

## SUMMARY OF PRODUCTION CONTRACT NEGOTIATIONS (2004)

(LANGUAGE NOT FINALIZED)

**1. Rule 63, SALARIES:** Salaries for Actors and Stage Managers will be raised 2% in the first year, 3% in the second year, 3% in the third year and 3% in the fourth year. Salaries and Expense Monies are retroactive to 6/28/04.

- The new salaries are:

Effective Date:	<u>(prior to 6/28/04)</u>	<u>6/28/04</u>	<u>6/27/05</u>	<u>6/26/06</u>	<u>6/25/07</u>
Actor	(\$1,354)	\$1,381	\$1,422	\$1,465	\$1,509
SM (Musical)	(\$2,225)	\$2,270	\$2,338	\$2,408	\$2,480
SM (Dramatic)	(\$1,913)	\$1,951	\$2,010	\$2,070	\$2,132
1 <sup>st</sup> ASM (Musical)	(\$1,760)	\$1,795	\$1,849	\$1,904	\$1,961
1 <sup>st</sup> ASM (Dramatic)	(\$1,563)	\$1,594	\$1,642	\$1,691	\$1,742
2 <sup>nd</sup> ASM (Musical)	(\$1,470)	\$1,499	\$1,544	\$1,590	\$1,638

- Expense Money:** Freeze for the first two years, \$2 per day in the third year, \$3 per day in the fourth year. (Note: The League wanted to freeze per diem for all four years but ultimately agreed to our final proposal two hours before a strike would have begun. The same is true for expense monies in the Experimental Touring Program, see page 6.)

Effective Date:	<u>(prior to 6/28/04)</u>	<u>6/28/04</u>	<u>6/27/05</u>	<u>6/26/06</u>	<u>6/25/07</u>
	(\$777/week)	\$777/week	\$777/week	\$791/week	\$812/week

In Boston, Chicago, Los Angeles, Philadelphia and Washington D.C., for engagements of less than four weeks, and for all touring engagements in New York and San Francisco, Expense Money shall be:

Effective Date:	<u>(prior to 6/28/04)</u>	<u>6/28/04</u>	<u>6/27/05</u>	<u>6/26/06</u>	<u>6/25/07</u>
	(\$819/week)	\$819/week	\$819/week	\$833/week	\$854/week

- Overtime:

Effective Date:	<u>(prior to 6/28/04)</u>	<u>6/28/04</u>	<u>6/27/05</u>	<u>6/26/06</u>	<u>6/25/07</u>
	(\$37/hour)	\$38/hour	\$39/hour	\$40/hour	\$41/hour

- Travel Overtime: Freeze at \$34 per hour for all four years.
- Extraordinary Risk: Increase from \$15 to \$20 in the second year of the Agreement.

**2. Rule 31, HEALTH FUND:** Producer's Health Fund contribution per week for each Actor will rise by an astonishing 23%. Another improvement is that plays and touring musicals, which previously had lower health rates than the standard Production Contract rates, must now pay the same contribution rate identified below.

- Producer's Health Fund contribution per week for each Actor will be as follows:

<u>(Prior to 6/28/04)</u>	<u>6/28/04</u>	<u>6/27/05</u>	<u>6/26/06</u>	<u>6/25/07</u>
(\$143)	\$176	\$180	\$190	\$193

The Producer will receive a credit from excess .045 monies (pension monies received in excess of the required pension obligation) in the amount of \$40/week/Actor. (Note: Under the Experimental Touring Program the credit is \$89.50)

**3. Rule 62, SAFE AND SANITARY PLACES OF EMPLOYMENT:** There are four new provisions to insure that members are working on the safest stages possible. Taken together, they represent a significant advancement in our goal to insure the Actors' safety.

- Safety Protocol.** The Producers have agreed to engage a health care practitioner group to establish a safety protocol for all Actors in the production. The mutual goal is to reduce the risk of injury to the Actor and to have the protocol in place within six months. The experts are expected to be engaged from early pre-production and throughout the rehearsal and preview process. Thereafter, their participation will be on a maintenance basis to insure the appropriate implementation of the protocol.
- Raked Stage.** Producers must now notify Equity whenever the rake is in excess of 1/2 inch. Previously, notice was required when the rake was in excess of 3/4 inch. This will enable us to review with Producers all production elements to insure the safest stages possible.
- Record Keeping.** A standard protocol will be established for the reporting of all injuries and illnesses. This will enable Equity to obtain valid data with respect to injuries and illnesses. Such data is valuable to effect advancements in safety protocols for Actors.
- C-2 Reports.** Producers have agreed to provide Equity with all C-2 reports.

**4. BRANDING EQUITY PRODUCTIONS:** The League and its coordinated bargaining partners have made the following commitments to brand Equity productions:

- a. The League commits \$500,000.00 to a branding program using the Live Broadway logo and agrees to work with Equity to insure the execution of a satisfactory program (note: Disney's logo will be Disney on Broadway).
  - b. The Live Broadway logo shall be on the title page of the program and Souvenir program and on the credits page of both programs.
  - c. With respect to the logo on the credits page of the program, the following statement shall appear: **"This production is produced by a member of the League of American Theatres and Producers in collaboration with our professional union represented employees."**
  - d. If the House board is the title page from the program, the logo will appear on the House board as well.
  - e. If there is any misuse of the logo, the League agrees to take appropriate action to insure proper use.
  - f. Show posters will have the logo.
  - g. The logo will appear on ads that are ½ page or larger.
  - h. The size and placement of the logo will be the same as used by record companies, e.g., the Sony symbol.
  - i. If a Presenter has booked a full season of Equity-only shows, the League shall use its best efforts to insure that the logo is used in all promotional materials including brochures and advertising.
  - j. The logo will be used on the domestic pages of League member websites.
- 6. Rule 69, TELEVISIONING, RECORDING AND MOTION PICTURE FILMING:** The structure of commercials has been entirely revamped to provide each show with the maximum amount of exposure possible while retaining payments to Actors.
- a. **Commercials.** The new structure will require payment of a session fee as before. However, the use fee will now be the on-camera Principal rate for all Actors, whether or not they are in groups, and this payment shall also be paid to every Stage Manager and/or Dance Captain who did work in connection with the commercial. The use fees will cover a 1-year period (as opposed to a 13-week cycle) and will include cable and Internet use for no additional fees. The Producer will have the option to pay ½ the use fee for a 26-week period. However, if there is a hiatus after the 26 weeks (or one-year use cycle), an additional session fee will be required to reinstate the commercial. We expect more commercials to be made with more Actors hired because the use cycle has been expanded and now covers cable and the internet.
  - b. **Initiation Fees.** SAG and AFTRA have agreed that in the event a SAG/AFTRA initiation fee would have been triggered by an appearance on an AFTRA/SAG taping, recording or broadcast that is required by the producer, the initiation fee shall be waived.
- 7. STAGE MANAGERS:** Several new provisions beneficial to Stage Managers were negotiated.
- a. **Rule 7, Billing.** All Stage Managers are now entitled to bios in the program.
  - b. **Rule 61(B)(2)(d), Rest Periods.** If an Actor is called to rehearse on the day after the day off and is paid 1.5 x the applicable overtime rate, the Stage Manager shall likewise be paid 1.5 x the overtime rate.
  - c. **Rule 68, Stage Managers.** Stage Managers will be paid an additional 1/6<sup>th</sup> of contractual salary if they work for seven consecutive days without a day off in the two-week period prior to the first paid public performance.
  - d. **Rule 71(K), Tours.** When Stage Managers are required to work without a day off, the Producer may no longer offer the SM a comp day. Rather, the SM must be paid not less than 1/6<sup>th</sup> for no day off.
- 8. DANCE CAPTAINS:** New provisions related to Dance Captains include:
- a. **Rule 7, Billing.** Dance Captains shall now be guaranteed billing on the cast page.
  - b. **Rule 61(B)(2)(d), Rest Periods.** If an Actor is called to rehearse on the day after the day off, and is paid 1.5 X the applicable overtime rate, the Dance Captain shall likewise be paid 1.5 X the overtime rate.
- 9. Rule 5, AUDITIONS AND INTERVIEWS:** No auditions by appointment can take place prior to the completion of Equity Principal and Chorus auditions. Previously, only agent submitted auditions were prohibited.
- 10. Rule 14, CLOTHES AND MAKE-UP.** Improvements in Clothes and Make-up include:
- a. Producer shall use best efforts to provide Swings with their own basic costumes no later than eight (8) weeks after the official opening night.
  - b. Producer agrees to restore the length and shape/style of hair when an Actor has been asked to grow Actor's hair out for a role.
  - c. Producer agrees to use best efforts to supply dance shoes by the third week of rehearsals.
- 11. Rule 33, HOTEL RESERVATIONS:** In accordance with changes in the Workers Compensation Regulations, Equity understands that hotel receipts may be required and agrees to meet with the League to explore how best to address this issue with the Workers Compensation Board. In the event actual receipts must be submitted, the Producers agree not to look at any receipts received unless a production is audited.

**12. Rule 34(G), BEREAVEMENT LEAVE:** The definition of immediate family has been expanded to include grandparents and grandchildren. In addition, if the deceased was a legal guardian, but not a member of the immediate family, the League will nevertheless recommend to the Producer that an accommodation should be made.

**13. Rule 40, LAYOFF:** Producer agrees to pre-pay half of the expense monies before the layoff, but in no event less than one week of expense monies. Equity agrees to give some accommodations when a layoff is caused by lost booking(s).

**14. Rule 61, REST PERIODS AND DAYS OFF:** This section has been improved and modified as follows:

- a. **Early Curtain on Day After Day Off.** If there is an early curtain on a day after the day off for a major cast replacement, the Producer may call the Actors from 2pm –5pm (formerly, Actors could only be called from 3pm—6pm)
- b. **Premium Overtime on Day After Day Off Rehearsals.** Except as otherwise provided, Actors shall be paid not less than 1.5 x the applicable overtime rate if they are required to rehearse on the day after the day off.
- c. **16 Consecutive Performances.** There shall be no rehearsals on the Monday that occurs in the middle of 16 consecutive performances except for sound checks and put-in rehearsals.

**15. Rule 70, TERMINATION:** The termination rule has changed as follows:

- a. **Transportation.** Producer shall now be required to pay for the Actor’s transportation back to the Actor’s Place of Engagement provided Actor has been employed in the production for at least one year.
- b. **Egregious Behavior.** Actors on a Term Contract or Chorus six-month rider may be terminated for egregious behavior.

**16. Rule 72, TRANSFER TO PRODUCTION CONTRACT:** The following are improved terms for Actors when a show transfers to the Production Contract:

- a. **Bonus.** Previously, Actors from the prior production had to be employed in the Broadway production for at least one year to become entitled to the \$1000 bonus payment. Now, all Actors in the closing company of the prior production are entitled to the bonus whether or not they are employed in the Broadway production.
- b. **Protected Period.** For productions other than LORT (where the protected period remains at three years), the duration of the protected period for rights guaranteed under this rule has been expanded from 18 months to 24 months.

**17. DURATION:** This is a four-year contract and will expire on June 29, 2008.

## THE EXPERIMENTAL TOURING PROGRAM

This program is a sweeping experiment to restore lost workweeks and generate new workweeks in smaller budget touring productions that have not employed Equity Actors in the past. It does so while maintaining the dignity of the Actors through increased per diems and profit participation. Due to the importance of this program, the terms are included in its entirety.

(A) The parties agree that Producers shall use best efforts to tour all qualifying shows under the appropriate tier of the Experimental Touring Program.

(B) Equity agrees that no non-League Producer shall receive more favorable terms than those outlined herein.

(C) Only League Producers and non-League Producers who contribute to the tax relief surplus shall be entitled to the Health contribution rates for tiers specified in Rule 31, HEALTH FUND. However, if a League Producer or a non-League Producer who contributes pension monies in excess of the required pension obligation, licenses directly or indirectly a production to a non-League Producer, the non-League Producer shall be entitled to the referenced Health contribution rate OR Equity will not be bound by (B) above in negotiations with said non-League Producer. In all other instances, the non-League Producer shall pay the actuarial rate for Health contributions.

(D) Qualification For The Experimental Touring Program.

- (1) Only musical productions may qualify for the Experimental Touring Program.
- (2) The appropriate tier will be in effect from the first day of pre-production for the Stage Manager.
- (3) At least 90 days before the first rehearsal of a tour, the production shall apply for a tier by submitting its itinerary and corresponding known “guarantees” (“Guarantee” is the sum of money paid by the Presenter to the Producer for the

production.) for each week of performances within the first 52 weeks starting with the first paid public performance (the "Booking Season"). The tier shall be determined by the "average weekly guarantee" ("Average Weekly Guarantee" is the average of all Guarantees for a given period of time on a tour.) for the first Booking Season, not including "four-wall engagements" ("Four-wall Engagement" is an arrangement where there is no guarantee; instead, the Producer essentially rents the theatre from the Presenter, pays all costs, and retains nearly all of the gross.) or those engagements in which the guarantee includes "middle money" ("Middle Money", also called "Next Money" or "Third Position Money," are monies due the Producer after the Guarantee, royalties and Presenter expenses have been paid; see Paragraph E(2)(a)(b) below which identifies how such monies are treated in terms of the Actors' participation.)

(4) The original prospectus for the production must be provided no later than 90 days prior to the first rehearsal of the tour.

(5) The production's itinerary for each Booking Season must provide the following:

- (a) A majority of the weeks of the tour are engagements of one week or less; and
- (b) No engagement may be longer than four weeks, except that:
  - (i) The production may be booked into a series that has a regular subscription series of engagements longer than four weeks;
  - (ii) The production may play a longer engagement in any city outside the United States or Canada;
  - (iii) The production may play Boston, Chicago, Las Vegas, Los Angeles, San Francisco, Toronto or Washington, D.C. for longer than four weeks, but in no case longer than 12 weeks, provided that Actors earning less than three times the Production Contract minimum for their category, exclusive of all required increments, shall receive an increment equal to the difference between the minimum for their tier and the Production Contract minimum for their category, in addition to their contractual salary. This increment will be effective after the earlier of four weeks or 32 performances; and
  - (iv) The production may play New York City provided that all Actors shall receive an increment equal to the difference between the minimum for their tier and the Production Contract minimum for their category in addition to their contractual salary. This increment will be effective as of the first paid public performance in New York City.

(6) If the tour continues for a second or subsequent Booking Season, the production may re-qualify for a tier, or qualify for a higher or lower tier, by submitting its itinerary and corresponding known guarantees at least 90 days in advance before the commencement of the second or subsequent Booking Season. The Producer shall give all Actors not less than 90 days notice of any such change in tier.

- (a) Should a production qualify for a higher tier, each Actor's contractual salary shall be increased by no less than the difference in the appropriate category minimums between the two tiers;
- (b) Should a production qualify for a lower tier, no Actor's salary may be reduced. However, Actors joining the production after the change in tier may be employed at the lower minimum salaries;
- (c) All other terms of each Actor's individual employment contract remain in effect;
- (d) If a production is moving to a lower tier, and an Actor gives eight weeks' notice of his intent to leave the tour, the Producer will transport the Actor and his baggage back to the Point of Organization or Place of Engagement, whichever the Actor chooses; and
- (e) A tour cannot move from a lower tier to the full Production Contract without the written consent of Equity.

(7) Any production that closes for six weeks or more and then re-opens shall re-qualify for an appropriate tier as outlined herein.

- (a) If a production closes pre-recoupment and re-opens within six months, salaries and participation shall be paid at the pre-recoupment levels. The cost of such re-opening will be considered pre-recoupment costs; and
- (b) If a production closes post-recoupment and re-opens within six months, salaries and participation shall be paid at the post-recoupment levels.

(8) Guarantees. The production's weekly average guarantee may not exceed the limit of its tier, and may have an additional maximum of 10% in fixed weekly royalties.

Effective date June 28, 2004:

Tier B: \$295,000  
Tier C: \$280,000  
Tier D: \$260,000  
Tier E: \$240,000  
Tier F: \$220,000

Effective date June 27, 2005:

Tier B: \$296,000  
Tier C: \$281,000  
Tier D: \$261,000  
Tier E: \$241,000  
Tier F: \$221,000

Tier G: \$200,000

Tier G: \$201,000

Effective date June 26, 2006:

Tier B: \$305,000

Tier C: \$289,000

Tier D: \$269,000

Tier E: \$248,000

Tier F: \$228,000

Tier G: \$207,000

Effective date June 25, 2007:

Tier B: \$314,000

Tier C: \$298,000

Tier D: \$277,000

Tier E: \$256,000

Tier F: \$234,000

Tier G: \$213,000

(9) There must be more than 40 people in the traveling company, defined as all Actors, stagehands, musicians, wardrobe, hairdressers, make-up artists, physical therapists, tutors, wranglers, guardians (no more than one per Juvenile actor), a maximum of two company managers, and a maximum of two concessionaires, who are traveling with the production. For each person in the traveling company over 60, the qualifying Guarantee may be adjusted by \$2,000 per week.

(10) All productions using the Experimental Touring Program must provide the following information. These reports will be due no later than seven business days after the end of each fourth week of performances:

- (a) Weekly Box Office Statements/Settlements;
- (b) Unaudited Profit and Loss Statements;
- (c) Audited Profit and Loss Statements, if produced; and
- (d) Weekly operating expenses.

(11) Equity has the right to audit, at its expense, any production using the Experimental Touring Program.

(12) Tiers F and G were created to capture those tours that have been produced non-Equity.

(E) Terms For The Experimental Touring Program. Except as specified herein, all terms of the 2004 - 2008 Agreement and Rules Governing Employment Under the Equity/League Production Contract apply to all productions using the Experimental Touring Program.

(1) Minimum Salary for Performance and Rehearsal.

(a) Rehearsal salary is the Point of Organization minimum performance salary for the applicable tier unless a higher salary is specifically negotiated. (See Rule 58 (I) for rehearsals outside Point of Organization.) Rehearsal salary shall be limited to six weeks. After six weeks, contractual salary must be paid.

(b) Performance Salary.

Effective date June 28, 2004 through June 25, 2006

	TIER B	TIER C	TIER D	TIER E	TIER F	TIER G
Actor	\$1,050	\$950	\$850	\$750	\$650	\$600
S.M.	\$1,726	\$1,561	\$1,397	\$1,233	\$1,068	\$986
1 <sup>st</sup> ASM	\$1,365	\$1,235	\$1,105	\$975	\$845	\$780
2 <sup>nd</sup> ASM	\$1,140	\$1,031	\$923	\$814	\$706	\$651

Effective date June 26, 2006:

	TIER B	TIER C	TIER D	TIER E	TIER F	TIER G
Actor	\$1,082	\$979	\$876	\$773	\$670	\$618
S.M.	\$1,777	\$1,608	\$1,439	\$1,270	\$1,100	\$1,016
1 <sup>st</sup> ASM	\$1,406	\$1,272	\$1,138	\$1,004	\$870	\$803
2 <sup>nd</sup> ASM	\$1,174	\$1,062	\$950	\$839	\$727	\$671

Effective date June 25, 2007:

	TIER B	TIER C	TIER D	TIER E	TIER F	TIER G
Actor	\$1,114	\$1,008	\$902	\$796	\$690	\$637
S.M.	\$1,831	\$1,656	\$1,482	\$1,308	\$1,133	\$1,046
1 <sup>st</sup> ASM	\$1,448	\$1,310	\$1,172	\$1,034	\$896	\$827
2 <sup>nd</sup> ASM	\$1,209	\$1,094	\$979	\$864	\$749	\$691

(2) Participation. Participation will begin with the first paid public performance. All Actors earning a contractual salary of less than three times the Production Contract minimum, exclusive of all required increments, will be entitled to participation in overage.

- (a) Overage shall be defined as weekly “net adjusted gross box office receipts” (“NAGBOR”, the amount of money received through ticket sales of all types, less certain fees and applicable taxes.) less the Producer’s weekly guarantee, the Producer’s fixed weekly royalty, and the Presenter’s expenses (“Presenter Expenses” include such items as local advertising, theatre insurance and maintenance, house crews and load-in/out costs.) for that week;
- (b) On weeks in which there is “middle money”, or when the production has a four-wall booking, the overage shall be calculated as if the engagement had been presented at the show’s average guarantee as established in determining its tier;
- (c) The Actors shall receive any money due from participation no later than the payroll of the week in which the reports are due (see (D)(10) above);
- (d) Pre-recoupment. Each participating Actor will be entitled to receive .25% of the Producer’s share of the overage, in addition to the Actor’s contractual salary; and
- (e) Recoupment. At recoupment, each participating Actor will be entitled to receive .325% of the Producer’s share of the overage, in addition to the Actor’s contractual salary. Also, at recoupment, minimum salaries will increase by 17% as follows:

**SALARIES AT RECOUPMENT:**

Effective date June 28, 2004 through June 25, 2006

	TIER B	TIER C	TIER D	TIER E	TIER F	TIER G
Actor	\$1,229	\$1,112	\$995	\$878	\$761	\$702
S.M.	\$2,019	\$1,826	\$1,634	\$1,443	\$1,250	\$1,154
1 <sup>st</sup> ASM	\$1,597	\$1,445	\$1,293	\$1,141	\$989	\$913
2 <sup>nd</sup> ASM	\$1,334	\$1,206	\$1,080	\$952	\$826	\$762

Effective date June 26, 2006:

	TIER B	TIER C	TIER D	TIER E	TIER F	TIER G
Actor	\$1,266	\$1,145	\$1,025	\$904	\$784	\$723
S.M.	\$2,079	\$1,881	\$1,684	\$1,486	\$1,287	\$1,189
1 <sup>st</sup> ASM	\$1,645	\$1,488	\$1,331	\$1,175	\$1,018	\$940
2 <sup>nd</sup> ASM	\$1,374	\$1,243	\$1,112	\$982	\$851	\$785

Effective date June 25, 2007:

	TIER B	TIER C	TIER D	TIER E	TIER F	TIER G
Actor	\$1,303	\$1,179	\$1,055	\$931	\$807	\$745
S.M.	\$2,141	\$1,938	\$1,734	\$1,529	\$1,326	\$1,224
1 <sup>st</sup> ASM	\$1,694	\$1,533	\$1,371	\$1,210	\$1,048	\$968
2 <sup>nd</sup> ASM	\$1,415	\$1,280	\$1,145	\$1,011	\$876	\$808

NOTE: The Trigger points (when the salaries above are applicable) for participation are, for the most part, the same as those for the Dramatists Guild, SSDC and other royalty participants.

**(3) Expense Money.**

Effective Date:

June 28, 2004 through June 25, 2006: \$700/week (\$100 per diem)  
 June 26, 2006: \$714/week (\$102 per diem)  
 June 25, 2007: \$728/week (\$104 per diem)

(4) Hotel Reservations. There will be one official housing choice offered by the Producer. The cost of a single room at the hotel designated as the official housing choice may not exceed \$60/night, including all applicable taxes. Rates will be averaged every 13 weeks, and if that average exceeds the cap, the difference will be refunded to the Actors.

(5) Revocation. Equity shall have the right to revoke the Experimental Touring Program after three years and, in any event, the Program will expire automatically one day prior to the termination date of the Agreement, June 29, 2008.

(6) Preservation of Work. The League agrees to discuss this issue at the bargaining table in 2008.