THEATRICAL DIRECTORS - LOW BUDGET SIDELETTER

Rates Effective July 1, 2024 thru June 30, 2025

Levels 1 & 2

On motion pictures with budgets equal to or less than \$2,600,000: The Director's initial compensation, daily rate and preparation time will be subject to negotiation between Employer and the Director.

Level

On motion pictures with budgets greater than \$2,600,000 but equal to or less than \$3,750,000: The Director's initial compensation shall be no less than \$75,000 for a minimum guarantee of 13 weeks. The weekly "soft prep" payment amount is \$1,500. The minimum compensation for a Second Unit Director is \$1,500 per day.

Levels 4A & 4B

On motion pictures with budgets greater than \$3,750,000 but equal to or less than \$8,500,000, Directors have a minimum guarantee of 13 weeks and may be paid a salary, along with 2nd Unit Directors, no less than the amount in this chart which is 75% of the applicable minimum salary in Article 3 of the BA (as follows):

| Weekly Salary @ 75% | \$17,825 |
|-----------------------------------------------|----------|
| Guaranteed Preparation Period | 2 Weeks |
| Guaranteed Employment Period | 10 Weeks |
| Guaranteed Cutting Allowance | 1 Week |
| Compensation for Days Worked Beyond Guarantee | \$3,565 |
| Daily Employment Where Permitted | \$4,456 |
| Weekly "Soft Prep" Amount | \$3,700 |

Level 4C

On motion pictures with budgets greater than \$8,500,000 but equal to or less than \$11,000,000. Directors have a minimum guarantee of 13 weeks and may be paid a salary, along with 2nd Unit Directors, no less than the amount in this chart which is 90% of the applicable minimum salary in Article 3 of the BA (as follows):

| Weekly Salary @ 90% | \$21,390 |
|-----------------------------------------------|----------|
| Guaranteed Preparation Period | 2 Weeks |
| Guaranteed Employment Period | 10 Weeks |
| Guaranteed Cutting Allowance | 1 Week |
| Compensation for Days Worked Beyond Guarantee | \$4,278 |
| Daily Employment Where Permitted | \$5,348 |
| Weekly "Soft Prep" Amount | \$4,500 |

Soft Prep Levels 1 & 2

On motion pictures with budgets equal to or less than \$2,600,000, all aspects of "soft prep," including when and if payments are owed, are negotiable.

Soft Prep Levels 3. 4A, 4B, and 4C

On motion pictures with budgets greater than \$2,600,000 but less than or equal to \$11,000,000, the "soft prep" weekly payment amounts are modified as detailed in the charts above. A Director may receive a maximum of 5 weekly "soft prep" payments. The payment is owed for weeks the Director works on a theatrical motion picture prior to the official start of pre-production with 3 out of 4 specific crew members, who are employed on a weekly basis. For Levels 3 and 4, those crew members are: 1) a freelance UPM or line producer, 2) production designer, 3) location manager or location scout, and 4) casting agent.

Cutting Allowance Levels 1 & 2

Employer shall provide the same number of days for the accomplishment of the Director's Cut as were provided for principal photography, but in no event shall the period of the Director's cut be less than 20 days, followed by a screening of the Director's Cut pursuant to BA Paragraph 7-505(d).

Cutting Allowance Level 3

Employer shall provide a minimum 8 week period for the accomplishment of the Director's Cut, followed by a screening of the Director's Cut pursuant to BA Paragraph 7-505(d).

Cutting Allowance Level 4

Full 10 weeks for the Director's Cut.

THEATRICAL DIRECTORS - LOW BUDGET SIDELETTER (continued)

Rates Effective July 1, 2024 thru June 30, 2025

Travel

Coach for (a) all on-stop flights of less than 1,000 air miles from departure point to final destination; (b) flights between Los Angeles and Vancouver; or (c) flights of less than 1,000 air miles between the United States and either Toronto or Vancouver. Except as noted above, travel will be business class for non-stop domestic or foreign flights of 1,000 or more miles from departure point to final destination.

If an Employee covered under this Agreement is traveling on the same flight as another employee employed on the same production by the same Employer and the other employee is entitled to travel in a higher class of transportation pursuant to the minimum terms of the collective bargaining agreement under which he/she is employed, then the Employee shall be upgraded to the same class of transportation as is afforded to the other employee.

Sequel Payment:

If Employer produces a theatrical motion picture which is a sequel to a theatrical motion picture covered under the DGA Low Budget Sideletter, the Employer will pay to the Director of the original theatrical motion picture upon commencement of principal photography of the sequel theatrical motion picture, an amount equal to \$10,000 if the sequel theatrical motion picture is produced at Levels 1, 2 or 3, or \$20,000 if the sequel theatrical motion picture is produced at Level 4 above, provided (1) the original theatrical motion picture and the sequel are produced by the same Employer; (2) principal photography of the original theatrical motion picture commenced on or after July 1, 2020; and (3) the sequel issued on an original screenplay which utilizes the leading character or characters of the original theatrical motion picture in a substantially different story. Only one payment shall be due, irrespective of the number of sequel theatrical motion pictures produced. If the Director of the original theatrical motion picture also directs the sequel, the amount payable pursuant to this provision shall be credited against compensation payable to the Director of the sequel.

| Pension & Health | Employer will contribute 8.5% to the Pension Plan and 11% to the Health Plan. |
|---------------------|-------------------------------------------------------------------------------|
| Paid Parental Leave | Employer will contribute 0.5% to the Health Plan for Paid Parental Leave. |

