

SIDELETTER NO. 4

Preamble — All of the terms and conditions of the Directors Guild of Canada British Columbia District Council Collective Agreement April 1, 2021 to March 31, 2024 shall apply to productions under this Sideletter except as modified herein.

1. Definitions:

- 1.01 The terms used in this Sideletter shall have the same meaning as in the Collective Agreement unless otherwise defined.
- 1.02 “Budget,” for the purposes of this Sideletter, shall mean the total budget for a project and shall include offsets for tax credits and production incentives, but does not include a contingency up to 10% of the Budget, costs of financing and bonds.

The Budget for a Mini-Series shall be calculated on an average per segment basis.
- 1.03 “Canadian Domestic Television Production” is defined as television production (Long-form or Series) without a U.S. distribution agreement at the commencement of principal photography.
- 1.04 “Feature Film” is a Theatrical Motion Picture.
- 1.05 “Long-form Television Motion Picture” means a motion picture such as a Made-for-Television Movie or Mini-Series intended for exhibition on television, including cable television.
- 1.06 “Television Series” are episodic television productions made for Cable or Syndication distribution.
- 1.07 “Home Video” means productions made for non theatrical release on Compact Devices.
- 1.08 “Crew Wages,” as used herein, means the wages payable to Employees covered under this Sideletter other than Directors, Trainees, Production Assistants and daily hires referred to in Sections 2.02 a) i) (B), 2.03 a) i) (B) and 2.03 b) i) (B).

2. Wages and Fringes:

2.01 Television Series:

The scale minimum wages shall lag by one period on the rates in the current wage schedule for Television Productions. The total fringe rate applicable during the first two (2) seasons shall be fourteen and one half percent (14.5%) plus \$12.00 per day supplemental contribution to the Health and Welfare Fund.

2.02 Long-Form, Pilots and Canadian Domestic Television Production:

- a) For Long-form Television Productions with Budgets over \$1,200,000 CAD**, the terms and conditions of the Collective Agreement will be modified as follows:
- i) Notwithstanding anything to the contrary set forth in paragraphs ii, iii, iv and v:
 - (A) Scale minimum wages for Trainees and Production Assistants will not be subject to the listed discounts.
 - (B) Scale minimum wage rates for Employees hired on a daily basis, other than Trainees and Production Assistants, will be five percent (5%) less than the applicable Television Production Rates.
 - (C) Scale minimum wage rates for Employees hired on a weekly basis (102.5 hours) will be no less than \$1.50 per hour above the then-current Provincial Minimum (i.e., \$16.10 per hour as of April 1, 2021; \$16.70 per hour as of June 1, 2021; \$17.15 per hour as of June 1, 2022; and \$18.25 per hour as of June 1, 2023*).
 - (D) Scale minimum wage rates for Location Scouts will be no less than \$1.50 per hour above the then-current Provincial Minimum (i.e., \$16.10 per hour as of April 1, 2021; \$16.70 per hour as of June 1, 2021; \$17.15 per hour as of June 1, 2022; and \$18.25 per hour as of June 1, 2023*).
 - ii) Budgets over \$5,000,000 CAD: Wages will be five percent (5%) less than the applicable Television Production Rates. Fringe rate will be as set forth in the Collective Agreement.
 - iii) Budgets over \$3,000,000 CAD up to \$5,000,000 CAD: Wages will be twenty-five percent (25%) less than the applicable Television Production Rates. Total fringe rate shall be fourteen percent (14%) plus \$12.00 per day supplemental contribution to the Health and Welfare Fund.
 - iv) Budgets over \$2,000,000 CAD up to \$3,000,000 CAD: Director wages, which includes a World-Wide All Media in Perpetuity buy-out, at three percent (3%) of total Budget. Crew Wages will be thirty-five percent (35%) less than the applicable Television Production Rates. Total fringe rate shall be fourteen percent (14%) plus \$12.00 per day supplemental contribution to the Health and Welfare Fund.
 - v) Budgets over \$1,200,000 CAD up to \$2,000,000 CAD: Director wages, which includes a World-Wide All Media in Perpetuity buy-out, at two and one-half percent (2.5%) of total Budget. Crew Wages will be forty-five percent (45%) less than the applicable Television Production Rates. Total fringe rate shall be fourteen percent (14%) plus \$12.00 per day supplemental contribution to the Health and Welfare Fund.

* As of June 1, 2023, the Provincial Minimum was \$16.75 per hour. Should the Provincial Minimum increase after June 1, 2023, this figure will be adjusted to \$1.50 per hour above the then-current Provincial Minimum.

- vi) Budgets of \$1,200,000 CAD and below: Wages (including the Director's buy-out) subject to individual negotiation between individual employee and employer. However, under no circumstances may the wages be less than the minimums required pursuant to the British Columbia Employment Standards Act. Total fringe rate shall be ten and one-half percent (10.5%) plus \$12.00 per day supplemental contribution to the Health and Welfare Fund.

- b) For Pilots with Budgets over \$1,200,000 CAD, the terms and conditions of the Collective Agreement will be modified as follows:**
 - i) Notwithstanding anything to the contrary set forth in paragraphs ii, iii, iv and v:
 - (A) Scale minimum wages for Trainees and Production Assistants will not be subject to the listed discounts.
 - (B) Scale minimum wage rates for Employees hired on a daily basis, other than Trainees and Production Assistants, will be five percent (5%) less than the applicable Television Production Rates.
 - (C) Scale minimum wage rates for Employees hired on a weekly basis (102.5 hours) will be no less than \$1.50 per hour above the then-current Provincial Minimum (i.e., \$16.10 per hour as of April 1, 2021; \$16.70 per hour as of June 1, 2021; \$17.15 per hour as of June 1, 2022; and \$18.25 per hour as of June 1, 2023*).
 - ii) Budgets over \$5,000,000 CAD: Wages will be five percent (5%) less than the applicable Television Production Rates. Total fringe rate will be fourteen and one-half percent (14.5%) plus \$12.00 per day supplemental contribution to the Health and Welfare Fund.
 - iii) Budgets over \$3,000,000 CAD up to \$5,000,000 CAD: Wages will be twenty-five percent (25%) less than the applicable Television Production Rates. Total fringe rate shall be fourteen percent (14%) plus \$12.00 per day supplemental contribution to the Health and Welfare Fund.
 - iv) Budgets over \$2,000,000 CAD up to \$3,000,000 CAD: Director wages will be twenty-five percent (25%) less than the applicable rate set forth in ARTICLE A-16. Crew Wages will be thirty-five percent (35%) less than the applicable Television Production Rates. Total fringe rate shall be fourteen percent (14%) plus \$12.00 per day supplemental contribution to the Health and Welfare Fund.
 - v) Budgets over \$1,200,000 CAD up to \$2,000,000 CAD: Director wages will be thirty percent (30%) less than the applicable rate set forth in ARTICLE A-16. Crew Wages will be forty-five percent (45%) less than the applicable Television Production Rates. Total fringe rate shall be fourteen percent (14%) plus \$12.00 per day supplemental contribution to the Health and Welfare Fund.

* As of June 1, 2023, the Provincial Minimum was \$16.75 per hour. Should the Provincial Minimum increase after June 1, 2023, this figure will be adjusted to \$1.50 per hour above the then-current Provincial Minimum.

- vi) Budgets of \$1,200,000 CAD and below: Wages (including the Director's buy-out) subject to individual negotiation between individual employee and employer. However, under no circumstances may the wages be less than the minimums required pursuant to the British Columbia Employment Standards Act. Total fringe rate shall be ten and one-half percent (10.5%) plus \$12.00 per day supplemental contribution to the Health and Welfare Fund.
- c) **Canadian Domestic Television Series** Production wages will be eight percent (8%) less than the applicable Television Production Rates. Trainees and Production Assistants will be excluded from the wage reduction. Scale minimum wage rates for Location Scouts will be no less than \$1.50 per hour above the then-current Provincial Minimum (i.e., \$16.10 per hour as of April 1, 2021; \$16.70 per hour as of June 1, 2021; \$17.15 per hour as of June 1, 2022; and \$18.25 per hour as of June 1, 2023*). Total fringe rate shall be fourteen and one-half percent (14.5%) during the first two seasons plus \$12.00 per day supplemental contribution to the Health and Welfare Fund.

2.03 **Low Budget Feature Films and Home Video:**

a) **Low Budget Feature Films:**

For Feature Films with budget levels over \$1,200,000 CAD as described below, the terms and conditions of the Collective Agreement will be modified as follows:

- i) Notwithstanding anything to the contrary set forth in paragraphs ii, iii, iv and v:
 - (A) Scale minimum wages for Trainees and Production Assistants will not be subject to the listed discounts.
 - (B) Scale minimum wage rates for Employees hired on a daily basis, other than Trainees and Production Assistants, will be five percent (5%) less than the applicable rates for Theatrical Motion Pictures Budgeted at Under \$20 Million or Less and All Television Productions.
 - (C) Scale minimum wage rates for Employees hired on a weekly basis (102.5 hours) will be no less than \$1.50 per hour above the then-current Provincial Minimum (i.e., \$16.10 per hour as of April 1, 2021; \$16.70 per hour as of June 1, 2021; \$17.15 per hour as of June 1, 2022; and \$18.25 per hour as of June 1, 2023*).
 - (D) Scale minimum wage rates for Location Scouts will be no less than \$1.50 per hour above the then-current Provincial Minimum (i.e., \$16.10 per hour as of April 1, 2021; \$16.70 per hour as of June 1, 2021; \$17.15 per hour as of June 1, 2022; and \$18.25 per hour as of June 1, 2023*).

* As of June 1, 2023, the Provincial Minimum was \$16.75 per hour. Should the Provincial Minimum increase after June 1, 2023, this figure will be adjusted to \$1.50 per hour above the then-current Provincial Minimum.

- ii) Budgets over \$9,000,000 CAD up to \$15,000,000 CAD: Director wages will be five percent (5%) less than the applicable rate set forth in ARTICLE A-15.1. Crew Wages will be five percent (5%) less than the applicable rates for Theatrical Motion Pictures Budgeted at \$20 Million or Less and All Television Productions. Total fringe rate shall be fourteen and one-half percent (14.5%) plus \$12.00 per day supplemental contribution to the Health and Welfare Fund.
- iii) Budgets over \$4,000,000 CAD up to \$9,000,000 CAD: Director wages will be fifteen percent (15%) less than the applicable rate set forth in ARTICLE A-15.1. Crew Wages will be fifteen percent (15%) less than the applicable rates for Theatrical Motion Pictures Budgeted at \$20 Million or Less and All Television Productions. Total fringe rate shall be twelve and one-half percent (12.5%) plus \$12.00 per day supplemental contribution to the Health and Welfare Fund.
- iv) Budgets over \$2,000,000 CAD up to \$4,000,000 CAD: Director wages, which includes a World-Wide All Media in Perpetuity buy-out, at three percent (3%) of total Budget. Crew Wages will be thirty-five percent (35%) less than the applicable rates for Theatrical Motion Pictures Budgeted at Under \$20 Million or Less and All Television Productions. Total fringe rate shall be twelve and one-half percent (12.5%) plus \$12.00 per day supplemental contribution to the Health and Welfare Fund.
- v) Budget over \$1,200,000 CAD up to \$2,000,000 CAD: Director wages, which includes a World-Wide All Media in Perpetuity buy-out, at two and one-half percent (2.5%) of total Budget. Crew Wages will be forty-five percent (45%) less than the applicable rates for Theatrical Motion Pictures Budgeted at Under \$20 Million or Less and All Television Productions. Twelve and one-half percent (12.5%) fringe rate plus a \$12.00 per day supplemental contribution to the Health and Welfare Fund.
- vi) Budget of \$1,200,000 CAD and below: Wages (including the Director's buy-out) subject to individual negotiation between individual employee and employer. However, under no circumstances may the wages be less than the minimums required pursuant to the British Columbia Employment Standards Act. Ten and one-half percent (10.5%) fringe rate plus a \$12.00 per day supplemental contributions to the Health and Welfare Fund.

Pursuant to Article 27.5, the Union shall continue to give good faith consideration on a case-by-case basis to requests for special conditions for Low Budget Features.

b) Home Video:

For Home Video with budget levels over \$1,200,000 CAD as described below, the terms and conditions of the Collective Agreement will be modified as follows:

- i) Notwithstanding anything to the contrary set forth in paragraphs ii, iii, iv and v:
 - (A) Scale minimum wages for Trainees and Production Assistants will not be subject to the listed discounts.

- (B) Scale minimum wage rates for Employees hired on a daily basis, other than Trainees and Production Assistants, will be five percent (5%) less than the applicable Television Production Rates.
 - (C) Scale minimum wage rates for Employees hired on a weekly basis (102.5 hours) will be no less than \$1.50 per hour above the then-current Provincial Minimum (i.e., \$16.10 per hour as of April 1, 2021; \$16.70 per hour as of June 1, 2021; \$17.15 per hour as of June 1, 2022; and \$18.25 per hour as of June 1, 2023*).
 - (D) Scale minimum wage rates for Location Scouts will be no less than \$1.50 per hour above the then-current Provincial Minimum (i.e., \$16.10 per hour as of April 1, 2021; \$16.70 per hour as of June 1, 2021; \$17.15 per hour as of June 1, 2022; and \$18.25 per hour as of June 1, 2023*).
- ii) Budgets over \$9,000,000 CAD up to \$15,000,000 CAD: Director wages will be five percent (5%) less than the applicable rate set forth in ARTICLE A-15.1. Crew Wages will be five percent (5%) less than the applicable Television Production Rates. Fourteen and one-half percent (14.5%) fringe rate plus a \$12.00 per day supplemental contribution to the Health and Welfare Fund.
 - iii) Budgets over \$4,000,000 CAD up to \$9,000,000 Million CAD: Director wages will be fifteen percent (15%) less than the applicable rate set forth in ARTICLE A-15.1. Crew Wages will be fifteen percent (15%) less than the applicable Television Production Rates. Twelve and one-half percent (12.5%) fringe rate plus a \$12.00 per day supplemental contribution to the Health and Welfare Fund.
 - iv) Budgets over \$2,000,000 CAD up to \$4,000,000 CAD: Director wages, which includes a World-Wide All Media in Perpetuity buy-out, at three percent (3%) of total Budget. Crew Wages will be thirty-five percent (35%) less than the applicable Television Production Rates. Twelve and one-half percent (12.5%) fringe rate plus a \$12.00 per day supplemental contribution to the Health and Welfare Fund.
 - v) Budgets over \$1,200,000 CAD up to \$2,000,000 CAD: Director wages, which includes a World-Wide All Media in Perpetuity buy-out, at two and one-half percent (2.5%) of total Budget. Crew Wages will be forty-five percent (45%) less than the applicable Television Production Rates. Twelve and one-half percent (12.5%) fringe rate plus a \$12.00 per day supplemental contribution to the Health and Welfare Fund.
 - vi) Budget of \$1,200,000 CAD and below: Wages (including the Director's buy-out) subject to individual negotiation between individual employee and employer. However, under no circumstances may the wages be less than the minimums required pursuant to the British Columbia Employment Standards Act. Ten and one-half percent (10.5%) fringe rate plus a \$12.00 per day supplemental contribution to the Health and Welfare Fund.

* As of June 1, 2023, the Provincial Minimum was \$16.75 per hour. Should the Provincial Minimum increase after June 1, 2023, this figure will be adjusted to \$1.50 per hour above the then-current Provincial Minimum.

Pursuant to ARTICLE 27.5, the Union shall continue to give good faith consideration on a case-by-case basis to requests for special conditions for Home Video productions.

- c) The provisions of ARTICLE A-8.8(a) (Director's Cut) of the Collective Agreement shall apply to 2.03 (a) and (b), except that the period of the Director's Cut may be limited to four (4) weeks (if that amount of time is more than one-half (1/2) the actual time period available for cutting), followed by a screening of the Director's Cut pursuant to ARTICLE A-8.9 of the Collective Agreement.

3. Verification of Budget

For all productions, excluding Series, with Budgets under \$5,000,000 CAD, the Employer shall send to the Union the top sheet of the budget, prior to the commencement of principal photography, signed by a Production Executive. All budget top sheets provided to the Union will be treated as confidential.

4. Security Against Wages

For projects, excluding Series, with a Budget of \$5,000,000 CAD and below: The provisions of ARTICLE 21.8 (Security Against Wages) shall apply, except that the monetary guarantee will be in the amount of not less than \$17,500.00.

5. Waiver of Work Permits

For all productions with Budgets under \$5,000,000 CAD, the provisions of ARTICLE 7.9 (Displacement or Work Permit) of the Collective Agreement shall apply for the Director, 1st Assistant Director and any non-Canadians permitted to work on the production. However, the Union agrees to waive its permit fees paid by the Employer for all other categories and/or local hires in recognition of the economics of this type of production. The provisions of ARTICLE 11.9 (f) (Production Assistant) will apply where such non-members pay Five Dollars (\$5.00) per day of employment to the Union.

6. Transportation

All air travel will be by economy (coach) class.

7. Per Diem Allowance for Hold Over on Distant Location

The DGC BC will continue to be reasonable in responding to reasonable enabling requests by the Employer to reduce the minimum per diem for each non-working day, other than a paid Statutory Holiday, payable under Article 22.9 on productions covered by Sideletter No. 4.