2024 SAG-AFTRA NATIONAL CODE OF FAIR PRACTICE FOR NETWORK TELEVISION BROADCASTING NEGOTIATIONS

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement reflects the complete understanding reached between the parties regarding agreed-upon modifications to the 2021-2024 National Code of Fair Practice for Network Television Broadcasting (the "Network Code"). All Industry and SAG-AFTRA proposals not enumerated herein and not otherwise withdrawn are deemed rejected. As soon as practicable, this Memorandum of Agreement will be reduced to formal contract language. The language in the Memorandum of Agreement is not contract language, except where the context clearly indicates otherwise. Except as modified herein, the terms of the 2021 Network Code shall remain unchanged.

The Committee shall recommend the Agreement for ratification to the SAG-AFTRA National Board of Directors on or before July 31, 2024 and SAG-AFTRA shall provide notice of ratification to the Producers before August 7, 2024. All terms shall be effective upon the first payroll period after notice of ratification unless another date is specified.

1. Minimums:

- a. Increase all minimum rates (including program fees, extra rehearsal rates, excess work day rates, overtime rates) for all classifications, other than background actors and stand-ins, by seven percent (7%) effective July 1, 2024.
- b. Increase all minimum rates (including program fees, extra rehearsal rates, excess work day rates and overtime rates) applicable to background actors and stand-ins by eleven percent (11%) effective July 1, 2024.
- 2. <u>Contribution Rate Increase</u>: Increase the contribution rate to the SAG-AFTRA Health Plan by .5% effective January 1, 2025.
- 3. <u>Bargaining Dates</u>: The parties commit to commencing negotiations for a full three-year successor to the Network Code no later than June 2, 2025.

4. <u>Artificial Intelligence</u>: The parties agree to add the following language to the Network Code on the subject of "Artificial Intelligence" (changes shown are to the Producers' confidential proposal on Artificial Intelligence):

SAG-AFTRA Network Code Artificial Intelligence

a. Digital Replication and Alteration of Performers other than Background Actors

Add a new Paragraph [XX] to the Code as follows:

[XX]. DIGITAL REPLICATION AND ALTERATION

This Paragraph [XX] applies July 1, 2024.

The parties acknowledge that the categories to which the Code applies pursuant to Paragraph 75, "People Covered" include only humans. People Covered herein are referred to as performers for all categories or roles covered by the Code (e.g., performer in a dramatic or sketch comedy role, dancer, host, announcer).

The parties further acknowledge that the Producers have historically used digital technologies to replicate or alter a performer's voice or likeness (e.g., CGI, audio/visual effects) during all stages of program production (e.g., pre-visualization, pre-production, production, post-production, distribution, marketing) and may continue to do so, consistent with their historical practices.

- A. Digital Replicas
- (1) Definitions
- (a) An "Employment-Based Digital Replica" is a replica of the voice or likeness of a specific performer that is created: (i) in connection with employment on a program under the Code; (ii) using digital technology; (iii) with the performer's physical participation; and (iv) is for the purpose of portraying the performer in photography or sound track in which the performer did not actually perform.
- (b) An "Independently Created Digital Replica" is a digitally-created asset that is: (i) intended to create, and does create, the clear impression that the asset is a natural performer whose voice and/or likeness is recognizable as the voice and/or likeness of an identifiable natural performer; (ii) performing in a role; (iii) created using digital technology; and (iv) no employment arrangement for the program in which the Independently Created Digital Replica will be used exists with the natural performer in the role being portrayed by the asset.

Employment-Based Digital Replica(s) and Independently Created Digital Replica(s) may be referred to collectively herein as Digital Replica(s).

(2) Employment-Based Digital Replica

This Paragraph [XX].A.(2) applies when a performer is employed by the Producer under this Agreement under a contract entered into on or after July 1, 2024 to render services as a performer and, in connection with that employment, the Producer (directly or through a third party) requires

the performer to provide services for purposes of creating an Employment-Based Digital Replica or uses an Employment-Based Digital Replica as provided herein.

- (a) Services for Creation of Employment-Based Digital Replicas
- (i) A Producer must notify a performer no less than forty-eight (48) hours in advance of the time the performer's services are required to create an Employment-Based Digital Replica, or at the time of engagement if the performer is engaged less than forty-eight (48) hours in advance of the time the performer's services are required to create an Employment-Based Digital Replica. The Producer must obtain the performer's consent to provide services for purposes of creating an Employment-Based Digital Replica of the performer for use in connection with a program. The consent must be clear and conspicuous and may be obtained through an endorsement or statement in the performer's employment contract that is separately signed or initialed by the performer or in a separate writing that is signed by the performer.
- (ii) When a performer provides services for purposes of creating an Employment-Based Digital Replica on the same day the performer performs other work for the Producer under this Agreement, any time spent by the performer in connection with creating the Employment-Based Digital Replica shall be treated as work time.

No additional payment is due to a performer for providing services for purposes of creating an Employment-Based Digital Replica if: the performer is under a term contract for over \$250,000 per year or over \$32,000 per episode or program, exclusive of advance paid residuals; or on a day when the Producer is required to pay the performer for any services or has included hours available for the program fee under the Code. In no event shall the compensation required be in excess of what would be required under the Code if the performer were asked to perform other performer services for the program unrelated to the creation of Employment-Based Digital Replicas.

On other than daytime serials, in circumstances not provided for in the second paragraph of 2(a)(ii), in the event a performer is required to provide services for purposes of creating an Employment-Based Digital Replica, the Producer shall schedule it based on the performer's reasonable professional availability only and the performer shall be paid the additional rehearsal rate for either the minimum call for the role or session fee or for all hours worked, whichever is higher. In the event that a performer has negotiated for an above-scale additional rehearsal rate, session fee rate, or has specifically bargained above-scale payment for their services for the creation of their digital replica, the applicable overscale rate will be used in lieu of the scale rate provided for in the Code.

On daytime serials, in circumstances not provided for in the second paragraph of 2(a)(ii) above, in the event a performer is required to provide services for the purposes of creating an Employment-Based Digital Replica, the Producer shall schedule it based on the performer's reasonable professional availability and, provided the work occurs within the reconciliation period, the performer shall be paid for an additional day (excess work day). If the work occurs outside the reconciliation period, the performer shall be paid the applicable program fee. In the event that a performer has negotiated for an above-scale additional day rate or program fee, or has specifically bargained above-scale payment for their services for the creation of their digital replica, the applicable overscale rate will be used in lieu of the scale rate provided for in the Code.

(b) Use of an Employment-Based Digital Replica

For purposes of this Paragraph A.(2)(b), 'use' of an Employment-Based Digital Replica refers to use of an Employment-Based Digital Replica created pursuant to Paragraph A.(2)(a) above that is intended to create, and does create, a depiction of the performer that gives the clear impression that the performer represented by the Employment-Based Digital Replica actually provided services to create image, photography and/or sound when, in fact, the Employment-Based Digital Replica was used in lieu of the performer.¹

- (i) Use in the Program for Which the Performer Was Employed²
- a) A Producer may use a performer's Employment-Based Digital Replica in connection with a program for which the performer was employed, upon obtaining consent to the extent required herein. The Producer must obtain the performer's consent to use the Employment-Based Digital Replica in new photography or sound track not previously recorded by the performer; provided, however, that no consent is required when the photography or sound track remains substantially as scripted, performed and/or recorded.

Any consent required must include a reasonably specific description of the intended use of the Employment-Based Digital Replica in that program. Consent must be clear and conspicuous and may be obtained through an endorsement or statement in the performer's employment contract that is separately signed or initialed by the performer or in a separate writing that is signed by the performer.

Any consent that the performer granted during the performer's lifetime shall continue to be valid after the performer's death unless explicitly limited otherwise. In the event the performer is deceased at the time the Producer seeks any required consent (and the Producer has not already obtained consent during the performer's lifetime or the performer's consent is no longer valid after death), the Producer shall obtain the consent of the authorized representative (or the Union, if the deceased performer's authorized representative cannot be identified or located) who represents the deceased performer's exclusive rights as determined by applicable law.

b) If the Producer uses a performer's Employment-Based Digital Replica in scene(s) that the performer would otherwise have performed in person (e.g., using the Digital Replica of a performer hired for one day for a role that historically would have been performed in a program for more than one day), the performer shall be paid for each production day that they would have worked in lieu of their Employment-Based Digital Replica either: (1) the additional day rate (excess work day) for a performer in a daytime serial if the use is within the reconciliation period for excess work days or the program fee if the use is outside the reconciliation period; or (2) overtime for six (6) hours for all other performers for the number of production days that the

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¹ The parties acknowledge that the Producers have customarily used digital technologies to depict activities incapable of being performed by a human without serious risk to life or health and/or for use in scenes in which the performer is not recognizable (e.g., a masked character); such uses are not subject to this Paragraph A.(2)(b).

² See Paragraph B. below for provisions regarding use of an Employment-Based Digital Replica to digitally alter a voice actor's performance in sound track previously recorded by the voice actor.

Producer determines the performer would have been required to work had the performer instead performed those lines or scene(s) in person. In the event that a performer has negotiated for an above-scale additional day rate, program fee, or overtime rate, or has specifically bargained above-scale terms for the use of their digital replica, the applicable overscale rate will be used in lieu of the scale rate provided for in the Code. The Producer will make a good faith effort to estimate the number of production days (without regard to scheduling considerations, e.g., overtime, meal periods, rest periods, etc.) utilizing objective criteria. Such compensation shall be treated as wages for all purposes.

No compensation shall be required pursuant to the preceding paragraph when: the performer's compensation covered the work had the performer performed the scene(s) in person, based on the form of engagement, provided that for each such production day that would have been necessary to complete the scene(s), it shall be assumed that such day would have been no less than a six (6) hour call or if the Employment-Based Digital Replica of a principal performer under a term contract is used for work that could have been performed in person within the included performances and included dates or additional days covered by the contract, or if the performer's Employment-Based Digital Replica is used in a scene that if the performer had performed in person (e.g., no compensation is due if a performer was recorded sitting in the front seat of a car and the performer's Employment-Based Digital Replica is used instead to move the performer to the back seat of the car in the same scene).

- c) In the event the performance of a performer's Employment-Based Digital Replica remains in the program in a manner that would have entitled the performer to residuals had the performer performed those scene(s) in person, the performer shall be entitled to residuals when the program is exhibited in a market for which residuals are due
- (ii) Use Other Than in the Program for Which the Performer Was Employed

A Producer may not use a performer's Employment-Based Digital Replica in connection with a program other than one for which the performer was employed or in any other field or medium without obtaining the performer's consent and bargaining separately for the use.

Consent must be clear and conspicuous and include a reasonably specific description of the intended use. Consent must be obtained prior to use in a writing signed by the performer, but not at the time of employment, except as provided in the next sentence. When a performer is employed on a project specifically identified to be part of a multi-project use (such as a trilogy of programs), consent to use the performer's Employment-Based Digital Replica in another of the identified projects may be obtained at the time the performer is first employed, provided that a reasonably specific description of the intended use is provided for each identified project. Consent for use in other identified project(s) is valid only if the performer is also employed in the other identified project(s) or is deceased at the time the other identified project(s) commences production.

Any consent that the performer granted during the performer's lifetime shall continue to be valid after the performer's death unless explicitly limited otherwise. In the event the performer is

deceased at the time the Producer seeks consent (and the Producer has not already obtained consent during the performer's lifetime or the performer's consent is no longer valid after death), the Producer shall obtain the consent of the authorized representative (or the Union, if the deceased performer's authorized representative cannot be identified or located) who represents the deceased performer's exclusive rights as determined by applicable law.

The program fee for the classification (including additional compensation for residuals as applicable) shall be the minimum for purposes of the bargaining referred to above with respect to use of a performer's Employment-Based Digital Replica in connection with a program other than one for which the performer was employed or in any other field or medium, except that use of the performer's Employment-Based Digital Replica in a field or medium covered by a SAG-AFTRA collective bargaining agreement shall be subject to bargaining at no less than the minimum wages and residuals, if any, provided for in that collective bargaining agreement. No additional compensation shall be required for use of an Employment-Based Digital Replica that was created in connection with employment of a performer who was a principal performer under a term contract for over \$250,000 per year or over \$32,000 per episode or program, exclusive of advance paid residuals.

(3) Independently Created Digital Replica

The following applies to use of an 'Independently Created Digital Replica' in connection with a program that commences production on or after July 1, 2024.

A Producer may use an Independently Created Digital Replica in connection with a program for which the natural performer was not employed upon obtaining consent as required herein and bargaining for that use. Consent must be clear and conspicuous and obtained prior to exploitation in a writing signed by the natural performer that includes a reasonably specific description of the intended use.

Any consent that the performer granted during the performer's lifetime shall continue to be valid after the performer's death unless explicitly limited otherwise. In the event the natural performer is deceased at the time the Producer seeks consent (and the Producer has not already obtained consent during the natural performer's lifetime or the natural performer's consent is no longer valid after death), the Producer shall obtain the consent of the authorized representative (or the Union, if the deceased natural performer's authorized representative cannot be identified or located) who represents the deceased natural performer's exclusive rights as determined by applicable law.

Any compensation paid to the performer for use of the Independently Created Digital Replica shall be gross compensation subject to pension or retirement and health contributions pursuant to Paragraph 102 and 102A of the Code.

No consent is required when the use is of the type protected by the First Amendment to the United States Constitution, including but not limited to instances when the First Amendment would protect a use for purposes of comment, criticism, scholarship, satire or parody, or would protect a use in a docudrama, or historical or biographical work.

For clarity, this subparagraph [XX].A.(3) does not apply to use of an Employment-Based Digital Replica created pursuant to subparagraph [XX]A.(2) above in connection with a program other than the one for which the performer was employed; the provisions of subparagraph [XX]A.(2)(b)(ii) apply instead.

B. Digital Alteration

This Paragraph [XX].B. applies when a performer is employed by the Producer under this Agreement under a contract entered into on or after July 1, 2024 to render services as a performer in a program and the Producer (directly or through a third party) digitally alters the performer's voice or likeness in that program.

The Producer must obtain the consent of the performer to digitally alter the performer's performance in photography or sound track previously recorded by the performer; provided, however, that no consent is required when the photography or sound track of the performer remains substantially as scripted, performed and/or recorded. Any consent required must be clear and conspicuous and include a reasonably specific description of the intended alteration(s). Consent may be obtained through an endorsement or statement in the performer's employment contract that is separately signed or initialed by the performer or in a separate writing that is signed by the performer.

Any consent that the performer granted during the performer's lifetime shall continue to be valid after the performer's death unless explicitly limited otherwise. In the event the performer is deceased at the time the Producer seeks consent (and the Producer has not already obtained any required consent during the performer's lifetime or the performer's consent is no longer valid after death), the Producer shall obtain the consent of the authorized representative (or the Union, if the deceased performer's authorized representative cannot be identified or located) who represents the deceased performer's exclusive rights as determined by applicable law.

C. For clarity, the Producer need not obtain the consent of the performer under Paragraphs A.(2) or B. above to perform post-production alterations, editing, arranging, rearranging, revising or manipulating of photography and/or sound track for purposes of cosmetics, wardrobe, noise reduction, timing or speed, continuity, pitch or tone, clarity, addition of visual/sound effects or filters, standards and practices,³ ratings,⁴ an adjustment in dialogue or narration or other similar purposes, or under any circumstance when dubbing or use of a double is permitted under the Code. Without limiting the foregoing, no consent is required under Paragraphs A.(2) or B. above for purposes of adjusting lip and/or other facial or body movement and/or the voice of the performer to a foreign language, or for purposes of changes to dialogue or photography necessary for license or sale to a particular market (e.g., substitution of dialogue about an airplane crash for in-flight sales or altering dialogue to adhere to cultural norms for sale to a particular country).

³ The parties agree that adjustments for standards and practices means adjustments to adhere to stricter standards.

⁴ The parties agree that adjustments for ratings means adjustments to obtain a rating for a wider audience.

- D. Claims for violation of this Section [XX] are arbitrable under Paragraph 95 of the Code and must be brought under those provisions. Remedies shall be limited to monetary damages.
- E. Except as explicitly set forth herein, it is understood that this Section [XX] does not expand or contract any existing rights and obligations under the Code. Without limiting the generality of the foregoing, it is understood that nothing herein overrides Paragraph 73, Exhibit D, Sideletter 29.
- b. Generative Artificial Intelligence

Add a new Paragraph XX.1. to the Code as follows:

[XX.1.] GENERATIVE ARTIFICIAL INTELLIGENCE

The parties acknowledge that definitions of Generative Artificial Intelligence ('GAI') vary, but agree that the term generally refers to a subset of artificial intelligence that learns patterns from data and produces content based on those patterns (e.g., ChatGPT4, MidJourney, Dall-E2, OpenAI, ElevenLabs, Murf.AI, Respeccher and Speechify). It does not include 'traditional AI' technologies programmed to perform specific functions (e.g., CGI and VFX), such as those already used during all stages of program production (e.g., pre-visualization, pre- production, production, post-production, distribution, marketing). The term GAI is used for convenience and this Paragraph [XX.1] shall also apply to any technology that is consistent with the foregoing definition, regardless of its name.

A. Use of Synthetic Performers Created Through Generative Artificial Intelligence

The following applies to use of Synthetic Performers in a program that commences production on or after July 1, 2024. A 'Synthetic Performer' is a digitally-created asset that: (1) is intended to create, and does create, the clear impression that the asset is a natural performer who is not recognizable as any identifiable natural performer; (2) is not voiced by a natural person; (3) is not a Digital Replica (as defined in Paragraph [XX] above); and (4) no employment arrangement for the program exists with a natural performer in the role being portrayed by the asset.

The parties acknowledge the importance of human performance in programs and the potential impact on employment under this Agreement when a Synthetic Performer created through a GAI system is used in a human role that would otherwise be performed by a human. For those reasons, the Producer agrees to give the Union notice and an opportunity to bargain in good faith over appropriate consideration, if any, if a Synthetic Performer is used in place of a performer who would have been engaged under this Agreement in a human role.

The parties acknowledge that the Producers have customarily used digital technologies to generate non-human characters without the services of a performer covered under this Agreement, and that the foregoing does not apply to such uses.

If a Producer intends to create, and does create, a Synthetic Performer with a principal facial feature (i.e., eyes, nose, mouth and/or ears) that is recognizable as that of a specific natural performer through the use of such identified natural performer's name and facial feature in the prompt to a

GAI system, the Producer shall obtain such identified natural performer's consent and bargain with such natural performer for the use of the Synthetic Performer in connection with a program and no additional discussion with the Union, consideration or remuneration, is required under this Paragraph [XX.1]. For clarity, the foregoing provision shall apply to each such identified natural performer if more than one specific natural performer's recognizable principal facial feature is used in the described manner (e.g., Performer 1's eyes, Performer 2's mouth). No consent is required when the use is the type protected by the First Amendment to the United States Constitution, including but not limited to instances when the First Amendment would protect a use for purposes of comment, criticism, scholarship, satire or parody, or would protect a use in a docudrama, or historical or biographical work.

Claims for violation of this Paragraph [XX.1.] are arbitrable under Paragraph 95 of the Code and must be brought under those Paragraphs. Remedies shall be limited to monetary damages.

- B. The Producers agree to meet regularly with the Union during the term of the 2024 Code to discuss appropriate remuneration, if any, with respect to photography and/or sound track recorded under these Agreements or any predecessor Agreement that is used to train a GAI system for the purpose of creating Synthetic Performers for use in new program content.
- C. Each Producer agrees to meet with the Union during the term of this Agreement at least semiannually at the request of the Union and subject to appropriate confidentiality agreements to discuss and review information related to the Producer's use and intended use of GAI in program development and production, which may include discussion of (1) efforts to ensure that use(s) of GAI mitigate against biases and (2) any systems for tracking the use of Digital Replicas.
- D. The parties agree to meet six (6) months in advance of the expiration date of this Agreement to begin negotiations regarding this Paragraph [XX.1].
- b. Digital Replication and Alteration of Background Actors

Add a new subparagraph to Paragraph 8, Background Actors, of the Code as follows:

[]. DIGITAL REPLICATION AND ALTERATION

The parties acknowledge that the term "background actor" as used in the Code includes only humans.

This Paragraph [] applies when a background actor is employed by the Producer under this Agreement on or after July 1, 2024 to appear in a program and, in connection with the background actor's employment on the program, the Producer (directly or through a third party):

- (i) requires the background actor to provide services for purposes of creating a Background Actor Digital Replica;
- (ii) uses a Background Actor Digital Replica as provided herein; or
- (iii) digitally alters the background actor's voice or likeness.

For purposes of this Paragraph, a 'Background Actor Digital Replica' of a background actor is a replica of the voice or likeness of the background actor which is created using digital technology with the background actor's or physical participation and is for the purpose of depicting the background actor in a scene in which the background actor did not actually appear.

This Paragraph [8(X)] does not apply to 'tiling' of background actors. Except as explicitly set forth herein, it is understood that this Paragraph [8(X)] does not expand or contract any existing rights and obligations under the Code.

A. Creation of Background Actor Digital Replicas

- (1) A Producer must notify a background actor no less than forty- eight (48) hours in advance of the time the background actor's services are required to create a Background Actor Digital Replica, or at the time of booking if the background actor is booked less than forty-eight (48) hours in advance of the time the background actor's services are required to create Background Actor Digital Replica. The Producer must obtain consent if it requires the background actor to provide services for purposes of creating the background actor's Background Actor Digital Replica for use in connection with a program. The consent must be clear and conspicuous and may be obtained through an endorsement or statement in the background actor's employment paperwork that is separately signed or initialed by the background actor or in a separate writing that is signed by the background actor.
- (2) When a background actor provides services for purposes of creating a Background Actor Digital Replica on the same day the background actor performs other work for the Producer under this Agreement, any time spent by the background actor in connection with creating the Background Actor Digital Replica shall be treated as work time.

Producer will endeavor to schedule the background actor's services for purposes of creating a Background Actor Digital Replica on a day when the background actor is also working for the Producer under this Agreement, when practicable.

When a background actor provides services for purposes of creating a Background Actor Digital Replica on a day when the background actor does not perform other work for the Producer under this Agreement, the background actor shall be paid one (1) day's pay or program fee, as applicable.

Notwithstanding the foregoing, no additional payment is due to a background actor for providing services for purposes of creating a Background Actor Digital Replica on a day when the Producer is required to pay the background actor for any services, a travel allowance, an allowance for a day not worked on an overnight location or a canceled call; provided, however, that if the background actor is paid less than one (1) day's pay for that day, the Producer shall also pay an additional amount necessary to reach one (1) day's pay.

- B. Use of a Background Actor Digital Replica
- (1) Use in the Program for Which the Background Actor Was Employed
- (a) A Producer may use a background actor's Background Actor Digital Replica in connection with a program for which the background actor was employed, upon obtaining the background actor's consent to the extent required herein. The Producer must obtain the background actor's consent to use the Background Actor Digital Replica in new photography or sound track not previously recorded by the background actor; provided, however, that no consent is required when the photography or sound track remains substantially as scripted, performed and/or recorded.

Consent must be clear and conspicuous and include a reasonably specific description of the intended use of the Background Actor Digital Replica in that program. Consent may be obtained through an endorsement or statement in the background actor's employment paperwork or voucher that is separately signed or initialed by the background actor or in a separate writing that is signed by the background actor. Any consent that the background actor granted during the background actor's lifetime shall continue to be valid after the background actor's death unless explicitly limited otherwise. In the event the background actor is deceased at the time the Producer seeks any required consent (and the Producer has not already obtained consent during the background actor's lifetime or the background actor's consent is no longer valid after death), the Producer shall obtain the consent of the authorized representative (or the Union, if the deceased background actor's authorized representative cannot be identified or located) who represents the deceased background actor's exclusive rights as determined by applicable law.

(b) If the Producer uses a background actor's Background Actor Digital Replica, the background actor shall be paid the minimum program fee, and any additional days for the number of production days that the Producer determines the background actor would have been required to work had the background actor performed those scene(s) in person. The Producer will make a good faith effort to estimate the number of production days utilizing objective criteria. Such compensation shall be treated as wages for all purposes.

A Producer shall not use the Background Actor Digital Replica of a background actor to circumvent the engagement of that background actor. If the producer uses a Background Actor Digital Replica in lieu of the background actor for a scene or scenes that the background actor did not perform in person, the background actor shall be paid for any overtime that they would have been owed had the background actor performed in that scene or scenes in person, even if the background actor also performed in other scenes on that day. Digital replication and synthetic generation of background actors shall be permitted for a large crowd scene with a SAG-AFTRA granted waiver consistent with Paragraph 8(E)(4) of the Code.

If the Producer uses a background actor's Background Actor Digital Replica in the role of fivelines or less or a principal performer, the background actor shall be paid the minimum program fee and any additional days for a performer for the number of production days that the Producer determines the background actor would have been required to work had the background actor performed those scene(s) in person. The Producer will make a good faith effort to estimate the

number of production days utilizing objective criteria. Such compensation shall be treated as wages for all purposes.

In the event the performance of the Background Actor's Digital Replica in the role of five-lines or less or principal performer remains in the program in a manner that would have entitled the background actor to residuals had the background actor been upgraded to five-lines or less or a principal performer and performed those scene(s) in person, the background actor shall be treated as having been upgraded to that role and shall be entitled to residuals when the program is exhibited in a market for which residuals are due. Residuals shall be based as per the preceding paragraph for the use of such background actor's Background Actor Digital Replica in the role of five-line or less or a principal performer.

(2) Use Other Than in the Program for Which the Background Actor Was Employed

A Producer may not use a background actor's Background Actor Digital Replica in connection with a program other than one for which the background actor was employed or in any other field or medium without obtaining the background actor's consent and bargaining separately for the use.

Consent must be clear and conspicuous and include a reasonably specific description of the intended use. Consent must be obtained prior to use, but may not be obtained at the time of employment.

Any consent that the background actor granted during the background actor's lifetime shall continue to be valid after the background actor's death unless explicitly limited otherwise. In the event the background actor is deceased at the time the Producer seeks consent (and the Producer has not already obtained consent during the background actor's lifetime or the background actor's consent is no longer valid after death), the Producer shall obtain the consent of the authorized representative (or the Union, if the deceased background actor's authorized representative cannot be identified or located) who represents the deceased background actor's exclusive rights as determined by applicable law.

The background actor daily minimum or program fee shall be the minimum for purposes of the bargaining referred to above with respect to use of a background actor's Background Actor Digital Replica in connection with a program other than one for which the background actor was employed or in any other field or medium, except that use of the background actor's Background Actor Digital Replica in a field or medium covered by a SAG-AFTRA collective bargaining agreement shall be subject to bargaining at no less than the minimum wages and residuals, if any, provided for in that collective bargaining agreement.

C. Digital Alteration

The Producer must obtain the consent of the background actor to digitally alter the background actor's appearance in photography or sound track previously recorded by the background actor; provided, however, that no consent is required when the photography or sound track of the background actor remains substantially as scripted, performed and/or recorded. Any consent

required must be clear and conspicuous and include a reasonably specific description of the intended alteration(s). Consent may be obtained through an endorsement or statement in the background actor's employment paperwork or voucher that is separately signed or initialed by the background actor or in a separate writing that is signed by the background actor.

Any consent that the background actor granted during the background actor's lifetime shall continue to be valid after the background actor's death unless explicitly limited otherwise. In the event the background actor is deceased at the time the Producer seeks any required consent (and the Producer has not already obtained consent during the background actor's lifetime or the background actor's consent is no longer valid after death), the Producer shall obtain the consent of the authorized representative (or the Union, if the deceased background actor's authorized representative cannot be identified or located) who represents the deceased background actor's exclusive rights as determined by applicable law.

In the event a background actor's lip or facial movements are digitally altered to make it appear that the background actor is speaking line(s) and dialogue is included, the background actor shall be adjusted to the applicable principal or five-lines-or-less category. In the event a background actor's performance is digitally altered in a manner that would have required an upgrade pursuant to Paragraph 48 had the background actor performed those scene(s) in person, the background actor shall be upgraded to the applicable principal or five-lines-or-less category.

- D. For clarity, the Producer need not obtain the consent of the background actor under Paragraphs B. or C. above to perform post-production alterations, editing, arranging, revising or manipulating of photography and/or sound track for purposes of cosmetics, wardrobe, noise reduction, timing or speed, continuity, pitch or tone, clarity, addition of visual/sound effects or filters, standards and practices, ⁵ ratings, ⁶ an adjustment in dialogue or narration or other similar purposes, or under any circumstance when dubbing or use of a double is permitted under the Code.
- E. Claims for violation of this Paragraph [] are arbitrable under Paragraph 95 and must be brought under that Paragraph. Remedies shall be limited to monetary damages.
- d. Digital Replication and Alteration of Stand-Ins and Dance-Ins

Add a new subparagraph to Paragraph 36, Stand-Ins and Dance-Ins, of the Code as follows:

[]. DIGITAL REPLICATION AND ALTERATION

The parties acknowledge that the terms "stand-in" and "dance-in" as used in the Code include only humans. Should a producer wish to digitally replicate or alter a "stand-in" or "dance-in," the producer shall upgrade the stand-in or dance-in to the appropriate category (e.g., five-lines or less, principal, background actor) and apply the provisions of subparagraph (a), Digital Replication and

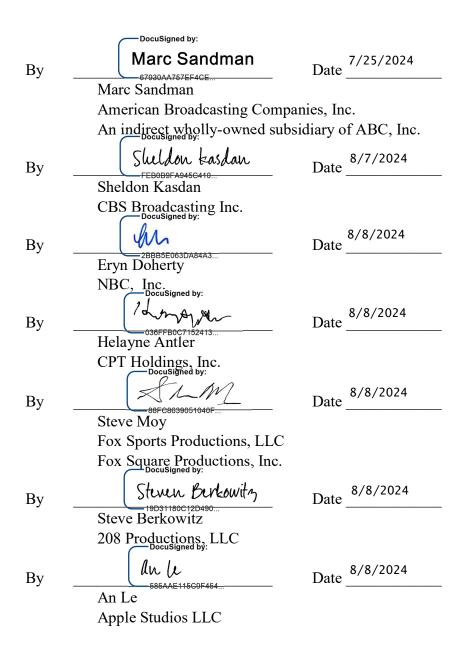
⁵ The parties agree that adjustments for standards and practices means adjustments to adhere to stricter standards.

⁶ The parties agree that adjustments for ratings means adjustments to obtain a rating for a wider audience.

Alteration of Performers other than Background Actors, or (b), Digital Replication and Alteration of Background Actors, above.

5. Renewals

- A. Renew Sideletter 29 for Programs Made For New Media.
- B. Renew Sideletter 30 for Program Used In New Media.



By

Nicole Lang
Direct Court Productions, Inc.

By

Natasha Shum
Home Box Office, Inc., Retro, Inc.

ACCEPTED AND AGREED:

SAG-AFTRA

Date 8/9/2024

Ray Rodriguez

Chief Contracts Officer