be distributed to performers through ACTRA PRS on the following basis:

- a) Units will be assigned to performers as follows: 1 unit shall be defined as the minimum fee payable to the lowest rated residual category for one day of work.
- b) Performers shall receive units according to the Contracted Fees paid to that performer for the production of the Production to a maximum of 20 units per performer.
- c) For each Production, the total revenue will be divided by the total units accumulated by all performers with respect to the Production involved and a dollar value will be assigned to each unit. The distribution made to each individual performer will be based on the number of units the performer has accumulated and the dollar value calculated in accordance with the preceding sentence.

#### ARTICLE 4115 – FAIR MARKET VALUE

CTV and/or Distributor shall meet with ACTRA PRS to determine the fair market value for distribution of a Production should such Production be distributed for Use by means of barter, or exchange, or other means for which no charge is made or a nominal fee is charged, or as part of a package of Productions. The Use Fees payable to performers shall be based on such agreed upon fair market value or as determined through the Complaints and Grievances and Arbitration procedures established under Articles 11 and 12.

#### ARTICLE 4116 – RIGHT OF AUDIT

CTV agrees that, for the purposes of verifying the propriety of Use Fee payments made under this Agreement, ACTRA or ACTRA PRS, shall have full access to and shall be entitled to examine and audit at annual intervals upon written notice to CTV of five (5) business days, all books, records, accounts, receipts, disbursements and any other relevant documents related to the Production and its distribution. The audit will take place at CTV's normal place of business and during normal business hours.

#### ARTICLE 4117 – OTHER USES NOT PROVIDED HEREIN

Any Use not specifically provided for in the Agreement shall require CTV and ACTRA to negotiate mutually acceptable terms and conditions to apply to such form of Use and any dispute hereunder shall be referred to final and binding arbitration as outlined in Article 12.

#### ARTICLE 4118 – OPTION THREE – USE PAYMENTS AND FEES FOLLOWING DECLARED USE

When a Program is exploited in a Media other than the Media provided for in the Declared Use or for a period of time beyond the time periods outlined in the Declared Use, and CTV has not elected to pay either the Pre-Payment Option or Advance Payment

Option, performers shall be paid the following minimum Use Fees based upon the following percentages of Contracted Fees earned during the production of the Program. Use Fees to performers shall be paid within 30 days of the date of such use.

a) Free-TV

i) Use in Canada. Upon payment to the performers involved in a Program of 30% of Contracted Fees, CTV shall be entitled to one Use.

ii) Use in Canada in a Single Market. Upon payment to the performers involved in a Program of 10% of Contracted Fees, CTV shall be entitled to Use of a Program in any Single Market.

When payment to the performer for Use under this clause has reached the appropriate percentage of Contracted Fees indicated in clause 4118A(i), CTV shall be entitled to one Use of the Program in each Single Market in Canada in which the Program has not been so re-used.

iii) Use in the United States

<u>Use</u>	<u>Network</u>	<u>Syndicated</u>
<u>First</u>	<u>25%</u>	<u>20%</u>
<u>Second and subsequent</u>	<u>15%</u>	<u>10%</u>

iv) Use in Other Foreign Markets: Each Use in any single country, except Canada, and the United States— 5%

b) Pay Television

i) Use in Canada: For each 3 months in Canada - 10%;  
or 25% for 12 months Use in Canada;

ii) Use in the United States: For each 3 months Use in the United States - 15%;  
or 30% for 12 months Use in the United States;

iii) Use in Other Foreign Markets: For each 3 months Use in Other Foreign Markets - 15%;  
or 30% for 12 months Use.

c) Cable TV

i) Use in Canada: Each one year of Use 10%

ii) Use in United States: Each one year of Use 15%

iii) Use in Other Foreign Markets: Each year of Use in Other Foreign Markets -15%

- d) Compact Devices
- i) Use in Canada: Each one year of Use 10%
  - ii) Use in United States: Each one year of Use 15%
  - iii) Use in Other Foreign Markets: Each year of Use in Other Foreign Markets - 15%
- e) Educational Television
- i) Use in Canada: Each one year of Use 10%
  - ii) Use in United States: Each one year of Use 15%
  - iii) Use in Other Foreign Markets: Each year of Use in Other Foreign Markets - 15%
- f) Theatrical Use
- i) Use in Canada. For sale or distribution of a Program for Theatrical Use before paying audiences in Canada, the performers involved shall be paid the following percentage payment based upon the performers Contracted Fees.
    - a) Unlimited Use in two (2) or more theatres in Canada 10%
    - b) Unlimited Use in one (1) theatre in Canada 5%
  - ii) World Use in Theatres. Upon payment to the performers involved, a Program may be used theatrically throughout the World for an unlimited period. Such payment shall be thirty-five percent (35%) of the Contracted Fees.
- g) Audio Track Use on Radio
- Where the audio track of a Program produced for television is sold for use on radio, the performers involved (except extras) shall be paid:
- ~~June 1/90 \$9.00~~ \$9.70 / \$9.95 / \$10.20
- per Program for one (1) use on one (1) radio station.

#### ARTICLE 4119 – ACTRA ACKNOWLEDGEMENT

ACTRA acknowledges that payment by CTV to ACTRA PRS of Use Fee payments due to performers under this Article, and/or payment to ACTRA PRS of concomitant insurance and retirement contributions, shall fulfill the obligations of CTV to the individual performers and to the ACTRA PRS. ACTRA PRS will hold in trust for the performers and for ACTRA Fraternal Benefit Society all funds remitted by CTV.

APPENDIX H – MINIMUM RATES AND CONDITIONS – FREELANCE ANNOUNCERS

It is understood that where this Appendix is silent, the terms and conditions of that Agreement attached hereto shall prevail.

- a) Basic weekly duties shall include the following announce work:
  - i) Network ID's
  - ii) Promos (Program Tags)
  - iii) Pre-empt announcements
  - iv) Disclaimers
  - v) Intro's, Re-intros and Extro's in News and Sports Programming
  - vi) Specials
  - vii) CTV Sales Presentations
  - viii) Movie Intro and Trailer Announcements
  - ix) Network Audio Feed (Closed Circuit)
  - x) Standby duty for emergency situations
  - xi) Commercial messages and billboards for CTV use only

For the duties above, the included work time shall be ten (10) hours per week.

- b) Outside studio sessions (voice-overs for new and ongoing program (30 second and 60 second) promos) shall be as follows:

Up to six (6) sessions per year plus recalls for these specific sessions.  
Session shall be a maximum of four (4) hours in duration.

- c) i) Guaranteed minimum weekly fee for the duties as described in (a) and (b) above shall be:

~~June 1/90 \$474.60~~ \$512.55 / \$525.35 / \$538.50

- ii) For any hours worked over and above the included work time specified in a) above, the minimum hourly rate shall be:

~~June 1/90 \$ 38.35~~ \$41.40 / \$42.45 / \$43.50

per hour, calculated in hourly units.

- iii) For any sessions longer in duration than as shown in b) above, the minimum hourly rate shall be:

~~June 1/90 \$ 38.35~~ \$41.40 / \$42.45 / \$43.50

per hour, calculated in hourly units. Minimum one (1) hour call.

- d) Contract. A freelance announcer shall be given a yearly contract, guaranteeing at least the minimum fees described herein. A contract may be cancelled upon ~~thirteen (13)~~ four (4) weeks notice, or payment of the guarantee for ~~thirteen (13)~~ four (4) weeks in lieu of notice time. In an instance where an announcer's contract is cancelled, any material



voiced by that announcer shall cease to be used, after the twelve (12) month period, dating from notice of cancellation.

Notwithstanding the foregoing, CTV may engage a freelance announcer on a short term probationary period (2 to 6 weeks). Any material voiced by a freelance announcer during the probationary term may be used for a period of 6 weeks following the expiry of the freelance announcer's contract.

- e) The above fees and conditions specifically do not include:
- i) Voice-over announcing within a program, except where the announcement is related to duties specified in (a) or (b).
  - ~~ii) Commercials, commercial announcements or billboards containing a qualifying message.~~

If an announcer is required to perform duties as described in (i) ~~and (ii)~~ above or other duties beyond those specified in (a) and (b), the terms and conditions of the appropriate ACTRA Agreement shall apply.

#### LETTER OF AGREEMENT RE: COMMERCIAL PRODUCTION

The ability to engage performers to appear in local commercials as set out in the Letter of Agreement #2 to the agreement between ACTRA and CJOH is extended to all CTV conventional stations and Agincourt Productions.

In order to do so, all references to CJOH (or CHRO) are changed to CTV and all references to the Ottawa/Hull market are changed to a Single Market (as defined in Article 4102 – Declared Use in a Single Market).

#### Letter of Agreement

This will confirm the understanding reached ~~on the Agreement (expiry date of August 31, 1994)~~ with respect to Commercial Production and the engagement of performers to appear in local commercials produced by ~~CJOH~~ CTV for ~~CJOH~~ CTV purposes. This Letter of Agreement represents minimum rates.

It is understood that where this Letter of Agreement is silent, the terms and conditions of CTV / ACTRA Agreement covering performers in television broadcasting shall prevail. All capitalized terms reference definitions provided in the CTV/ACTRA Agreement. If there is a conflict between a matter specified in the Letter of Agreement regarding Commercial Production and the CTV/ACTRA Agreement, the Letter of Agreement regarding Commercial Production shall apply.

- a) The attached minimum fee schedule includes right of use of material for unlimited broadcast by ~~CJOH (may include CHRO)~~ CTV in the ~~Ottawa / Hull market~~ Single Market for thirteen (13) weeks.

- b) It is agreed that a Commercial may be aired ~~on other Ottawa / Hull market television stations~~ in other Single Markets for a thirteen (13) week cycle. If a Commercial is to be aired on other stations, an additional fee of one hundred percent (100%) of the contracted fee shall be paid.
- c) If the Commercial material is to be used beyond the original thirteen (13) week period, then a residual payment shall be made based on 100% of the original payment for use in a Single Market in a 13-week cycle.
- d) The contracted fee plus two hundred and seventy-five percent (275%) includes right of use of material for unlimited broadcast by ~~CJON (may include CHRO)~~ CTV in a Single Market for a period of two years from the first airing, providing the ~~buyout is prepaid~~ prepayment is made at the time of production.
- e) Insurance and Retirement: Please refer to Article 38 of the CTV / ACTRA Agreement.
- f) A Commercial ~~message~~ is not less than 10 seconds nor more than 10 minutes in length, for greater clarity, not including billboards and commercial messages for CTV use only.
- g) An Insert Tag shall be an allowable insert of not more than 10 seconds in length which may be placed at any point of the commercial for the purpose of adapting it to different factual information as provided by the following: Product/Service Changes; Factual Information; Dealer/Franchise Commercials; Regulatory/Regional Changes.
- h) An Infomercial is a "commercial message" of not less than 10 minutes or more than 30 minutes in length having either one or a group of sponsors (usually of a similar product).
- i) Minimum Fee Schedule per Commercial

Effective ~~September 1, 1993~~ upon ratification.

Category	<u>13 Week Cycle Year 1</u>	<u>13 Week Cycle Year 2</u>	<u>13 Week Cycle Year 3</u>	Included Work Time
Principal on Camera (POC)	<del>\$178.50</del> <u>\$192.80</u>	<u>\$197.60</u>	<u>\$202.55</u>	6 hours
Silent on Camera (SOC)	<del>\$143.00</del> <u>\$154.45</u>	<u>\$158.30</u>	<u>\$162.25</u>	6 hours
Voice Over (VO)	<del>\$112.25</del> <u>\$121.25</u>	<u>\$124.30</u>	<u>\$127.40</u>	1 hour
<del>Background Waiver (group)</del> <u>Group Background Performer (per performer)</u>	<del>\$66.25</del> <u>\$71.55</u>	<u>\$73.35</u>	<u>\$75.20</u>	
Tag (per tag)	<del>\$30.50</del> <u>\$32.95</u>	<u>\$33.75</u>	<u>\$34.60</u>	1 hour

i) Minimum Fee Schedule per Infomercial

Effective ~~September 1, 1993~~ upon ratification.

Category	13 Week Cycle Year 1	13 Week Cycle Year 2	13 Week Cycle Year 3	Included Work Time
Voice Over (VO)	<del>\$155.00</del> \$165.25	\$169.40	\$173.65	2 hours
On Camera	<del>\$259.00</del> \$279.70	\$286.70	\$293.85	4 hours

j) Work Permits

Per person, per commercial or infomercial \$35.00  
 Per person, per Tag Session \$10.00\*  
 \*Not credited towards membership qualification.

Date: as of October 12, 2002

CTV

ACTRA

Per: \_\_\_\_\_

Per: \_\_\_\_\_

Per: \_\_\_\_\_

Per: \_\_\_\_\_

Agincourt Productions

Per: \_\_\_\_\_

Per: \_\_\_\_\_