

1991
SCREEN ACTORS GUILD
CODIFIED AGENCY REGULATIONS

RULE 16(g)

INCLUDING THE
BASIC CONTRACT
BETWEEN
SCREEN ACTORS GUILD
AND
ASSOCIATION OF TALENT AGENTS
AND
NATIONAL ASSOCIATION OF TALENT REPRESENTATIVES

CONTENTS

AGENCY REGULATIONS.....	4
Section I. Definitions.....	4
Section II. Prohibition of Members Dealing With Agents Not Franchised.....	6
Section III. Franchise Requirements.	6
Section IV. Contracts Between Agents and Members.	7
Section V. Package Program and Other Representation by Agents.....	14
Section VI. Arbitration.	17
Section VII. Services at Places Where Agent Has No Office.	18
Section VIII. Disciplinary Provisions.....	21
Section IX. Disciplinary Procedure.	23
Section X. Basic Contract.....	24
Section XI. Commissions.	24
Section XII. Continuity of Management.	31
Section XIII. Assignment of Agency Contracts.	35
Section XIV. Surrender of Franchise.	36
Section XV. Automatic Termination.....	36
Section XVI. Agents To Be Independent.	36
Section XVII. Barring.....	38
Section XVIII. Notices.	39
Section XIX. Miscellaneous.....	39
Section XX. Modification of Existing Agency Contracts.	40
Section XXI. Information to Be Held Confidential by SAG.....	40
Section XXII. Scope and Application of Rule 16(g).....	40
Section XXIII. Waivers Outstanding.....	40
Section XXIV. Agents-SAG Cooperative Committee.	40
Section XXV. Agents as Actors Prohibited.....	41
EXHIBIT A	42
APPLICATION FOR SCREEN ACTORS GUILD, INC.TALENT AGENT'S FRANCHISE	42
EXHIBIT B.....	45
APPLICATION FOR SCREEN ACTORS GUILD, INC.SUB-AGENT'S FRANCHISE....	45

EXHIBIT C.....	46
SCREEN ACTORS GUILD, INC. TALENT AGENT'S FRANCHISE	46
EXHIBIT D	47
SCREEN ACTORS GUILD, INC. SUB-AGENT'S FRANCHISE.....	47
EXHIBIT E.....	48
SAG MOTION PICTURE / TELEVISION AGENCY CONTRACT	48
EXHIBIT F.....	57
SAG TELEVISION COMMERCIALS AGENCY CONTRACT	57
EXHIBIT G	65
SCREEN ACTORS GUILD CLIENT CONFIRMATION FORM	65
EXHIBIT H-1.....	67
RENEWAL SAG MOTION PICTURE / TELEVISION	67
EXHIBIT H-2.....	72
RENEWAL SAG TELEVISION COMMERCIALS.....	72
EXHIBIT I.....	77
ARBITRATION RULES	77
BASIC CONTRACT.....	81
ARTICLE I. Franchising.....	81
ARTICLE II. Definitions	81
ARTICLE III. Scope of Agreement	81
ARTICLE IV. State and Federal Authorities	82
ARTICLE V. Notice to Members of SAG.....	82
ARTICLE VI. Avoidance of Legal Conflict.....	82
ARTICLE VII. Amendment.....	82
ARTICLE VIII. Waivers.....	82
ARTICLE IX. Right to Franchises.....	83
ARTICLE X. Arbitration	84
ARTICLE XI. Term	84
ARTICLE XII. Limitation of Basic Contract.....	85
ARTICLE XIII. Association Membership.....	85
ARTICLE XIV. Successors and Assigns.....	85
AGREED INTERPRETATION	87
ADDITIONAL AGREED INTERPRETATIONS.....	89

RULE 16(g) AGENCY REGULATIONS

Negotiations have been conducted between Screen Actors Guild, Inc. (SAG), Association of Talent Agents (ATA), and National Association of Talent Representatives (NATR) and as a result certain amendments and changes have been adopted with various effective dates from 1968 to and including January 1, 1991. This is a codification of all such amendments and changes and has been and shall be known as "Rule 16(g)" or "AGENCY REGULATIONS", and provides as follows:

Section I. Definitions.

The terms herein specified are defined as follows:

A. *Motion Pictures and Motion Picture Industry.* The term "motion pictures" shall include the production of motion pictures made for all purposes, uses and methods of exhibition, including, without limitation, motion pictures made for theatrical, commercial, industrial, educational and television use. The term "motion picture industry" shall henceforth include all such motion picture production.

B. *Television and Theatrical Motion Pictures.* The term "television motion pictures" shall mean motion pictures made primarily for exhibition over free television, *i.e.*, where no charge is directly paid by the viewing audience. All other motion pictures including motion pictures made primarily for televising into theatres or other places where admission is charged and into private homes or other places where a charge is paid by subscribers, are included in the term "theatrical motion pictures."

C. *Talent Agent or Agent.* A talent agent or agent is a person, copartnership, association, firm or corporation who or which offers to or does represent, act as the representative of, negotiate for, procure employment for, counsel or advise any member of the SAG in and about and in connection with or relating to his employment or professional career as an actor in the production of motion pictures. The terms "agent" and "talent agent", as used herein, are synonymous.

D. *Sub-Agent.* A sub-agent is a person who is employed by a franchised agent to represent, act as the representative of, negotiate for, procure employment for, counsel or advise any member of the SAG in and about and in connection with or relating to his employment or professional career as an actor in the production of motion pictures.

E. *Agency Services.* Agency services are defined as acting as the representative of, negotiating for, procuring employment for, counseling or advising any member of the SAG in and about and in connection with or relating to his employment or professional career as an actor in the production of motion pictures. The terms "talent agent services" and "agency services", as used herein, are synonymous.

F. *Business Manager:* A business manager is a person, firm or corporation whose services with respect to members of the SAG are limited to the giving of financial advice or management of financial affairs. A business manager shall not be deemed an agent within the scope of these Regulations if, and only if, such person, firm or corporation does not otherwise engage in the business of an agent as herein defined.

G. *Attorney-at-Law.* An attorney-at-law who performs services for a member of the SAG shall not be deemed to be an agent unless such services include solicitation of employment in motion pictures for the member, or the attorney holds himself out as an agent or engages generally in the business of an agent.

H. *Client*. A client means any member of the SAG who has entered into an agreement with an agent providing for the rendition of agency services for such member by such agent.

I. *Term Contract*. The words "term contract" as used herein shall mean a contract of an actor with an employer for guaranteed employment for a specific period of time not less than three (3) months in duration. The words "term contract" shall include a multiple picture contract for two or more pictures regardless of the guaranteed period of employment if the employment of the actor in motion pictures under said contract is exclusive. However, "term contract" does not include a single picture contract or a multiple picture contract in which the employment of the actor in motion pictures under said contract is non-exclusive.

J. *Free-lance*. The term "free-lance" shall refer to members of the SAG who are not under term contract.

K. *Interest*. The word "interest", as used herein, shall mean ownership.

L. *Member*: The word "member" is defined to mean a present or future member of the SAG. An actor, who is not a member when he signs a contract with an agent, comes under the terms of these Regulations and said contract is modified in accordance with these Regulations as soon as he becomes a member, if the agent be then or thereafter franchised by the SAG.

M. *Actor*: The word "actor" shall be deemed to be synonymous with the word "member", except as differentiated in the preceding paragraph.

N. *Talent Agency or Agency Contract*. A talent agency or agency contract is a contract between an agent and a client providing for the rendition of agency services. The terms "talent agency contract" and "agency contract", as used herein, are synonymous.

O. *Commission* means the remuneration payable under an agency contract to an agent.

P. *Compensation or consideration* means money or other things of value which an actor receives or is entitled to receive under employment contracts or in connection with his employment under said employment contracts.

Q. *Guaranteed compensation* means compensation which an employer is obligated to pay under an employment contract. The use of the word "guaranteed" does not imply any security or additional consideration other than the promise of the employer to pay the actor in accordance with the terms of the employment contract. To illustrate, on the usual free-lance contract in the motion picture business an actor may receive a guarantee of one week's employment, but work and receive compensation for two weeks. The actor under such circumstances has one week's guaranteed compensation. To further illustrate, a fixed sum of money unconditionally payable but payment of which is deferred to a future date is "guaranteed compensation", but a sum of money payable out of the profits or proceeds of a motion picture, if any, is not "guaranteed compensation."

R. *Person*. The word "person" includes firms or corporations when appropriate from the context or the fair intent.

S. *Personal Manager*: A personal manager is a person, firm or corporation whose services are limited to counseling and advising any member of SAG in and about and in connection with his professional career as an actor. A personal manager who performs services for a member of SAG shall not be deemed to be an agent unless such services include solicitation of employment in motion pictures for the member, or the personal manager holds himself out as an agent or engages generally in the business of an agent.

T. *Loan Out Company*. A "loan out company" is a corporate or other entity which has the right to the actor's personal services in the motion picture industry and actor's services are performed through loanouts to employers. The term "agency services," defined above, includes the representation of the actor for engagements through a loanout company, if one exists or is created during the period of actor representation by the agent.

Section II. Prohibition of Members Dealing With Agents Not Franchised.

No member of SAG may engage, use or deal through any agent for representation in motion pictures, as defined herein, either partially or exclusively, unless such agent holds a franchise issued hereunder.

Section III. Franchise Requirements.

A. Every person desiring to secure a franchise from the SAG must file with the SAG an application for an agent's franchise or for a sub-agent's franchise, whichever may be desired. Attached hereto, marked "Exhibit A", is the form of application to be executed by persons applying for an agent's franchise. Attached hereto, marked "Exhibit B", is the form of application to be executed by persons applying for a sub-agent's franchise.

B. The application, fully completed and substantially accurate in all respects, must be duly executed by the person or persons filing said application and such other parties as may be required by these Regulations.

C. If the applicant is a corporation, the officers, directors and stockholders of the corporation listed as such at the time the application is filed shall be deemed, at the option of SAG, to be the officers, directors and stockholders of said corporation until SAG is notified in writing of any substitutions, additions or changes in said officers, directors and stockholders and, for the purposes hereof, at the option of SAG, only those officers, directors and stockholders listed with SAG as aforesaid shall be deemed to be the officers, directors and stockholders of the corporation.

D. If the applicant is a partnership, the persons named as partners in said application shall, at the option of SAG, be deemed to be the partners for the purposes hereof until any changes in the list of partners are brought to the attention of SAG by a notice in writing.

E. The SAG may request any applicant or any franchised agent to submit from time to time a complete description of the legal and factual organization of such applicant or franchised agent, listing all persons owning an interest therein, the interest owned by each, and all partners, officers and directors, and the applicant or agent shall promptly comply with such request.

F. The SAG shall at all times have on file the names of all persons owning an interest in any franchised agent, and each agent is required to notify SAG of any change in ownership within ten (10) days after knowledge of such fact.

G. Attached hereto and marked "Exhibit C" is the form of franchise which the SAG will issue to agents and attached hereto and marked "Exhibit D" is the form of franchise which the SAG will issue to sub-agents.

H. *Parties Who Must Execute Applications.* The application for an agent's franchise shall be executed by the applicant and by each and every person, firm or corporation having an interest in applicant, directly or indirectly; provided, however, that any stockholder not active in the business of applicant who holds less than five percent (5%) of the total stock, or any partner not active in the business of applicant who has less than a five percent (5%) participation interest in the business, shall not be required to execute an application, providing the stockholders or partners holding or owning at least seventy-five percent (75%) of the total stock or participating interest in the applicant sign the application. An owner of an agent who executes a franchise application need not be franchised as a sub-agent.

I. *Truthfulness of Application.* Notwithstanding anything elsewhere herein contained, the agent agrees that the application filed by the agent contains no false or misleading statements, and that any franchise issued by SAG may be revoked thereafter if an arbitration tribunal, after a hearing, finds that the application did contain false or misleading statements which were material, but the agent in such an arbitration may plead and prove as a defense that such statements were unintentionally and inadvertently made.

J. *Surety Bond*. A surety bond in the amount of \$10,000, or other security acceptable to SAG, guaranteeing the financial obligations of the agent to actors hereunder shall be provided with the application for franchise. Such requirement may be satisfied by, and to the extent of, any surety bond then in force which is maintained by the agent pursuant to any agency licensing requirements of any State or other governmental agency. The requirements hereof shall be a condition of the issuance and continuance of a franchise.

The provisions of this paragraph J shall take effect on January 1, 1991 for existing franchised agents. In the event an existing franchised agent is unable to secure a surety bond by January 1, 1991 in spite of the agent's best effort to do so, the agent may apply to SAG for a reasonable extension of time.

K. Agency franchises shall be granted and/or extended to run concurrently with the term of the Basic Contract.

L. The issuance and continuance of franchises shall be expressly conditioned on the agent obtaining and maintaining those state and local licenses legally required to enable the agent to do business in the area or areas in which the agent maintains its main and principal branch offices in the United States. In the event any such license is revoked, suspended, expired or otherwise not in effect for any period of time the franchise shall be deemed revoked, suspended, expired or otherwise not in effect for the same period of time. Applications for franchises and extensions of previously granted franchises shall be accompanied by copies of such licenses. However, the agency franchise shall not terminate in the event:

(1) the agent, ATA or NATR is diligently pursuing a bonafide dispute as to the jurisdictional or Constitutional validity of a licensing requirement and SAG is notified within ten business days following the expiration of such license of the nature of such dispute; pending a final determination of such disputes the agency need not be so licensed to maintain its franchise and need not file copies of such licenses with SAG. The agent, ATA or NATR, as the case may be, shall keep SAG advised of the progress of the dispute; or

(2) if through inadvertence the license of a previously franchised agent is revoked, suspended, expired or otherwise not in effect, the agent shall be excused from being so licensed providing proper application for such license be made within ten business days following the receipt of written notice of such failure by the agent from SAG.

(3) SAG will not withhold, revoke or refuse to grant an agency franchise on the basis of state and/or local licensing requirements as described in sub-paragraph L of this Section III unless and until it is finally determined by the appropriate state or local licensing authority, or by a court if judicial proceedings are undertaken, that the failure of the individual agent in question to have a license is in violation of law. The foregoing shall not apply to licenses required by the State of California. The foregoing shall be implemented and utilized in consultation with NATR and ATA, and, if it appears to be in the best interest of the parties, the application of the foregoing may be waived.

Section IV. Contracts Between Agents and Members.

A. Every written agency contract entered into by a franchised agent with any member of SAG covering representation in theatrical motion pictures and/or television motion pictures shall be in the form attached hereto and marked "Exhibit E". Every written agency contract entered into by a franchised agent with any member of SAG covering representation in SAG television commercials shall be in the form attached hereto and marked "Exhibit F". Renewal written agency contracts, as provided for herein, may be executed either on the "long form" agency contracts, Exhibits E and F referred to above, or on "short form" renewal contracts in the form attached hereto and marked "Exhibit H".

B. A member of the SAG may make a contract more, but not less, favorable to him than the form of contract specified in the Regulations. Except as otherwise herein expressly provided no

addendum, deviation, addition, deletion or other form of modification shall be made in the contract save with the written approval of SAG. Any such addendum, deviation, addition, deletion or other form of modification shall be submitted by the agent to the SAG in writing within fifteen (15) days after the same is made if the contract is executed in the State of California, and within thirty (30) days if the contract is executed outside the State of California. Such approval shall be granted as a matter of course by SAG if the contract in fact be more favorable to the member. The refusal of SAG to grant approval under such circumstances shall be subject to arbitration, upon application of either party to the contract within ten (10) days thereafter, but the arbitration tribunal shall have no power to overrule the refusal unless the arbitration tribunal shall find that the contract is in fact more favorable to the member. If the contract is more favorable to the member in some respects, but less favorable in others, it must uphold the action of SAG. For instance, a contract at seven percent (7%) commission for four (4) years could not be upheld, because although the commission is less than the maximum, the term is longer than allowed. If an addendum, deviation, addition, deletion or other form of modification be finally disapproved, the agent must forthwith notify the member of SAG, in writing, of such fact, and the contract shall be deemed to have been executed in the form attached to these Regulations and as though such addendum, deviation, addition, deletion or other form of modification had not been made. Nothing herein contained shall prevent the parties from contracting that should such addendum, deviation, addition, deletion or other form of modification not be approved by the SAG, then either party may disaffirm the contract within a stated number of days after such notice of such disapproval by the SAG. In the event any addendum, deviation, addition, deletion or other form of modification is not filed with SAG, the entire agency contract including the modification, shall be voidable at the election of the actor. In the event SAG fails to indicate its disapproval of such modifications within ten days from the date of filing, it shall be deemed approved. SAG may waive the modification filing requirement hereinabove set forth, in which event the agency contract filed with SAG shall be marked so as to reflect that there is a modification thereof which has not been filed with SAG as a result of the waiver.

C.(1) Except as herein provided, all contracts between a member and an agent must be in writing. All contracts not in writing or not complying with these Regulations, whether as to form, filling in of blanks, execution, delivery, filing or otherwise, shall be void except as hereafter provided. The agent shall have no right under such void contract to receive any commission on a reasonable or other basis for services rendered or otherwise; provided, however, that inadvertent error or oversight, for example, the failure to fill in blanks or to meet other technical requirements, shall be deemed waived unless the objection of invalidity is raised by the actor or SAG within 60 days.

Nothing herein shall prevent a member of SAG from authorizing a franchised agent by wire, fax, phone, or other oral or written communication to represent and negotiate employment for the member. An agency contract entered into in the aforesaid manner, unless otherwise specifically provided in writing, shall be terminable at will. Representation shall be governed by Rule 16(g), and the agent shall be entitled to receive commissions at the rate of 10% of the member's earnings (unless a lesser rate was agreed upon), from any contract of employment made or entered into within the scope of such authorization, including all future guarantees of employment and options for future employment provided by such employment contracts at the salary rates therein provided.

Such agency contracts shall be confirmed by the filing with SAG within 15 days of the "Client Confirmation Form" attached hereto and marked "Exhibit G". In such cases, a copy of the client confirmation form shall be provided the actor, with a copy retained by the agent.

(2) All written agency contracts between the agent and the member of SAG shall be printed in Old Style type, 10-point single leaded; provided, however, that the last unnumbered paragraph of Exhibits E, F and H of the Regulations immediately preceding the "In Witness" clause, shall be

printed in Old Style type, 12-point bold face. All of the blanks showing as such in Exhibits E, F and H of the Regulations shall retain their spacing and general appearance as blanks, and if filled in printed type rather than by handwriting or typewriting, shall be printed in Old Style type, 12-point bold face. All agency contracts shall be firmly bound. All agency contracts shall be signed at least in triplicate of which one original must be delivered by the agent to SAG within the time limit specified elsewhere, one copy must be delivered to the member, and the remaining executed copies may be retained by the agent.

(3) Any agency contract must be executed or made by an authorized representative of the agent. Each agent must from time to time file with the SAG a list of such authorized representatives, and only such persons as may have been named on the last statement to SAG shall have authority to sign for the agent.

(4)(a) No agency contract may be dated other than the date of its execution by the actor, which date for all purposes shall be the date of execution of the agency contract. The execution of the agency contract by the agent on a date other than the date of its execution by the actor shall not invalidate the agency contract. Except as otherwise in these Regulations provided, the term of engagement of the agent may be specified to commence at some date in the future, which date may be fixed by the happening of an event, which event (as of the date the contract is executed) is an event which is certain to happen. In the interim, the agent may render services without commission or remuneration. Notwithstanding the commencement of the term of the agency contract in the future, the term may not be for longer than is otherwise permissible hereunder and in any event the term of the agency contract shall expire not later than three (3) years after the date of its execution.

(b) In the event the actor and the agent request a waiver to permit the term of the agency contract to commence on the happening of a contingent event (as distinguished from an event which is certain to happen) and in the event SAG has explained to the actor his rights hereunder and in the event the actor thereafter reaffirms in writing his desire to enter into such agency contract, SAG shall be required to grant such waiver.

(5) All such contracts shall be deemed to bind, jointly and severally, every person, firm or corporation owning an interest in the agent, directly or indirectly.

D. Every written contract entered into by an agent with a member of SAG after the date of enactment of these Regulations may, if the parties so contract, be terminable at will, but if for a definite term, shall be for a term no longer than is specified herein.

(1)(a) If the agent at the time of entering into a new contract has an existing contract with the actor which has been in force and effect for the eight (8) months immediately preceding the date of execution of the new contract, the new contract may be for a term not exceeding three (3) years subject to Paragraph (3) hereof.

(b) The new contract may also be for a term not exceeding three (3) years when it is executed within the eight (8) month period immediately following the expiration or termination of a prior agency contract, if throughout said eight (8) month period the actor and the agent have mutually continued their agency relationship, and if at the time of executing said new agency contract the agent is receiving or has the right to receive or may become entitled to receive from the actor commissions upon an employment contract entered into by the actor during the term of a prior agency contract.

The new contract may also be for a term not exceeding three (3) years when it is executed after a prior oral contract relationship of a year or longer verified by a written statement executed by the actor and agent accompanying the three (3) year renewal when filed with SAG.

(c) The term "new contract" hereinabove referred to, means a new contract covering the same kind of representation as covered under the prior contract. For example, if the prior contract covered representation in theatrical motion pictures, the term "new contract" means a new contract for representation in theatrical motion pictures; and if the prior contract covered

representation in television motion pictures, the term "new contract" means a new contract covering representation in television motion pictures.

(2) In any case other than is provided in Paragraph (1) hereof, the term of a written contract may not be for longer than one (1) year; provided however, that if, at the time the actor signs a contract for representation in television motion pictures, he also signs a renewal contract for representation in theatrical motion pictures, the contract for representation in television motion pictures may be co-extensive with the permitted term of such renewal contract, even though it is longer than one (1) year; and provided further, that if, at the time the actor signs such contract covering representation in television motion pictures, the agent already represents the actor in theatrical motion pictures, the contract for representation in television motion pictures may be co-extensive with the unexpired term of such contract for representation in theatrical motion pictures, even though it is longer than one (1) year.

(3) Other than as expressly provided in Paragraph (1)(b) above, no contract between an agent and a member may be renewed or extended or a new contract executed except during the last one-third of the term thereof. The term of any such contract of extension or renewal or the term of any such new contract shall commence on the date of its execution, and the term of the prior contract shall thereupon terminate subject however to all rights and obligations which may have accrued thereunder at such time. For the purpose of applying the termination clause set forth in Paragraph (6) of the agency contracts *i.e.*, Exhibits E, F and H hereof, a renewal or extended agency contract or a new agency contract shall not be deemed an extension of the prior contract, and the application of the said termination clause shall be made as to each contract term separately.

E. An agreement for rendition of agency services by the agent for a SAG member in amusement fields other than motion pictures may not be included within the agency contract providing for the rendition of services in the motion picture industry.

Agents shall not require the execution of so-called "Materials and Packages Contracts" or those portions of so-called "Omnibus Contracts" relating to materials and packages as a condition of representation of any actor.

F. Any contract between an agent and a member of SAG with reference to representation in branches of the motion picture industry other than acting- for example, such as writing and directing- may not be included in the agency contracts herein referred to, but must be the subject of a separate contract between the agent and the member.

G.(1) The validity of an agency contract between a member of SAG and a franchised agent is conditioned upon the agent at all times having an agent's franchise from SAG and all sub-agents rendering services for the agent having sub-agents' franchises from SAG. If the franchise of a sub-agent is revoked the agent employing such sub-agent agrees to terminate the employment of such sub-agent within fifteen (15) days after the written notice to the agent from SAG of such revocation of the sub-agent's franchise.

(2) If an agent ceases to have a franchise from SAG, or any of the sub-agents employed by the agent cease to have a sub-agent's franchise from SAG and continue to be employed by the agent after the expiration of the aforesaid notice period of fifteen (15) days, then all agency contracts between the agent and members of SAG shall terminate, without prejudice, however, to the right of the agent to collect commissions earned prior to the date of such termination. In the case of sub-agents SAG shall relieve an agent from an inadvertent failure to terminate the employment within said fifteen (15) day period. The word "earned" is here defined to mean commissions on payments received by the actor or which the actor is entitled to receive for services rendered by the actor up to the date of termination of the agency contract, pursuant to the provisions of the preceding sentence. Nothing herein contained shall be deemed to confer upon an agent whose agency contracts have terminated by reason of the foregoing provisions the right to collect commissions on any payments received by actors who had agency contracts with such agent on

moneys received by such actors for services rendered by such actors after the termination date of such agency contracts, even though such services are rendered by actors under employment contracts entered into by such actors prior to the date of the termination of such agency contracts.

(3) Agents who have franchises on or after the date of the expiration or termination of the Regulations and who continue to render services under agency contracts existing at said time and comply with the Regulations in force on said expiration or termination date except for maintaining franchises, shall for the purpose of performing their obligations under agency contracts existing on said expiration or termination date and for such purpose only, be deemed to be franchised agents, and sub-agents of such agents for such purpose, and for such purpose only, shall be deemed to be franchised sub-agents. The failure to maintain such franchises of agents and sub-agents in such event and for the purpose of such agency contracts, and such agency contracts only, shall not affect or render void any such agency contracts.

H. The agent makes the following agreements, covenants, representations and warranties with reference to all agency contracts entered into by the agent with members of SAG:

(1) To use all reasonable efforts to assist the actor in procuring employment for the services of the actor as an actor in the branch or branches of the motion picture industry covered by his agency contract.

(2) At the request of the actor, to counsel and advise the actor in matters which concern the professional interests of the actor as an employee in the branch or branches of the motion picture industry covered by his agency contract. Nothing contained in the Regulations or in the agency contracts or riders shall ever be construed as requiring any agent to render legal services which would constitute the practice of law and which may be lawfully rendered only by a duly admitted member of the Bar.

(3) The agent will be truthful in his statements to the actor.

(4) In the performance of the agency contract, the agent will not deceitfully conceal facts from the actor which are pertinent and which the actor is entitled to know.

(5) The agent will not engage in dishonest or fraudulent practices with regard to the making or entering into of the agency contract with the client or the performance thereof.

(6)(a) The agent's relationship to the actor shall be that of a fiduciary and, except as otherwise expressly herein provided, he shall have all the obligations of a trustee as set forth in Sections 2228 to 2239, inclusive, of the Civil Code of the State of California as each existed on June 30, 1987. In the event of a conflict between any of the provisions of the Regulations and said Code provisions, the provisions of the Regulations shall prevail. In the event that the Regulations permit anything to be done or not to be done which the said Code provisions would prohibit or would require to be done, the Regulations shall prevail.

(b) The agent shall have the same obligation with respect to prohibited employment of actors under these Regulations as is now provided in Section 1700.33 of the California Labor Code, as follows:

"No talent agency shall send or cause to be sent, any artist to any place where the health, safety, or welfare of the artist could be adversely affected, the character of which place the talent agency could have ascertained upon reasonable inquiry."

(7) The agent, when instructed in writing by the actor not to give out information with reference to the actor's affairs, shall not disclose such information.

(8) The agent may represent actors of the same general qualifications and eligible for the same parts or roles. Such representations shall not constitute a violation of the fiduciary obligation. Agents shall make available for examination by each client or prospective client a reasonably current list of the exclusive clients of the agency in the SAG field. Agents shall advise SAG as to whether agents are to be listed in any SAG listing as representing actors on an exclusive or non-exclusive basis, or both. If a client claims that his agent has taken on the representation of actors of the same general qualifications and eligible for the same parts or roles after the client signs his

agency contract with the agent, and if the quality of representation has been adversely affected thereby, the matter may be submitted to arbitration, and if the arbitration tribunal finds that the quality of services rendered to the actor by the agent has been adversely affected thereby, the arbitration tribunal may render a decision permitting the actor to terminate his agency contract upon such terms and conditions as the arbitration tribunal may deem proper but not as to existing employment contracts of the actor. The mere fact that two or more actors of the same type represented by the same agent are being considered for the same part, and one obtains the same, shall give no right of termination hereunder to the others.

An actor-client of an agent or an actor then negotiating with an agent for representation may examine a list of said agent's actor-clients at the SAG office but may not receive or take from said office any list of clients. An actor may not examine individual agency contracts of an agency on file with SAG except his own agency contracts.

(9) The agent shall owe the duty to the actor to consider only the interests of the actor in any dealings for the actor, and shall never consider or act upon the interests of the agent when such interests are adverse to the interests of the actor.

(10) The following apply to the branch or branches of the motion picture industry in which the agency represents the actor throughout the term of the agency contract or contracts, Exhibits E, F and H, as the case may be:

(a) That the agent is equipped and will continue to be equipped to represent the interests of the actor ably and diligently and that he will so represent the actor.

(b) The agent's duties are not limited to securing employment but shall include the full representation of the actor in his career.

(c) The agent shall:

(i) seek out and confer with producers and others who may employ or recommend the employment of the actor;

(ii) Advise the actor with respect to his professional career;

(iii) read scripts and stories of proposed motion pictures when such scripts and stories are made available by the actor, and express his opinion with reference thereto;

(iv) when the employer of the actor requests the agent to do so, the agent shall endeavor to seek opportunities for loaning out the services of the actor, or if the actor requests the agent, the agent shall seek to secure such loan-'out opportunities, subject of course, to consent of the employer of the actor.

(v) The agent shall provide the actor or his designee with a copy of all executed employment contracts within a reasonable time after the agent has received such contracts.

(vi) Upon request the agent will provide the actor with a summary of commissions for each calendar year, of all such sums paid by the actor to the agent.

(d) In general, the agent agrees to use his best efforts to advance and promote the professional career of the actor.

(e) If the actor be under term contract or a series television contract the agent shall not relax his efforts to advance the actor's professional career.

(11) That the office and telephone mentioned in the contract between the agent and the actor will not be shared by the agent with anyone else without the written approval of SAG; provided, however, that corporations having interlocking officers or partnerships having interlocking partners may occupy the same office and use the same telephone. The agent agrees to cooperate with SAG in preventing schemes or methods by which the intent and purpose of this provision may be evaded, it being the intent and purpose, among other things, to prevent agents from having ostensible offices, which are really not theirs.

(12) The agent agrees that he will be available to the actor during reasonable business hours, subject to absence of the agent from his office occasioned by his agency activities outside of his office at the studios and elsewhere, and subject further to reasonable absences due to illness or

reasonable vacation periods. In the event that absence due to illness or vacation is so long as to prejudice the interests of the actor, then the agent agrees to supply a substitute agent reasonably equipped to render services on behalf of the actor during such absence. The office shall always have someone available to receive telephone calls during business hours, even while the agent is out of the office, and the agent shall call back on such calls within a reasonable time thereafter. The agent will, during the period that the actor is employed, be available as aforesaid at all reasonable times to represent the actor in dealings pertaining to the actor's profession with the actor's employers or prospective or past employers. After an actor is under a contract of employment, should the employer of the actor, without the help or connivance of the agent, refuse to confer with agent with reference to the actor's affairs, then the agent shall be excused from conferring with such employer.

(13) At the written request of the actor, given to the agent not oftener than once every two weeks in the case of free-lance actors and not oftener than every four weeks in the case of term contract players, the agent shall give the actor information in writing, stating what efforts the agent has rendered on behalf of the actor within a reasonable time preceding the date of such request. Such information need not be detailed but must be specific as to the names of persons talked to by the agent on behalf of the actor, with an approximate date for each such conversation.

(14) The agent shall ascertain whether an employer with whom he negotiates on behalf of an actor is signatory to the applicable SAG collective bargaining agreement. Telephone verification to this effect from SAG will satisfy the foregoing requirement.

I. From and after the dates these Regulations become effective, to wit, from August 1, 1975 the agent shall file a copy of each written agency contract thereafter executed with a member of SAG with SAG within fifteen (15) days after its execution, if executed in California, and within thirty (30) days after execution, if executed outside California. Failure to comply herewith shall make such contracts void, unless such failure is not occasioned by the fault or the negligence of the agent.

J. Except as otherwise in these Regulations expressly provided, the actor may not waive any of the provisions of these Regulations or of the form agency contracts attached hereto, except with the written consent of SAG. Any attempted waiver without such consent is void.

K. An agent shall not collect moneys belonging to an actor unless the agent has prior written authority from the actor to do so, which authority may be rescinded by the actor by written notice given to the agent at any time. All moneys belonging to the actor received by the agent shall be faithfully accounted for by the agent and promptly paid over to the actor, or as directed by the actor in writing; provided, however, that the agent may deduct from such moneys any commission payable to the agent as well as any moneys owing from the actor to the agent whether for past commission or for loans made to the actor or moneys advanced for the actor. The phrase "promptly paid over", as used in this paragraph means, with respect to all moneys other than compensation for television commercials, three business days from the time the agent receives the money, and with respect to moneys received as compensation for television commercials, five business days from the time the agent receives the money from the employer except, as to payments received from an employer by check drawn on a financial institution located in a state other than the state in which the agent's office is located, the time for the agent to pay over to the actor shall be extended to seven (7) calendar days. The moneys belonging to the actor shall not be commingled with moneys belonging to the agent but shall be segregated and kept in a separate account which may be known as a "client's account" or "trust account", or an account similar in nature. Each agent may have one or more of such client's accounts or trust accounts and may keep all moneys of all clients in one or more of such client's accounts or trust accounts. The agent shall provide the actor with a separate voucher which shall set forth the gross amount of the actor's salary and all deductions made by producer, or in lieu thereof, shall exhibit to the actor either the separate individual check received from the producer in payment of

the actor's salary, or a photostatic copy thereof, or the producer's voucher, whichever shall show the gross amount paid by the producer to the actor and all deductions therefrom made by the producer.

With respect to compensation for television commercials collected by the agent and paid over to the actor or a person designated by the actor, the agent shall accompany each such check with a voucher which shall contain: (1) all information which the advertising agency is required to provide under the SAG Commercials Contract to the extent such information is in the possession of the actor's agent; (2) the specific amount of commission deducted by the agent; and (3) the date on which the agent received the payment from the employer. The agent shall notify the actor and SAG whenever a late payment penalty is due an actor.

A procedure for "spot-checking" late payments shall be instituted by the agents in cooperation with SAG. A standard form of voucher shall be prepared by the SAG-Agency Cooperative Committee and such standard form shall be used by the agents thereafter.

After expiration or termination of an actor's contract with an agency, no previously signed check authorizations to collect monies belonging to the actor shall be sent to employers by the agent. Termination shall include dismissal or termination for cause or otherwise of the agent's authority to represent the actor.

L. Agents shall ascertain by contacting SAG whether a prospective employer is a signatory to the appropriate SAG collective bargaining agreement. No firm commitment shall be made for an actor's services unless and until the employer is signed to a SAG contract in the field in which such services are to be rendered. SAG will maintain office hours and staff availability sufficient to carry out the purposes of this paragraph. During non-office hours SAG will maintain telephonic availability. Any violation of this paragraph by an agent, after written notice to the agent that he is not complying with the paragraph, shall be subject to the disciplinary procedures of Section VIII C. An agent's refusal to make a deal with a non-signatory shall not be construed to be a violation of the actor's agency contract, nor of any of its fiduciary obligations to the actor, nor a violation of this agreement.

Section V. Package Program and Other Representation by Agents.

A. No agent shall receive, directly or indirectly, any gift or gratuity from any producer of motion pictures or any executive (major or minor) of any producer of motion pictures, except such gifts as may be customary under ordinary social usages or except by way of testamentary disposition. SAG recognizes that most agents are in the general agency business and that their business is not confined solely to the representation of actors. Therefore, it is agreed that no agent shall receive, directly or indirectly, any remuneration, consideration or other thing of value from any producer of motion pictures or any executive (major or minor) of any producer of motion pictures (see Additional Agreed Interpretation 2), except under the following circumstances:

(1) An agent may represent as an agent an executive or other employee of a producer of motion pictures and may receive a bona fide commission from such person for such representation.

(2) An agent may represent as an agent a producer of motion pictures in connection with the sale, placing or other disposition of any literary, dramatic or musical material or the loan or sale of services of writers, composers, directors or other persons under contract to the producer and the agent may receive a bona fide commission from such producer for such representation.

(3) An agent may represent (and receive a bona fide commission for such services) a producer of motion pictures in arranging or securing contracts for the loanout of the services of an actor or the assignment or sale of an actor's employment contract notwithstanding that the actor may be a client of the agent; provided, however, that if the actor is a client of the agent and if the agent is to receive a commission for such services from the producer, the

agent shall disclose promptly in writing to the actor his representation of the producer for such purpose and, if the actor expresses in writing his objection to such representation by the agent, the agent shall not have the right to represent the producer for such purpose nor to receive a commission for such services.

(4) An agent may represent a producer of motion pictures in negotiating or securing distribution agreements or in the sale, distribution or other disposition of a motion picture photoplay, photoplays or series of photoplays, or in the sale or other disposition of all or a part of the producer's business, assets, property, interests, stock or the like, or in any other bona fide agency capacity for a specific transaction or transactions as distinguished from a general agency representation, and the agent may receive a bona fide commission or distribution fee from such producer for such services; provided, however, if the agent in representing such producer acts as the agent for such producer with respect to a package program owned by such producer as permitted under Paragraph (7) of this Subsection, (as the term "package program" is customarily understood in the television motion picture industry), then such agent's representation of such package program shall be governed by the provisions of Paragraph (7) of this Subsection.

(5) In the event an agent or the owners of an interest in an agent acquire an ownership interest in a motion picture producer of not to exceed in the aggregate ten percent (10%) as or for bona fide commissions or in lieu of commissions pursuant to the provisions of Paragraphs (1) to (4), both inclusive, of this Subsection, the agent shall not be deemed to have violated these Regulations, particularly the provisions of Section XVI hereof; provided, however, that the agent shall not thereby be relieved or released of the agent's obligation under the provisions of Paragraphs (2) and (3) of Subsection C of Section XVI hereof.

(6) In the event an agent or the owners of an interest in an agent acquire a share of the profits or proceeds of a motion picture producer or of a particular photoplay of a motion picture producer not to exceed in the aggregate ten per cent (10%) as or for bona fide commissions or in lieu of commissions pursuant to the provisions of Paragraphs (1) to (4), both inclusive, of this Subsection, the agent shall not be deemed to have violated these Regulations, particularly the provisions of Section XVI hereof; provided, however, that the agent shall not thereby be relieved or released of the agent's obligations under the provisions of Paragraphs (2) and (3) of Subsection C of Section XVI hereof. Notwithstanding the provisions of the preceding sentence, in the event a non-actor client of the agent is employed by a motion picture producing company in the production of a motion picture and in the event such non-actor client is not himself in any sense an employer in such enterprise and in the event such non-actor client receives compensation computed or based, in whole or in part, on the profits or proceeds of such motion picture and if by reason of such employment the agent becomes entitled to receive a commission based on his non-actor client's participation in the profits or proceeds of such motion picture, the agent shall not be required to make a disclosure of such interest to any client.

(7) Notwithstanding any provisions elsewhere in these Regulations, an agent may represent any owner or producer (referred to herein as "producer-client") of television motion pictures or television motion picture package programs, (referred to herein as "package programs") subject only to the following conditions:

(a) If, during the period the agent represents a producer-client with respect to a package program, an actor is employed or offered employment (referred to herein as "said employment") as an actor in said package program produced by the producer-client and said employment is covered by the agency contract between the actor and the agent, then:

(i) The agent may not charge or collect (i) any commission whatsoever on the compensation which the actor receives from said producer-client for the actor's said employment in said package program.

(ii) The actor shall be paid for said employment an amount not less than the amount he would have received had the agent not also represented the producer-client with respect to said package program.

(iii) The agent shall disclose, by written notice to the actor, that the agent also represents the producer-client with respect to said package program and advise the actor of his right to obtain independent advice before entering into the contract covering said employment on the producer-client's package program.

(iv) The agent's fiduciary obligation to the actor shall not be impaired or diminished by reason of the agent's representation of the producer-client with respect to said package program.

(v) If the actor, at his option, which he may exercise at any time during the period the agent represents the producer-client with respect to said package program, decides that he does not want the representation of the agent in connection with his said employment in said package program, he may notify the agent to that effect in writing. If the actor so notifies the agent, the agent and the actor shall be mutually relieved of their respective obligations to each other, arising after the date of delivery of such notice, under the actor's agency contract with respect to the actor's said employment in said package program; provided, however, that the actor's said employment on said package program shall nevertheless be deemed employment for the purposes of Paragraph (6) of the agency contract. The actor, if he chooses, may thereafter represent himself or obtain other representation with respect to said employment on said package program.

(vi) Should the actor elect not to exercise his option as provided in subparagraph (v) of subparagraph (a) hereof, the agent, at his option, may terminate the term of the SAG standard motion picture/television form agency contract (Exhibit E) between them by so notifying the actor in writing at any time during the period the agent represents the producer-client with respect to said package program and the term of the agency contract with the actor shall be deemed terminated as of the date of delivery of said notification to the actor.

(b) The agent shall not represent any owner or producer of a television motion picture package program in connection with claims, grievances or arbitrations brought by SAG on behalf of actors employed in such television motion picture package program.

(c) Each package show will have a person or persons not in the employ of the agent who will have the responsibility for the casting of players and drafting of employment contracts.

The provisions of this subparagraph (c) shall not preclude the agent from counseling and advising the package owner or producer of such television motion picture package programs with respect to the casting of actors and the terms and provisions of employment contracts and on other matters.

(d) Copies of all employment contracts of actor-clients who are represented by an agent who also represents the producer or owner of a television motion picture package program as agent, whenever an actor-client of said agent is employed on such television motion picture package program, shall be furnished to SAG by said agent.

(e) Nothing contained in this Paragraph (7) shall impose any conditions, restrictions or limitations whatsoever on an agent when he acts in the capacity of a distributor of television motion pictures as distinguished from "package program" representation.

(f) The conditions set forth in this Paragraph (7) shall be applicable only to the employment of actors on package programs pursuant to employment contracts made on or after July 31, 1962.

(8) With regard to agreements entered into after August 1, 1975, unless the agent shall at the request of a producer-client be contractually committed to make available the following services, the provisions of Paragraph (7), of this Section shall not be applicable.

(a) The agent shall be contractually committed in substance to make available his services in assisting his producer-client in bringing together key elements of the package program with the purpose of creating a product for sale and be contractually committed to make available his services in assisting in the negotiating of agreements in connection therewith.

(b) The agent shall be contractually committed in substance to make available his services to advise and consult with the producer-client as to the creation and/or development and/or production of the package program as such matters relate to the licensing or sale thereof.

(c) The agent shall be contractually committed in substance to make available his services in connection with soliciting and negotiating agreements with respect to the sale or exploitation of the package program and shall render advice with respect thereto.

(9) It shall be a violation of these Regulations, subject to the provisions of Section VIII C, for any agent to seek or obtain a package commission as part of the negotiation of employment for an actor. However, the foregoing sentence shall not be applicable where the agent shall have previously agreed to represent the package program within the meaning of these Regulations.

(10) When an actor is employed by a production company, a majority ownership interest in which is owned by a client of the agency representing the actor, the agency must fully disclose to the actor its relationship to the production company.

Section VI. Arbitration.

A. All disputes and controversies of every kind and nature whatsoever between an agent and his client arising out of or in connection with or under any agency contract between the agent and his client executed prior to, on, or since July 31, 1962, as to the existence of such contract, its execution, validity, the right of either party to avoid the same on any grounds, its construction, performance, non-performance, operation, breach, continuance, or termination, shall be submitted to arbitration regardless of whether either party has terminated or purported to terminate the same. Said arbitration shall be in accordance with the arbitration provisions of Exhibit I hereto attached and made a part hereof.

B. Agents shall comply with awards made by arbitration tribunals.

C. Members of the SAG are required to comply with awards made by arbitration tribunals. Any wilful or intentional failure or refusal of any member of the SAG to comply with an award made by an arbitration tribunal shall be deemed conduct unbecoming a member of the SAG and shall subject the member to the penalties elsewhere provided for such conduct. Any effort by any member of the SAG against whom an arbitration award has been made to avoid the payment of said award by taking unfair advantage of any bankruptcy or insolvency laws shall be deemed conduct unbecoming a member of the SAG and shall subject the member to penalties provided for such conduct.

D.(1) Any judgment or arbitration award by reason of the breach of an agency contract by an actor shall give the agent only such right to receive money from and out of the actor's earnings, if, as, and when the actor receives the same, or the same is received for or on his behalf, and not otherwise, and the right of an agent to recover damages for an actor's breach of an agency contract is so limited. If an actor has already received moneys or other consideration in connection with which commissions are payable to an agent, then the award or judgment to the agent shall include the aggregate amount of such commissions payable forthwith. An agent has no right to collect commissions because the agent obtains an offer of an engagement which the actor refuses, or because the actor terminates or breaks a contract of employment which the agent has obtained for the actor, subject in the latter case to the right of the agent as elsewhere provided to receive commissions on the moneys or other consideration which the actor has received prior to such termination, or thereafter receives on

account of any such termination, if the actor receives anything. The agent has no interest whatsoever in any contract of employment entered into by the actor, but this does not affect the right of the agent to receive commissions under an agency contract if the actor receives money on which said commissions are payable.

(2) Nothing herein provided shall prohibit an agent from securing confirmation of an award against an actor and thereafter from enforcing compliance with any judgment rendered on said award in accordance with law. An agent may levy execution on any judgment against an actor on account of any amounts payable under such judgment. The agent's sole right in the event of the breach of an agency contract by an actor is to receive from the actor the percentage of commissions specified in the agency contract, if, as, and when the actor receives or has received moneys or other consideration on which such percentage is payable, and he shall not be entitled to receive such commissions on any moneys which the actor does not receive, irrespective of the reasons why the actor does not receive the same, even though the failure to receive the same may be by reason of the fault of the actor.

(3) Whenever an arbitration tribunal shall render an award in favor of the agent for the full commission at the rate stipulated in or accruing under the agency contract, if the actor so desires and expresses such desire in a written communication to the agent on or before the expiration of a period of thirty (30) days after the date of the filing of the award with the arbitration secretary, the agent shall render agency services to the actor as long as the agent is entitled to receive full commission under the award.

(4) Unless the agent shall be so required to render agency services to the actor, the agent shall be under no further obligation to do so.

(5) If the agent shall be relieved of the obligation to render services to the actor as herein provided, then the right of the agent to receive the commissions awarded by the arbitration tribunal shall not be subject to reduction or termination by any other provisions of these Regulations.

E. No actor or agent shall attach, garnish, or levy on the funds or property of the other party in any dispute or controversy arising out of or in connection with an agency contract. No actor or agent shall bring an action at law or in equity against the other party in any dispute or controversy arising out of or in connection with an agency contract. An agent or actor shall have the right, however, to have any arbitration award hereunder confirmed in accordance with law and shall thereafter have all rights given by law in attempting to collect any moneys payable under any such award or under any judgment confirming such award, whether by way of execution on a judgment, garnishment, levy or otherwise, the rights of both actor and agent are specifically limited by the terms and provisions of these Regulations, and it is the specific intent that neither party to a controversy may reason to an action at law or in equity except as herein stated.

F. No breach by any agent of the Regulations which does not result in suspension or revocation of his franchise shall give a member a defense or right of termination of his agency contract, unless the breach directly affects the member.

G. Whenever arbitration is provided for herein or in the Basic Contract and no other procedure is set forth, such arbitration shall be in accordance with Exhibit I.

Section VII. Services at Places Where Agent Has No Office.

A. There are two important parts of an agent's duties. The first is to secure employment for the actor. The second is to service the actor after such employment is obtained. The bulk of the motion picture production is in Los Angeles, California, and its environs, which is hereinafter in this Section sometimes called the "primary area". Many agents in the primary area have correspondent agents elsewhere. Many agents elsewhere have correspondents in the primary area.

B. No agent shall be entitled to receive commissions based upon compensation received by the actor for services performed or to be performed by the actor in any territory in which the agent does not maintain an office capable of servicing the actor except as hereinafter set forth. A fee sharing arrangement or the use of a correspondent agent is not such an office.

The territory serviced by any office shall be defined as follows:

(1) Where the office is in the United States all territory not more than fifty miles distant from said office shall be included within the territory of said office, except that an office in the primary area shall include the entire State of California.

(2) Where the office is not in the United States and is in a foreign country, all of such foreign country shall be deemed included within the territory of such office and in addition all territory within five hundred miles from the office (irrespective of whether said territory is in the same country as the office or not) shall be deemed included within the territory of the office.

(3) The agent shall inform the SAG accurately in writing from time to time of the maintenance of any such offices and shall give the SAG such written information in regard thereto as may be reasonably requested.

C. Notwithstanding anything elsewhere contained in this Section VII, where a picture, or any portion thereof, is made on location, the services of the actor in connection with said picture shall be deemed to have been rendered not at location but in the locality of the studio having charge of the production of said photoplay. "Charge of production" means studio production control and not head office control. For instance, if Paramount makes a picture on location in Maryland and if the Astoria Studio of Paramount is in charge of the production, the services of the actor in said picture shall be deemed to be rendered in New York; if the Los Angeles Studio of Paramount is in charge of the production, the services of the actor in said picture shall be deemed to be rendered in Los Angeles.

D. Except when the actor is rendering his services in the primary area, an agent not having an office in the territory in which the actor is rendering his services shall be entitled to commissions based upon compensation received by the actor for such services under the following circumstances:

(1) If the actor is rendering his services under a term contract existing when he leaves the area where the agent has such an office; or

(2) If an actor is rendering his services under any contract which is executed, or a substantial portion of the negotiations for which took place, in the area in which the agent has such an office, or as to which the agent is in attendance at the place at which the services are to be rendered and there negotiates the contract.

(3) In cases other than (1) and (2), when the agent has a correspondent agent in the territory in which the actor is rendering his services, the agent shall be paid full commission on the compensation of the actor for such services, if the agent arranges for the services of such correspondent agent for the actor in such territory without the payment by the actor of any additional commission, and if both the agent and the correspondent agent confirm such fact in writing to the actor, and if the correspondent agent services the actor in such territory. The actor shall not be bound to pay commission to the agent when he is not using (pursuant to (4) hereinafter) the services of such correspondent agent. The circumstances under which the actor must use and try the correspondent agent, and the circumstances under which he may dispense with his services are set forth in (4) hereinafter.

(4) Where an actor desires to seek employment in a locality where the agent of the actor (herein designated original agent) does not have such an office but does have a correspondent agent, then the actor who goes to such locality to seek employment shall, prior to accepting employment in such locality, permit said correspondent agent, for a trial period of sixty days after the arrival of the actor in said locality, to render agency services for the actor in said

locality. At any time after the expiration of said trial period the actor may, by notice in writing mailed to the correspondent agent, elect not to permit the correspondent agent to continue to render agency services for the actor in said locality; provided, however, that if the actor, while using the services of the correspondent agent, has accepted a term contract in said locality, he shall be obligated to pay commissions to the original agent during the term of such term contract.

(5) After the actor has so elected to dispense with the services of the correspondent agent, the actor may select another agent in said locality to render services for the actor only while the actor continues his sojourn in said locality, and not for any other locality.

(6) If the actor has elected to dispense with the services of such correspondent agent, as aforesaid, the original agent shall have no rights under said agency contract for the period of time during which the actor continues his sojourn in said other locality and until he returns to the area of the original agent's office or gives written notification to such original agent that he desires employment in the area of said original agent's office. Upon such return or notification from the actor, the agency contract, if it has not theretofore expired, shall become operative for the remainder of the term thereof.

E. An agent not having such an office in the primary area shall be entitled to commissions based upon compensation received by the actor for services rendered within the primary area under the following circumstances:

(1) Where the engagement is one-picture contract executed, or a substantial portion of the negotiations for which took place, in a territory where the agent has such an office.

(2) On all other contracts executed, or where a substantial portion of the negotiations for which took place, in the territory where the agent has such an office for services to be rendered by the actor in the primary area, the agent shall receive one-half of the commission rate stipulated in the agency contract. If, however, the agent has a correspondent agent in the primary area and designates the correspondent agent in writing to service the actor without additional charge to the actor, and the correspondent agent accepts the designation in writing and both are delivered to the actor, and the correspondent agent does so service the actor, then the agent shall receive the full agreed commission for a period of the first five months of such contract. At any time after the first three months of such five-month period the actor may accept in writing the services of such correspondent agent in such primary area, without additional charge to the actor, in which event, insofar as said actor is concerned, the original agent shall be entitled to the full rate of commission with the same force and effect as though the original agent had an office in the primary area. If the actor dispenses with the services of such correspondent agent, he must forthwith appoint another franchised agent in the primary area to service him, in which event one-half of the commission shall be paid to the original agent and one-half to such new agent so appointed by the actor.

(3) In cases other than (1) and (2) where an actor desires to seek employment in the primary area where the agent of the actor (herein designated original agent) does not have such an office but does have a correspondent agent, then the actor who goes to the primary area to seek employment shall permit said correspondent agent, for a trial period of sixty days after the arrival of the actor in said locality, to render agency services for the actor in said locality; provided that the original agent and the correspondent agent both confirm to the client in writing such fact and the correspondent agent without additional compensation agrees to and does render such services. At any time after the expiration of said trial period the actor may, by notice in writing mailed to the correspondent agent, elect not to permit the correspondent agent to continue to render agency services for the actor in said locality. Despite such termination, the actor shall pay the original agent full commission on all employment contracts entered into before such termination.

(4) After the actor has so elected to dispense with the services of the correspondent agent, the actor may select another agent in the primary area to render services for the actor only while the actor continues his sojourn in said area and not for any other locality.

(5) If the actor has elected to dispense with the services of such correspondent agent, as aforesaid, the original agent shall have no rights under said agency contract for the period of time during which the actor continues his sojourn in said primary area and until he returns to the area of the original agent's office or gives written notification to such original agent that he desires employment in the area of said original agent's office. Upon such return or notification from the actor the agency contract, if it has not theretofore expired, shall become operative for the remainder of the term thereof.

F. Nothing in this Section VII shall enlarge the provisions of any agency contract signed by the actor and the actor shall only be required to pay a commission as herein provided in the event that he is under contract so to do, it being the intention of the parties hereto that this Section VII shall be a limitation upon any agency contract.

G. An agent shall not have an unfranchised correspondent agent in any place where franchising by SAG is in effect.

H. Wherever in this Section reference is made to the office of an agent, an agent shall be deemed to maintain an office in any territory where the agent in fact maintains an office or where any subsidiary or affiliated company substantially controlled by the agent, or the principal stockholders thereof, maintains an office, but in such case the agent and such partners or stockholders shall disclose such fact in the application to SAG for a franchise and shall agree to be bound by the acts of such subsidiary or affiliated company so far as the acts of such subsidiary or affiliated company would be subject to these Regulations if done by the agent. If such subsidiary or affiliated company is formed after the filing of such application for a franchise, the facts must be disclosed and said agreement made within thirty days after the date of the formation of such subsidiary or affiliated company.

I. Where an actor obtains a contract while using a correspondent agent, the actor pays commission on such contract to the original agent, even though he thereafter dispenses with the services of such correspondent agent.

Section VIII. Disciplinary Provisions.

A. Agents and sub-agents shall be subject to fine or to suspension or revocation of franchise in accordance with the provisions herein specified.

B. The following offenses are those for which an agent or sub-agent may be fined:

- (1) Wilful and intentional violation of any of these Regulations;
- (2) The employment by an agent of any person as a sub-agent where such person does not hold a franchise to act as a sub-agent;
- (3) The sharing of commissions, fees, earnings or proceeds in violation of these Regulations;
- (4) Engaging in or being interested in the production or distribution of motion pictures in violation of these Regulations;
- (5) Wilful and intentional failure to comply with the terms of an award made by an arbitration tribunal hereunder.

C. The following offenses are those for which an agent or a sub-agent may either be fined or in the discretion of the arbitration tribunal for which the franchise of an agent or sub-agent may be suspended, revoked, or conditionally franchised:

- (1) Theft, embezzlement, misappropriation of funds, forgery, fraud, or dishonest conduct; provided, however, that fraud which is only fraud in law and which is not dishonest conduct shall not be an offense. Dishonest conduct as used in this Section means conduct which, apart from questions of venue and the like, amounts to a crime involving dishonesty in the jurisdiction in which the conduct takes place, or conduct which, although not a crime, is so reprehensible that it disqualifies the person as being unfit to engage in business as an agent or sub-agent as the case may be. If an agent or sub-agent has been convicted of any such offense in a criminal proceeding by any State or the United States, the record of conviction when

presented to the arbitration tribunal trying the matter under these Regulations shall be conclusive evidence of such offense. However, nothing herein contained shall be construed so as to prevent an agent or sub-agent from being tried before an arbitration tribunal on any alleged offense of the kind hereinbefore specified, it being the purpose and intent hereof to require an arbitration tribunal hereunder to proceed with a hearing on any such alleged offense without reference to the pendency of any other proceedings;

(2) Charging or contracting to charge in excess of ten percent (10%) for his services under an agency contract, directly or indirectly, and whether as commissions, fees or other charges for performing any other services for an actor whether as attorney, business manager, personal manager, publicity agent or otherwise, except as specifically provided in the Regulations; or collecting commissions on minimum SAG scale or on residuals in violation of Subsection C of Section XI. It shall not be deemed to be a violation hereof if an agent by reason of innocent inadvertence and without knowledge or intent collects commissions in excess of ten per cent (10%) or on minimum SAG scale or on residuals in violation hereof, if he refunds the same immediately after knowledge thereof;

(3) Violations of Sections IV(L), V or XVI of the Regulations only to the extent provided in said Sections;

(4) Change of ownership of the agent in violation of Paragraph 18 of the application, Exhibit A;

(5) In accordance with Subsection I of Section III;

(6) Holding himself out in any manner as the representative of an actor when he has no authorization from the actor so to do, or continuing to hold himself out in any manner as the representative of an actor after the actor has by written notice disaffirmed or terminated his agency contract or dismissed or otherwise concluded his relationship with the agent, even though such dismissal by the actor is wrongful;

(7)(a) Agents shall not use or authorize the use of their agency name or the names of agents or sub-agents to be used to attract clients for personal management firms. Agents may not use or authorize the use of their agency name or the names of agents or sub-agents or employees to be advertised in conjunction with other groups or schools, e.g., photography; business management; radio, television, dramatic schools; coaching; or little theatre;

(b) The acceptance of "kick-backs" or referral fees on photography, printing or any other services from any source providing such services is expressly prohibited;

(8) Agents shall not advertise through newspapers, magazines or mailings to the general public seeking clients for representation, registration or other forms of representation involving the payment of any fees directly or indirectly in the form of commissions, registration fees, referral fees or otherwise. It shall also be deemed a violation of this Section if any agent after notice fails to take action and desist from such activities.

(9) The penalty for violation of Paragraphs (6), (7) and (8) above shall be revocation of franchise, or fine, unless the agent has acted inadvertently, in which event no penalty shall be imposed;

(10) Failure of the agent, after three days' written notice from SAG, to pay over to the actor moneys belonging to the actor and as to which the agent has not been authorized, in writing, to make other disposition by the actor, or with reference to which moneys the agent has not been restrained by lawful authority from paying over to the actor; repeated failure to "promptly pay over" actors monies under Section IV K.

D. An agent or a sub-agent may be fined in any disciplinary proceeding for any of the offenses hereinbefore specified in a sum not to exceed Five Thousand Dollars. The expenses of SAG in conducting any such disciplinary proceedings shall be deducted from the amount of the fine and the balance shall be paid into a small claims fund pursuant to Section XXIV G. If an agent fails to pay a fine within the time allowed for payment by the hearing tribunal, as the same may be extended by the SAG or such tribunal, the tribunal shall then have authority to suspend

or revoke the agent's franchise. Such fine may be collected as a judgment in favor of the SAG as an additional remedy, it paying the net proceeds thereof into such fund.

E. If the franchise of any agent or sub-agent is revoked, no member of the SAG shall thereafter engage, use or deal through any such agent or sub-agent. In the event of the revocation of an agent's franchise, any and all contracts then in force between the agent and members of the SAG shall ipso facto and without notice terminate, except that the agent may retain and collect any commissions theretofore earned under said contracts. The word "earned" as used in the foregoing sentence means commissions on payments received by the actor for work done by the actor up to the date the agency contract becomes null and void but does not include commissions on payments received by the actor for work done after such date even though under contracts of employment entered into by the actor before such date.

F. In any proceeding for suspension or revocation of franchise, the agent shall in his answer list all stockholders, officers, directors, partners and sub-agents (and the answer shall be deemed filed on behalf of all of them) and shall set forth their interest in the agency, and their participation or non-participation in the matters alleged in the complaint. The tribunal shall find separately as to the guilt or innocence of each and all of them, and as to whether they aided, abetted, encouraged or acquiesced in the alleged offense. The tribunal shall discriminate among the guilty and the innocent, and shall specifically adjudge the effect on each of them of its decision, including whether or not they forfeit their rights to be agents or sub-agents in the future. The tribunal in protecting the innocent owners and punishing the guilty may provide that the guilty party or parties lose their rights to derive any income, profit, or benefit from SAG members, and may provide that the innocent owners form a new entity to which all agency contracts with SAG members shall be transferred. All agents and persons interested in agents agree to comply with such decision, and the same shall be enforceable by legal proceedings by any interested party, including SAG, and the decision of the tribunal shall be conclusive. The tribunal may impose such penalty in lieu of suspending or revoking the agent's franchise, and may reserve continuing jurisdiction in regard to the same.

G. If the franchise of an agent be suspended, the order for such suspension by the tribunal may provide:

- (1) That the agent may not execute any contract to represent any actor during the period of the suspension; or
- (2) That the agent may not collect any commissions from any actor during the period of the suspension; or
- (3) That the agent may collect a commission from a member during the term of the suspension only upon condition that he arrange with another competent agent, acceptable to the member involved, to represent the member during the period of the suspension; or
- (4) The order of suspension may provide for anyone or more of the foregoing consequences of the suspension or for such other or additional consequences as may seem just and proper to the tribunal.

H. The suspension of an agent's franchise hereunder shall not give the member the right to terminate the contract with the agent during such suspension period, unless the tribunal gives such right, but the member may have services rendered to him by another agent either pursuant to the decision of the tribunal or, if the tribunal makes no provision therefor, then with such agent as the member selects, and the member need not pay any commission to the suspended agent on compensation received by the actor for work done by the actor during the suspension period or on contracts entered into by the member during such period.

Section IX. Disciplinary Procedure.

Except as hereinafter otherwise provided, disciplinary proceedings against any agent or sub-agent on charges that an agent or sub-agent has violated any of these Regulations shall be commenced only upon the filing of a complaint by the SAG. In no event will disciplinary

proceedings hereunder be commenced upon the request or at the solicitation of any other person, except a member of SAG, but they may be commenced by SAG on its own motion. Of course, nothing herein contained shall in any wise limit the disciplinary powers of constituted authorities, such as the Labor Commissioner of the State of California. Disciplinary proceedings hereunder shall be in accordance with the following procedure:

(1) The proceedings shall be commenced by the filing of a written complaint with the secretary of the hearing tribunal elsewhere mentioned herein, which complaint shall set forth in substance the matters and things complained of in sufficient detail to permit the person or persons charged to answer said complaint and to prepare to defend themselves on the said charges. The secretary of the hearing tribunal shall serve upon the person or persons charged in said complaint a copy of the complaint, and in the case of a sub-agent shall also serve a copy of the complaint upon the agent. The person or persons charged shall have ten (10) days after the receipt of the complaint in which to file an answer. In the event of failure to answer within the required time, the allegations shall be deemed admitted. Failure to deny an allegation shall be deemed an admission thereof.

(2) After the filing of the answer, or if no answer be filed within the required time, the matter shall be set down for hearing on ten (10) days' notice or less should all parties to such proceeding consent. The hearing tribunal to hear the matter shall be selected as provided in Exhibit I hereof relating to arbitration. All parties to said proceeding shall be entitled to be present at said hearing both in person and by counsel.

(3) The hearing tribunal in its decision may specify the punishment for any party or parties found guilty of violation of the Regulations, which may not be other than as specified in Section VIII.

(4) In any disciplinary proceeding, previous violations of which the agent has been found guilty may be cited, and the tribunal may consider them in fixing the penalty for any subsequent violation.

(5) Any decision of the hearing tribunal shall be final one week after rendition and shall not be subject to review by the courts, but SAG, on request of ATA or NATR made during the said week, may stay such decision and may relieve the agent or sub-agent therefrom, on such terms and conditions as it deems proper.

(6) A decision by a majority of the hearing tribunal shall be valid and binding.

(7) Of course, there shall be no fine, suspension, or revocation of a franchise pending a final decision of the hearing tribunal.

Section X. Basic Contract.

A. The Basic Contract referred to in the preamble to the Regulations is hereinafter set forth and attached to these Regulations. The Regulations are part of the Basic Contract as though therein set forth at length and the Basic Contract is by this reference made a part of these Regulations.

B. The Basic Contract is deemed inserted in the Regulations at this point as a part hereof.

Section XI. Commissions.

(In addition, see Agreed Interpretation page 74).

A.(1) No contract of an agent for agency services rendered or to be rendered an actor may specify a higher rate of commission than ten percent (10%) of the compensation or other consideration received by the actor for services rendered in the motion picture industry or under contracts for such services.

(2) Said limitation of commission may not be avoided or evaded by any device or arrangement for the payment to the agent of additional compensation for other services to be rendered by the agent to the actor, such as, by way of example but not by way of limitation,

services for publicity, photography or securing publicity photographs, “on” or “off” camera agency audition tapes, demo reels, or similar materials, business management, personal management, coaching or dramatic schools, casting or talent brochures or agency-client directories in which the agent has a direct or indirect interest except that the limitation herein provided shall not apply to contracts under which the agent renders, or undertakes to render, agency services to the actor in fields of entertainment other than the production of motion pictures.

The agent may not receive for agency services in the motion picture industry from an actor a higher rate of commission than ten percent (10%), directly or indirectly, or by way of gratuity or otherwise. No agent shall accept any gift or gratuity from any actor except such as may be customary under ordinary social usage. (See Additional Agreed Interpretation 1.)

B. Notwithstanding anything in the Regulations, Basic Contract or any agency contract, no member shall ever pay more than ten percent (10%) commission for agency services in the motion picture industry, and if he has contracted to pay more than such ten percent (10%) to two or more agents, the arbitration tribunal shall decide which agent shall receive the commission, but in any event, the member shall only pay ten percent (10%). In cases involving a non-franchised agent receiving a commission for agency services or claimed to be entitled so to do, where the enforcement of this Subsection B will work a hardship on a franchised agent, SAG will consider the granting of a waiver to relieve or avoid the hardship.

C.(1) Commission on compensation paid to actors for reruns at minimum Guild scale with respect to free television entertainment motion pictures shall be payable only on amounts paid for the first and second reruns (i.e., 2nd and 3rd runs). However, where an actor is paid compensation for any reruns subsequent to the second rerun at rates in excess of the applicable minimum Guild scale in effect at the time the employment contract was entered into for any such reruns or where the compensation paid to an actor for the first, second or the first and second reruns is in excess of the applicable minimum Guild scale in effect at the time the employment contract was entered into for such reruns, the agent shall be entitled to commission on reruns to the extent only that such commissions paid to the agent do not reduce the actor's aggregate residual compensation to a sum less than the total applicable minimum Guild scale in effect at the time the employment contract was entered into. In the event that compensation for all reruns payable to an actor are purchased from the actor, the agent shall be entitled to commissions thereon, but where the amount paid for such purchase is the applicable minimum Guild scale or less in effect at the time the employment contract was entered into for such reruns, the agent shall be entitled to collect commission only on the pro rata amount of the purchase price allocable to the first and second reruns. For example, under the 1967 Screen Actors Guild Television Agreement in the case of a purchase of the compensation payable for all reruns, commissions shall be payable on 90/225ths of the total amount paid to the actor for such purchase and in the case of a purchase of the compensation payable for the second and all subsequent reruns, commissions shall be payable on 40/225ths of the total amount paid for such purchase.

(2) The foregoing restrictions and limitations on agency commissions payable on compensation for reruns at applicable minimum Guild scale, shall apply only to compensation for reruns received by SAG on behalf of actors after January 31, 1963; provided however, that the agent shall be entitled to commissions on compensation for all reruns which are run prior to July 31, 1962, even though payment is received by SAG or the actor after January 31, 1963.

(3) Under the provisions of the 1975 Memorandum of Agreement commission shall not be payable effective October 31, 1975:

(a) On employment in theatrical motion pictures or on employment in television motion pictures which reduces the actor's salary below the applicable SAG minimum for such employment; or

(b) on additional compensation arising out of reruns, theatrical exhibition, foreign exhibition or supplementary market use of television motion pictures which reduce the actor's payment for such use below the applicable SAG minimum scale for such use. However, commissions shall be payable on residual payments based on "total actual salary" unless payment on the basis of total actual salary and the application of commission to such payments brings the actor's payment below the minimum residual payment for such employment based upon the minimum initial payment.

(4) The provisions of subparagraph C(3) of this Section XI were modified by the Memorandum of Agreement of 1976 as follows:

(a) The prohibition of the payment of commission on scale employment in theatrical motion pictures or television motion pictures shall be effective and operative only upon the happening of, and to the extent provided by, the following conditions:

(i) SAG shall grant to each local Guild membership component the option to apply, or not to apply, the above described paragraphs 3(a) and (b);

(ii) Each membership component shall decide by local referendum whether to apply, or not to apply, the above described sub-paragraphs 3(a) and (b);

(iii) SAG shall consult with NATR and ATA with respect to the implementation and carrying out of the local referenda, and the local referenda shall be conducted in a manner acceptable to SAG, NATR and ATA.

(b) In areas where the local Guild membership component votes by referendum not to apply sub-paragraphs 3(a) and (b), the payment of commissions shall be governed by Amended Rule 16(f) as it existed prior to the 1975 Memorandum of Agreement, C(1) and (2) hereof.

(5) A summary of which SAG local membership component or area has exercised its option to apply or not to apply 3(a) and (b) is contained in the Agreed Interpretation Section of this Codification, and a summary of commission rules as a result thereof is set forth for the guidance of the parties.

(6) Notwithstanding any of the foregoing limitations on commission, for purposes of the 91-day clause or the 151-day clause where applicable, scale work shall be deemed to be "employment" and/or "work".

D. Commissions on Commercials

(1) Where an actor consents to the use of a commercial for a period beyond the maximum period of use provided in the applicable Screen Actors Guild Commercials Contract, the agent shall not be entitled to receive commissions on reuse fees paid to the actor for such additional period of use, except under the following circumstances:

(a) Agent shall notify the actor not less than 120 days prior to the expiration of the maximum period of use, and if, not more than 120 days prior to the expiration of such maximum period of use, the actor specifically authorizes the agent in writing to attempt to secure overscale reuse fees or a guarantee, acceptable to the actor, for reuse of the commercial during the renewal period, the agent shall be entitled to commission with respect to the use of the commercial during such renewal period, as follows:

(i) If overscale compensation is obtained for the actor, to the extent only that such commissions do not reduce the actor's compensation below minimum scale or

(ii) If a guarantee is obtained for the actor, commissions shall be payable on the amount of the guarantee.

The above-referred-to authorization from the actor to the agent shall in no event be construed as authorizing the agent to give any notice that the actor intends to terminate the right of renewed use of the commercial.

(b) Where the actor's original employment contract for a commercial provides for overscale compensation or a guarantee for use of the commercial during a renewal period, the agent shall be entitled to commissions for such renewal period to the extent provided in subparagraphs (a) (i) and (ii) above.

(2) This Subsection shall be applicable to all commercials heretofore or hereafter produced with respect to which the agent is entitled to commissions, and with respect to which the current maximum period of use expires on or after October 1, 1968.

E. Commercials - Actor's Own Accounts

When an actor has been engaged to perform in a commercial with respect to which he is not represented by an agent, no agent may represent the actor in connection with any services in additional commercials for the same employer advertising the same product or products for the same advertiser if:

(1) The actor is not under an exclusive agency contract with the agent at the time of such additional employment; and

(2) The actor has received any payment for such commercial either in the then current or the immediately preceding 13-week cycle (or, in the case of a seasonal commercial, in the current or immediately preceding season). The term "such commercial" as used in this subparagraph (2) shall include those commercials made prior to the effective date hereof.

Notwithstanding the foregoing, if the actor specifically consents to such representation in advance of such employment, and confirms such consent, in writing, not later than one week thereafter, the agent shall be entitled to commission on the actor's compensation for such additional commercial or commercials, as follows:

(a) If the agent obtains overscale compensation, commissions may be paid on condition that such overscale compensation amounts to ten percent (10%), or more, above the amounts paid the actor for services in the original commercial; and

(b) If the agent obtains a guarantee, commissions shall be payable on the amount of the guarantee.

F.(1) The agent's right to collect commissions on minimum reuse payments made to actor for television motion picture commercials is conditioned on the performance by agent of the following duties. A material breach of such duties shall not affect the remainder of an agency contract covering representation of the actor in television entertainment films; but this shall not affect the right of the actor to terminate the entire agency contract under any other provision of these Regulations:

(a) seek and arrange interviews; negotiate terms and conditions of employment; and examine proposed employment contracts to check conformity with deal negotiated;

(b) advise actor concerning any provisions of the employment contract pertaining to exclusivity, releases, warranties or other clauses;

(c) maintain records and keep actor advised of any exclusivity commitments; use best efforts to clear conflicting exclusivity commitments and engagements and obtain releases for actor where necessary; negotiate for releases of exclusivity commitments and other restrictions where commercials have been withdrawn from use;

(d) maintain adequate records showing dates of employment, dates of first usage, class of usage, cycles of usage, and payments made for employment and usage;

(e) where necessary, send reminder to employer of payments due for employment and usage and promptly report to SAG any cases of repeated late payments or other violations;

(f) where employer seeks to acquire other rights or services in addition to the performance of the actor in the commercial, agent shall not, without separate bargaining, include such other rights in the contract;

(g) maintain records regarding maximum periods of use and reuse; advise actor of expiration dates of periods of use; give written notices to employers of actor's election not to grant right of renewed use;

(2) If, during the term of a television agency contract (Exhibit E), an actor enters into a series or term employment contract for services in television motion pictures, under which he agrees also to render services in program commercials or spots, representation of the actor in such

commercials shall not be deemed included in any separate agency contract which the actor may have covering commercials only.

(3) If an agent desires to enter into an agreement relating solely to the actor's employment in television motion picture commercials, a contract shall be executed in the form hereto attached as Exhibit F.

G. No agency commissions shall be payable on any of the following:

(1) Separate amounts paid to actors not as compensation but for travel or living expenses incurred by the actor;

(2) Separate amounts paid to actor not as compensation but as reimbursement for necessary expenditures actually incurred by actor in connection with actor's employment, such as for damage to or loss of wardrobe, special hairdress, etc;

(3) Amounts paid to actor as penalties for violations by producer of any of the provisions of the SAG collective bargaining contracts, such as meal period violations, rest period violations, penalties or interest on delinquent payments;

(4) Sums payable to actors for release on free television or for supplementary market use of theatrical motion pictures produced after January 31, 1960, under the provisions of the applicable theatrical collective bargaining agreement providing for such payment; however, if an actor's individual theatrical motion picture employment contract provides for compensation in the event motion pictures made for theatrical exhibition are exhibited over free television or for supplementary market use, in excess of the minimum compensation payable under the Basic Contract in effect at the time the employment contract was executed, commissions shall be payable on such compensation.

(5) Wherever SAG has jurisdiction over the activities of "extra players" (as distinguished from "actors"), the agent may not collect commission for work done as "extra players."

(6) Sums payable to actors for foreign telecasting on free television of television motion pictures and commercials under the provisions of the applicable collective bargaining agreement; however, if an individual actor's contract provides for compensation for such foreign telecasting in excess of minimum under the applicable collective bargaining agreement in effect at the time of employment, commissions shall be payable on such sums. The foregoing limitation shall also be applicable to sums payable for such foreign telecasting of television motion pictures and commercials in which actors' services were performed prior to October 1, 1968.

(7) Any employment contract for television entertainment programs which provides for any prepayment or buyout of domestic or foreign residuals or theatrical release, or supplemental market fees, unless such provisions of an individual employment contract are expressly approved by SAG.

(8) Any employment contract negotiated with a non-signatory company within SAG's jurisdiction. If the agent has received a commission for an employment contract with a non-signatory production company, such commission shall be forfeited and paid over to SAG.

(9) Any employment contract which is in violation of the terms or conditions of SAG collective bargaining agreements, (e.g. agreements providing for "free days", "free rehearsal", "free looping", "a break in consecutive employment", etc.) This provision shall not be subject to SAG waiver.

H. The Screen Actors Guild will make available to all franchised agents the following information in connection with reuse fees:

(1) Name of the company, name of the series, name of episode, number of reruns.

(2) Screen Actors Guild will study methods of increasing the extent of information to be given agents pursuant to this subsection. Screen Actors Guild may make available additional information to all franchised agents.

(3) SAG will develop a meaningful procedure for the purpose of assisting agents in collecting commissions due them on residuals received by SAG members. In this connection, SAG will:

(a) On request provide the agent with all relevant information regarding residuals received by an actor if the agent has a right to know;

(b) Modify the arbitration procedures now existing so as to provide a quick, efficient, and inexpensive means for arbitrating disputes between agents and actors regarding unpaid commissions.

(c) Join with ATA and NATR in the formation of a committee to implement a program for agents to receive residual checks or commission payments directly.

I. In any case where an actor who has an agency contract terminates such contract under Section XII of these Regulations by reason of death or disability of the person or persons named in Paragraph 8 of the Agency Contracts (Exhibits E and F and paragraph 6 of Exhibits H 1 and 2), such termination shall be final, and the actor terminating shall not be liable for any further commissions under any contract of employment including term contracts, excepting only as follows:

(1) *Motion Pictures Other Than TV Commercials:*

(a) Agent shall be entitled to collect full commissions on compensation as and when received by the actor for services rendered by the actor prior to the date of such termination. The term "compensation" as used above shall include rerun compensation whenever received by the actor with respect to such services, and commissions shall be payable thereon to the extent provided under Section XI C of the Regulations.

(b) Agent shall be entitled to collect commissions at the rate of 5% or one-half of the rate specified in the agency contract whichever is the lesser on compensation as and when received by the actor for services rendered by the actor after the date of termination and during the unexpired term of the agency contract under employment contracts entered into during the term of the agency contract and prior to the date of such termination. The term "compensation" as used above shall include rerun compensation, whenever received by the actor with respect to such services, and commissions shall be payable thereon at the rate above specified to the extent provided under Section XI C of the Regulations.

(2) *Television Motion Picture Commercials:*

(a) Agent shall be entitled to full commissions on compensation including all guaranteed sums which may be credited against reuse fees, as and when received by the actor, for services rendered by the actor in commercials during the term of the agency contract and prior to the date of such termination and on all reuse fees whenever received by the actor arising out of the reuse of commercials occurring prior to the date of termination.

(b) Agent shall be entitled to commissions at the rate of 5% or one-half of the rate specified in the agency contract, whichever is lesser, on compensation, excluding reuse fees, but including all guaranteed sums which may be credited against reuse fees, as and when received by the actor for services rendered by the actor in television motion picture commercials after the date of termination and during the unexpired term of the agency contract, under employment contracts entered into during the term of the agency contract and prior to the date of such termination.

(3) The phrase "unexpired term of such agency contract," as used in this Subsection I, refers to the term of the engagement of the agent stated in the agency contract irrespective of the termination thereof because of such death or disability. The word "agent" as used in this Subsection I, shall mean the disabled agent or the estate of the deceased agent as the case may be.

J. (1) After expiration of the term of an agency contract, if the actor is employed under a term contract entered into during the term of the agency contract, the agent who is a party to such

contract shall be entitled thereafter to receive commissions computed on the basis of the aggregate annual amount of compensation which the actor has received or which the actor would be entitled to receive under the term contract for the term thereof (including options) as it existed at the time of such expiration of the agency contract. Such commissions shall be payable for the period specified in the agency contract only if and when the actor receives compensation on which such commissions are payable.

(2) After such expiration of the term of any agency contract, if the actor, while employed under a term contract entered into during the term of the agency contract, enters into a contract or arrangement under which he obtains an increase in salary or a bonus or other additional compensation in excess of the amount specified in such term contract (as contemplated by existing options therein) at the time of such expiration, said excess amount being herein called "adjustment", the agent who is a party to such agency contract shall not be entitled to receive commission on any such adjustment received by the actor.

(3) After such expiration of the term of an agency contract, if the term contract of an actor made during the term of such agency contract is extended or a contract in substitution therefor is executed by which the term of employment of the actor is extended for a longer period than that already prescribed in the term contract (as contemplated by existing options therein), the agent who is a party to such agency contract is not entitled to receive commissions for that portion of the term of the actor's employment contract which extends beyond the term thereof as it existed, or as contemplated by options existing, at the date of expiration of the agency contract.

(4) In each of the instances set forth in subparagraphs (2) and (3) above, if the actor is a party to an agency contract with a new agent at the time such adjustment, extension or substitution is made, such new agent is entitled to commissions on the additional compensation received by the actor as the result of any such adjustment, extension or substitution. The term "new agent" shall include the former agent if a renewal agency contract is entered into by the former agent and the actor. Commissions payable to such new agent after expiration of the term of the agency contract of such new agent are limited to such commissions, if any, as the new agent may be entitled to receive under this subparagraph (4).

K. If the actor and agent do not enter into a renewal agency contract pursuant to the provisions of Section IV D (1) of these Regulations, and the actor is at such time under a term contract which contains options extending to or beyond the date of expiration of the agency contract, the agent shall not be required to render services to the actor after the date of expiration of the agency contract if the actor, upon written request from the agent made at least thirty days prior to the date of expiration, declines, prior to such date of expiration, to enter into a renewal agency contract for the following term:

- (1) for a term of one (1) year if the remainder of the term of the actor's term contract (including options) is not over (1) year;
- (2) for a term equal to the unexpired term of the actor's term contract (including options) plus ninety-one (91) days, (but not exceeding a total period of three (3) years), if such unexpired term is more than one (1) year but less than three (3) years; and
- (3) for a term of three (3) years if such unexpired term (including options), is three (3) years or longer.

L. After expiration of an agency contract, if the actor has declined to execute a renewal agency contract as provided in Subsection K hereof, and the agent is therefore not required to render further agency services to the actor, the agent's right to commissions under the actor's term contract as provided in Subsection J of this Section XI shall be deemed perfected and shall not be terminated or affected by the subsequent retirement or disability of the agent or voluntary surrender or revocation of the agent's franchise; and in cases where the agent dies, dissolves or goes out of business, his heirs or his or its successors or assigns shall have such rights. Any voluntary or involuntary assignment of such rights shall be subject to the provisions of Section VI of these Regulations, requiring submission of all disputes to arbitration. Any defense, set-off

or counter-claim which the actor would have against the agent may be asserted against any such assignee or successor in interest.

M. The phrase "term contract", for the purpose of Subsections J, K and L hereof only, shall not include term contracts under the provisions of which the actor has the unconditional right to render his services to other employers in the production of one (1) or more motion pictures every two (2) years or its equivalent in motion picture production, including the production of (1) or more pictures by himself or for his own account every two (2) years. For the purpose of applying the provisions of Subsections J, K and L hereof to agency contracts covering representation in television motion pictures, the phrase "term contract" shall mean an employment contract in which the actor may not render services for any other employer or for his own account in television motion pictures. For purposes hereof, a contract is deemed exclusive although the actor has the right to appear in not more than three television "guest appearances" during each thirteen (13) week period provided by the terms of such contract.

N. Any dispute as to the application of this Section XI shall be determined by arbitration.

Section XII. Continuity of Management.

A. The following provisions are established for the purpose of securing continuity of management under agency contracts. For this purpose, agents shall be divided into three types to be known as types CM 1, CM 2 and CM 3, respectively. These classifications recognize that as a general rule an agent may name in the actor's agency contract either one or two persons (depending upon whether the agent has one owner or more than one owner) to supervise the actor's business. In the case of large agents having numerous sub-agents and a departmentalized organization or other special qualifications, an actor may be willing to accept such supervision from a larger number of persons than the number above designated. After careful study, it has been concluded that due to the many factors involved, it is not feasible to establish precise standards for placing agents in such special classifications and that such classifications can best be made by the SAG Board of Directors upon a full examination of the facts and circumstances in each case. Such examination will give weight to all relevant factors such as, but not limited to, the number of qualified and experienced personnel actively connected with the agent as owners or sub-agents; the size, structure and general method of operation of the agent; the history and permanence of the agent's organization; the maintenance of a departmentalized organization; the maintenance of offices for servicing of actors in centers other than the Los Angeles area.

(1) Type CM 1 Agents. Type CM 1 agents are those in which the franchised agent is an individual or corporation or partnership of which ninety per cent (90%) or more of the ownership is vested in one individual or in his immediate family, unless the member of the immediate family is actively engaged in such business.

(2) Type CM 2 Agents. Type CM 2 agents shall include all agents except those covered by paragraphs (1) and (3) of this Subsection A.

(3) Type CM 3 Agents. Certain agents, by reason of their large size, structure and general method of operation may be classified by SAG as type CM 3 agents. SAG reserves the right at any time so to classify agents which in the judgment of its Board of Directors properly come within such classification. An agent classified hereunder as type CM 3 shall retain such classification only as long as it operates under the same general methods under which type CM 3 agents operated on July 31, 1968. Such classification shall continue unless SAG claims that any such agent no longer meets the requirements of this paragraph. If the agent disagrees with such claim, the matter shall be determined by arbitration hereunder. Arbitration shall be in accordance with the procedure set forth in Exhibit F. If the arbitration tribunal determines that the agent is not entitled to retain such classification, it shall likewise determine in accordance with the provisions of this Section XII whether such agent shall be classified as type CM 1 or CM 2, and such determination shall be conclusive.

B. In order to secure for the actor the benefit of continuity of management, the blank space in Paragraph (8) of the Agency Contracts, Exhibits E, F and Paragraph 6 of Exhibits H 1 and 2 (hereinafter called the "Continuity Paragraph") hereof, as the case may be, shall be filled in as follows:

(1) In all agency contracts made with type CM 1 agents, in said blank space the actor shall insert the name of only one person in his own handwriting who must be actively engaged in the business as owner or sub-agent.

(2) In all agency contracts made with type CM 2 agents, there shall be inserted in said blank space the names of not more than two (2) persons who must be actively engaged in the business as owners or sub-agents. The actor shall insert one name in his own handwriting and the agent shall insert one name; provided, however, that the SAG Board of Directors may, in its discretion, in a proper case, issue a waiver to any type CM 2 agent in which there are three or more owners, authorizing the agent to insert the names of not more than two (2) persons and the actor shall insert the name of only one person in his own handwriting who must be actively engaged in the business as owners or sub-agents.

(3) In all agency contracts made with type CM 3 agents, there shall be inserted in said blank space the names of not more than four (4) persons who must be actively engaged in the business as owners or sub-agents. The actor shall insert two names in his own handwriting and the agent shall insert two names.

(4) Each name selected by an actor pursuant to the above provisions shall be inserted after reasonable advice from and consultation with the agent to determine the availability and suitability of the person named by the actor. It shall not be deemed a violation of the Regulations if there is a bonafide dispute as to the availability or suitability of the agent or agents selected by the actor. Further, in the event an actor fails to insert a name or names as hereinabove provided after having the opportunity to do so, the agent may fill in the name or names for the actor.

(5) The agents or sub-agents listed by the actor and agent shall all have the responsibility of servicing and being available to the actor.

C. The actor and agent may, by agreement in writing filed with SAG, but not otherwise, eliminate names from time to time from the blank provided in such Continuity Paragraph hereof, as the case may be, and substitute other names therefor, or add names thereto, as long as the total number is never more than that herein specified for the particular class of agent involved. In the case of type CM 2 and CM 3 agents, if all the persons named in the blank in such Continuity Paragraph (whose leaving would entitle the actor to terminate the agency contract as provided in Subsection D hereof) leave the agent within a six (6) month period for reasons other than death or disability, and none of such persons are owners of the agent, substitutions may be made by the agent of other persons connected with the agent as owners or sub-agents, with the consent of the Board of Directors of SAG. The Board of Directors shall have unlimited discretion in withholding or granting said consent and its decision in so doing shall be conclusive and not subject to review.

D.(1) In the case of type CM 1 and type CM 2 agents, if the person or persons named in the blank in such Continuity Paragraph, or if more than one be named, all such persons so named, shall cease to be active in the affairs of the agent for any reason (whether due to death, permanent disability, retirement, withdrawal from active participation in the business, or any other cause), any member of SAG having an agency contract with such agent in which said name or names are inserted shall have the right to terminate such agency contract.

(2) In the case of type CM 2 agents having waivers granted under Paragraph (2) of Subsection B hereof, in addition to the right of termination given the actor under Paragraph (1) of this Subsection D, if three (3) persons are named in the blank in such Continuity Paragraph and any two (2) of such three (3) persons shall cease to be active in the affairs of the agent for any reason (whether due to death, permanent disability, retirement, withdrawal from active participation in

the business or any other cause) and the person remaining is not an owner of at least ten percent (10%) of the ownership of the agent at such time, any member of SAG having an agency contract with such agent in which said names are inserted shall have the right to terminate such agency contract.

(3) In the case of type CM 3 agents, if four (4) persons are named in the blank in such Continuity Paragraph, and any three (3) of such persons shall cease to be active in the affairs of such agent for any reason (whether due to death, permanent disability, retirement, withdrawal from active participation in the business or any other cause), or if three (3) or less persons are named and all such persons shall cease to be active in the affairs of the agent for any reason, any member of SAG having an agency contract with such agent in which said names are inserted shall have the right to terminate such agency contract.

E. Any termination of an agency contract pursuant to this Section XII shall be final, and the actor terminating shall not be liable for any further commissions under any contracts of employment including term contracts except on compensation received or to be received by the actor for services performed by the actor prior to the date of such termination. However, the provisions of Subsection I of Section XI hereof shall govern where termination results by reason of the death or disability of the person or persons named in such Continuity Paragraph of the agency contracts.

F. It shall be the duty of the agent to notify any SAG member who is a client of the agent of the happening of any contingency which results in the right to terminate his agency contract under Section XII within twenty (20) days after the agent has knowledge of the fact. The actor may waive his right to terminate under Section XII without the consent of SAG after, but not before, he has knowledge of the event giving rise to the right to terminate, and he has knowledge of his right to terminate, by and only by an executed written instrument waiving such right, or where the right arises out of all the persons named in such Continuity Paragraph leaving the agent, by written instrument substituting a name or names in such Continuity Paragraph.

G.(1) For the purposes of this Section XII, the provisions of law which make a distinction between individuals, partnerships and corporations are waived. Individuals, partnerships and corporations are treated alike in this Section XII. Also, the provisions of law which make a distinction between changes of ownership unaccompanied by change of legal entity (herein called "entity") and those accompanied by changes in entity are waived.

(2) No change in entity (whether preceding, concurrent with, or succeeding ownership changes or otherwise, and whether by merger, corporate organization or dissolution, corporate reorganization, change from an individual to a corporation or partnership, or vice versa, or otherwise) shall give the actor the right to terminate his agency contract, nor shall any change of ownership of the agent nor any change of control of the ownership of the agent give the actor the right to terminate his agency contract, except as in Paragraphs (3), (4), (5) and (6) of this Subsection G of this Section XII herein expressly provided.

(3) Where the owner, in the case of type CM 1 agent, or all of the owners in the case of a type CM 2 agent, cease to be active in the affairs of such agent for any reason, whether due to death, permanent disability, retirement, withdrawal from active participation in the business, or any other cause, the actor shall have the right to terminate the agency contract upon written notice to his agent.

(4) If there be any change of ownership of the agent, and if by reason of such change the actor shall not receive from the agent the same general type of service as he received prior to such change, the actor shall have the right to terminate his agency contract. No change of ownership (whether or not accompanied by a change of entity) shall give the actor the right to terminate the agency contract if after such change the actor shall receive from the agent the same general type of service as he received prior to such change. Nothing in this Paragraph (4), however, shall limit the actor's rights under such Continuity Paragraph of his agency contract, or under any other provisions of these Regulations, the sole purpose being to make change of ownership, of itself,

no reason for termination, but to protect the actor's right to the same general type of service in such event.

(5) Where there is a change of control of the ownership of a type CM 1 or CM 2 agent, the actor at any time but not later than six (6) months after written notice of such change (which notice shall be given by the agent within thirty (30) days after such change) may serve a notice on the agent in writing that he does not wish service from any person except the persons (or if there be only one, the person) named in such Continuity Paragraph of his agency contract. If he does serve such notice, no other persons may service the actor thereafter, and if he does not receive from such persons (or from one or some of them) substantially the same service as before the change, he may terminate his agency contract. The actor may revoke such notice in writing; if he does, thereafter he has no rights under this Paragraph (5). For the purpose of this Paragraph (5), there is no change of control of the ownership of the agent as long as a majority of the ownership interest of the agent continues to be vested in owners of the agent or in active sub-agents of the agent who were such owners or sub-agents at the time of the execution of the agency contract, whether or not accompanied by a change of entity. There is a change of control where the reverse is true, whether or not accompanied by a change of entity. Internal shifts in ownership among such owners or active sub-agents are not a change of control under this Paragraph (5) whether or not accompanied by a change of entity.

(6) (a) In the event of any merger or consolidation of two or more agencies, any actor who was formerly represented by an agency with which his agency is now merged or consolidated shall have the right to terminate his agency contract within a period of 60 days following the date of such merger or consolidation;

(b) In addition, in the event of a merger or consolidation between:

(i) Two or more CM 3 agencies, all actors in both agencies shall have the right to terminate their agency contracts within a period of 60 days following the date of such merger or consolidation;

(ii) A CM 1 agency and a CM 3 agency, the actors formerly represented by the CM 1 agency shall have the right to terminate their agency contracts within a period of 60 days following the date of such merger or consolidation; (iii) A CM 2 agency and a CM 3 agency, the actors formerly represented by the CM 2 agency shall have the right to terminate their agency contracts within a period of 60 days following the date of such merger or consolidation.

(7) Wherever there is a change of entity hereunder, there is an automatic assignment of the agency contract to the new entity, upon the condition that the new entity shall assume the obligations of such contract, and there is created an automatic novation thereby.

(8) Where changes of ownership are mentioned in this Section, they refer to ownership of the agent as it existed at the time the actor executed the agency contract of which termination is sought.

H. If a type CM 2 agent dissolves or splits, notwithstanding any provision hereof to the contrary, the following rules shall prevail:

(1) If two (2) owners are named in the Continuity Paragraph of the agency contract, and both such owners shall continue as agents in the same locality (or in the case of agents granted waivers under Paragraph (2) of Subsection B hereof, if three (3) owners are named and two (2) or more continue as agents in the same locality), the actor shall have the choice of following any such named owner and must exercise his choice in writing within a period of thirty (30) days after written request so to do, and his agency contract shall be automatically assigned to the owner whom he elects to follow, upon the condition that the latter shall assume the obligations of the contract. If the actor fails to make such choice in writing within said period of thirty (30) days, the said owners may jointly choose the successor agent, and the agency contract shall be automatically assigned upon the same condition.

(2) If only one (1) of such owners is named in the Continuity Paragraph of the agency contract, and such owner shall continue as an agent in the same locality, such contract shall be automatically assigned to the owner so named, upon the condition that he shall assume the obligations of such contract.

(3) If two (2) owners are so named in the Continuity Paragraph of the agency contract (or in the case of agents granted waivers under Paragraph (2) Subsection B of Section XII if three (3) owners are named in the Continuity Paragraph of the agency contract, and only one (1) such named owner continues as an agent in the same locality), the agency contract shall be automatically assigned to such owner, upon the condition that he shall assume the obligations of such contract.

(4) In all other cases, the actor shall have the right to terminate the agency contract upon written notice to the agent.

I. In the event of a change in the classification of the agent under this Section XII, by which an agent is changed from a type CM 3 to a type CM 2 or CM 1 agent, or from a type of CM 2 to a type CM 1 agent, the number of names of persons appearing in the Continuity Paragraph of existing agency contracts of such agent shall be reduced to the applicable limit, as prescribed in Subsection B of this Section XII, as follows:

(1) By agreement of the actor and the agent filed with SAG.

(2) If the change in classification be from a type CM 3 to a type CM 2 agent, and if the actor and agent are unable to agree upon the names to remain in the Continuity Paragraph, then the agent shall be entitled to have the name of the active operating head of the agent continued or substituted as one of such names, and the actor may designate the other of such names to remain or to be substituted, which shall be the name of an owner of the agent or of a sub-agent actively engaged in the affairs of the agent. In the event the actor and the agent cannot agree on the name of the active operating head of the agent, the said name may be designated by agreement between the agent and SAG; and if said parties do not so agree, then the name of such person shall be determined by arbitration in accordance with the procedure set forth in Exhibit I.

(3) If the classification of a type CM 3 agent or a type CM 2 agent be changed to a type CM 1 agent, the actor, upon written request so to do from the agent, shall within fifteen (15) days thereafter, designate in writing the name to continue in the Continuity Paragraph; provided, however, that such name shall be the name of the owner of the agent if already named in the Continuity Paragraph, otherwise that of a sub-agent then actively engaged in the business of the agent and already named in such Continuity Paragraph, otherwise any other person connected with the agent as owner or sub-agent designated by the actor. Such designation shall be filed with SAG within said period of fifteen (15) days, and the name so designated shall be deemed the name inserted in the Continuity Paragraph. If the actor does not so designate the name to continue in the Continuity Paragraph within said period of time, the agent may make such designation in writing and file the same with SAG whereupon the name so designate shall be deemed the name inserted.

J. In the event of a change of classification from a type CM 1 agent to a type CM 2 agent or CM 3 agent, or from a type CM 2 agent to a type CM 3 agent, the name or names specified in the Continuity Paragraph of existing agency contracts of such agent shall be unaffected thereby, but the actor and the agent at any time thereafter by mutual agreement in writing, filed with SAG, but not otherwise, may add such additional name or names as may be permissible hereunder.

Section XIII. Assignment of Agency Contracts.

A. Except as otherwise herein provided, an agent cannot assign an agency contract except to another franchised agent and then only with the written consent of the actor. The actual assignment must take place and written notice thereof be given to the actor within thirty (30) days of the actor's written consent, in order for such consent of the actor to be valid. When an

assignment of an agency contract is made to another franchised agent, with the written consent of the actor or pursuant to any provision hereof permitting assignment without consent, the assignee agent succeeds to all of the rights and privileges of the assignor agent and thenceforth with respect to such rights and privileges shall occupy the same position as though the contract had been originally executed with him. Thus, if an agent has an agency contract for a term of one (1) year with an actor and at the end of eight (8) months the contract is assigned to another franchised agent, with the written consent of the actor or pursuant to any provision hereof permitting assignment without the consent of the actor, the assignee agent and the actor would be entitled to enter into a renewal contract for a term of three (3) years.

B. There may be a valid assignment without consent of the actor to a franchised agent hereunder, who assumes the contract concurrently with such assignment in the following cases and in the following cases only:

- (1) In connection with a change of entity permitted by Subsection G of Section XII;
- (2) To carry out the provisions of Subsection H of Section XII involving a dissolution or split in a type CM 2 agent.

C. All assignments of agency contracts shall be filed by the assignee agent with SAG in accordance with the provisions of Subsection I of Section IV hereof.

Section XIV. Surrender of Franchise.

A. A franchised agent shall have the right to surrender a franchise at any time by delivering the franchise to SAG with a written notice stating that the franchise is being surrendered and that the agent agrees not to engage in the agency business for or on behalf of members of SAG without making a new application to SAG for a franchise. Such surrender shall not impose upon SAG any obligation to grant any such new application for a franchise, but the refusal so to do shall nevertheless be subject to arbitration.

B. If a franchise is surrendered, all existing agency contracts between members and the agent shall terminate as of the date of the surrender of the franchise, and the members shall be under no further obligation to the agent, nor shall the agent be under any further obligation to the members; provided, however, such surrender of such franchise shall not relieve the agent from any liability incurred to members before such surrender. The members shall, of course, be obligated to pay commissions to the agent on moneys earned by the members prior to the termination in connection with which the agent was entitled to commissions under the agency contracts, but members shall not be under any obligation to pay commissions to the agent on any moneys earned by members after the termination of the agency contracts, even though such moneys are earned by members on employment contracts in existence at the date of the termination of the agency contracts. The provisions of this Subsection B are subject to the exceptions set forth in Subsections I and L of Section XI hereof.

Section XV. Automatic Termination.

Section XV of the Regulations was deleted, effective July 31, 1968. Rights which have been perfected under the provisions of Section XV prior to its deletion shall not be affected thereby.

Section XVI. Agents To Be Independent.

A. Other than as herein permitted, no person, firm or corporation engaged or employed in the production or distribution of motion pictures or owning any interest in any company so producing or distributing, shall own any interest in an agent, directly or indirectly, nor shall any such person, firm or corporation own or control any indebtedness of the agent or of any of its owners, nor shall any such person, firm or corporation share in the profits of the agent. However, if an owner of an agent sells his interest in such agent and takes in connection with such sale, in whole or in part, notes or evidences of indebtedness for such purchase price, even though

secured by the stock of the agent, and such former owner before payment of such notes engages in production or distribution, the agent shall be unaffected thereby, and there shall be no violation of the preceding sentence. Should any indebtedness represented by notes or other written documents of an agent come into the ownership of any person, firm or corporation primarily engaged in the production or distribution of motion pictures after negotiation thereof by the original holders of such obligations, without the connivance of the agent, the ownership of such obligation by any such person, firm, or corporation shall not be a violation hereof by the agent.

B. An agent or an owner of an interest in an agent shall not be an active motion picture producer. Except as otherwise provided in these Regulations, an agent or an owner of an interest in an agent shall not engage in the production or distribution of motion pictures or own or control, directly or indirectly, any interest in a motion picture producing or distributing company. The term "interest in a motion picture producing or distributing company" for the purpose of this Section shall include any interest as an owner or stockholder and any share in the profits or proceeds of a motion picture producing or distribution company or of a particular photoplay of a motion picture producer, and shall further include acting as an officer or director of a motion picture producing or distributing company. An agent or an owner of an interest in an agent shall not finance the production of theatrical motion pictures or, except as provided in the next sentence, of a television motion picture series. However, an agent or an owner of an interest in an agent may finance the development of one or more series through completion of a pilot program or programs for such series and an agent or an owner of an interest in an agent may, with respect to episodes of anyone or more television series produced for telecasting in any given broadcasting season, finance the cost of production thereof in a sum not to exceed the aggregate cost of six (6) episodes of each such series. In determining such maximum allowable financing, there shall be included the cost of any pilot or pilots for such series financed by the agent.

C.(1) An agent or the owners of an interest in an agent may acquire or receive from one or more clients of such agent or as the nominee of such client or clients an interest in a motion picture producing or distributing company (herein designated as "an interested company") but in no event may such interest exceed in the aggregate ten percent (10%) of the total amount owned by such client or clients of the agent in such company.

(2) The agent shall make a full disclosure in writing of his interest in an interested company to each client whom an interested company proposes to employ, and the employment of each client by the interested company shall be on terms not less favorable than those received by such client for his services as an actor rendered to motion picture producing companies other than an interested company, and the guaranteed compensation payable to the client by an interested company shall not be less than the customary guaranteed compensation theretofore received by such client for such services.

(3) Notwithstanding the provisions of Paragraph (2) of this Subsection C, the guaranteed compensation payable to the client by an interested company may be less than the customary guaranteed compensation theretofore received by such client if the proposed employment contract shall be submitted to, and approved by, SAG. In the absence of such approval no such contract may be executed.

(4) In the event a client of the agent is employed by a motion picture producing company in the production of a motion picture and in the event such client is not himself in any sense an employer in such enterprise and in the event such client received compensation computed or based, in whole or in part, on the profits or proceeds of such motion picture and if by reason of such employment the agent becomes entitled to receive a commission based on his client's participation in the profits or proceeds of such motion picture, the agent shall not be required to make a disclosure of such interest to any client.

D. An agent or the owners of an agent may own not to exceed in the aggregate five percent (5%) of the stock, bonds, or other securities of a motion picture producing company listed on any

recognized stock exchange. On written request of any client of such agent, disclosure shall be made in writing to such client of any such interest.

E. SAG may issue waivers in its discretion under this Section, but any such waiver shall be without prejudice to any claim by an actor that the agent's production activities have interfered with the proper representation of the actor by the agent or to the agent's defense thereto.

F. An agent shall not be an employer of members of SAG in connection with the production of motion pictures except pursuant to these Regulations; the foregoing prohibition includes casting on any basis. Nothing herein contained shall prevent an agent from contracting with a member of SAG in such form as to guarantee the member a minimum compensation during a specific period, if such contract in essence provides for the rendition of agency services by the agent, even though such agent is nominally the employer, and also if the total profit which the agent as an employer may earn under such contract is limited to not more than ten percent (10%) of the moneys which are earned by or on account of the rendition of the services of the member, and the agent is subject to all other obligations of an agent hereunder.

G. If an agent or the owners of an agent at the time application for a franchise is filed with SAG own any interest in a motion picture producing or distributing company other than is expressly permitted in these Regulations, the application shall have attached to it a statement specifying said ownership, and SAG may refuse to issue a franchise on such grounds. Should an agent or the owners of an agent acquire an ownership interest in any such firm or corporation so that at any time after a franchise is issued such agent or owners in the aggregate own any interest in any such firm or corporation other than as expressly permitted in these Regulations, the agent shall forthwith notify SAG of such fact, and SAG may revoke the franchise of such agent, unless it divests itself of such ownership within thirty (30) days after notice so to do.

H. All of the provisions of this Section XVI shall apply to agents who represent actors in connection with their employment and professional careers in television motion pictures; provided, however, that the prohibition contained in this Section XVI against agents engaging in the distribution of motion pictures shall apply to the distribution of television motion pictures only where an agent has an ownership interest or a share in the profits or proceeds of such television motion pictures for which he is acting as distributor other than permitted by these Regulations. However, an agent may act as a general distributor of television motion pictures if said agent does not have an ownership interest or share in the profits or proceeds of such television motion pictures for which he is acting as general distributor other than the ownership interest or share in the profits or proceeds permitted by these Regulations. During the period an agent acts as a general distributor of a television motion picture, said agent shall assume and be liable for all obligations for the payment of rerun fees to actors for reruns that commence during such period and which become due to such actors under the provisions of the SAG collective bargaining contract applicable to such television motion picture, but no such assumption shall relieve Producer from liability. As used in this Section XVI, the phrase "an ownership interest or a share in the profits or proceeds from such television motion pictures" does not include distribution fees nor any interest acquired by the agent because of the deferment of commissions or compensation to be received by said agent who represents television motion picture package show owners or producers and does not include any interest acquired or received by said agent pursuant to Subsections C and D of this Section XVI or as otherwise permitted in these Regulations. Agents who represent television motion picture package show owners or producers as agents (as distinguished from functioning as general syndication distributors) shall not be deemed distributors within the purview of this paragraph.

Section XVII. Barring.

A. It shall never be deemed to be a violation of these Regulations or a breach of any agency contract for an agent to be over-zealous in representing the interests of the client.

B. If an agent is barred from any studio where an actor is employed or might secure employment, or from contact with any employer, by action of the studio or employer, the agent shall submit to the actor the name of an agent who will substitute and act as his agent at such studio or with such employer, during the period the actor's agent is barred. If the substitute agent submitted by the agent is not satisfactory to the actor, the actor may state that fact, and the agent shall then name another substitute agent, and so on, until acceptance by the actor or the fifth substitute is named, who if the others have been rejected, must be accepted by the actor. All substitutes submitted must have standing and ability commensurate with the barred agent. All submissions and objections must be promptly made and be in writing. The substitute agent must agree in writing to service the actor without remuneration from the actor where the agent is barred or the substitution is invalid. In the event of such barring and failure by the agent to comply with this Section the actor may terminate his contract. The actor is the client of the original agent; the substitute agent only substitutes where the original agent is barred. Failure of the substitute agent to service the actor shall be a breach of these Regulations, but the original agent shall not be prejudiced thereby, but must name another substitute agent as soon as reasonably possible. If any employer or prospective employer refuses to deal with substitute agents to such an extent that it becomes apparent that he will not deal with any substitute agent, neither the original agent nor the substitute agent or agents shall be prejudiced thereby, and SAG and ATA or NATR shall take appropriate action in the premises.

Section XVIII. Notices.

All notices, except where otherwise provided herein, shall be given in writing. Notices shall be directed to SAG at its main offices in Los Angeles, California, or its environs, and notices shall be directed to agents and sub-agents at the address of the agent listed with SAG, and if none be listed, by leaving a copy at the office of SAG. Notices may be delivered personally or by mail, fax, telegraph, cable or radio. In the event notice is mailed, the notice shall be deemed delivered within the usual time of delivery of mail after mailing. All notices shall have postage or transmission cost prepaid. If the notice be given by telegram, cablegram or radiogram, then the notice shall be deemed given one day after the deposit of said notice for transmission with the communication system. Notices to be given to any owners, directors, officers, employees or other persons connected with an agent, may be directed to such person or persons at the address of the agent, and notice to the agent shall be notice to them, though they not be named therein. Notices addressed to actors may be addressed to the address of the actor, or, if such address is not known, then the notice may be directed to the actor in care of SAG. If the notice is addressed to the actor in care of SAG, then the notice shall be deemed delivered to the actor not later than five (5) days after the delivery of the notice to SAG.

Section XIX. Miscellaneous.

A. In reading, interpreting or construing these Regulations and any of the documents or exhibits included herein, referred to herein or attached hereto as exhibits, the singular shall be deemed to include the plural unless otherwise indicated by the context, and the masculine or neuter shall include all genders unless otherwise indicated by the context.

B. Nothing contained in these Regulations shall deprive any person affected thereby of the benefit of any applicable substantive laws of the individual states or the United States, unless the application of any such law or laws has been expressly or impliedly waived hereunder, and any party to an arbitration shall have the benefit of such law or laws. For example, if an agent must have a state license in order to maintain an action in a state court against an actor and if an agent does not have such a state license, the failure to have such license shall be a defense in the arbitration proceeding. In the event there is any dispute as to whether any such law or laws has

been expressly or impliedly waived hereunder, the arbitration tribunal shall determine such question in such proceeding.

Section XX. Modification of Existing Agency Contracts.

A. The term "existing agency contracts", as herein used, shall mean agency contracts executed before July 31, 1975.

B. All existing agency contracts are modified by the terms and provisions of Rule 16(g).

C. Any act or omission of an agent or an actor before July 31, 1975 shall be deemed a breach of an agency contract only if it would have been a breach of said contract as it existed at the time of such act or omission.

Section XXI. Information to Be Held Confidential by SAG.

All information filed hereunder or in connection herewith with SAG shall be confidential and kept as such except as to persons charged with administration of these Regulations, clerical assistants thereof, and attorneys for SAG. Such information may be divulged to arbitration tribunals before which matters are pending involving such information. SAG will take an agreement from the persons having access to such information not to disclose the same during the term of their employment or thereafter, and in no event shall members of SAG have access to such information, but the persons charged with administration of these Regulations may make available to the Board of Directors of SAG or committees thereof or the general membership statistical data compiled from such information unconnected with names of agents or SAG members for study as to the operation hereof. SAG may answer any inquiry as to whether a stated actor has an agent or who is his agent, but shall not give out any information as to the date of execution or the commencement date of any agency contract, and no public disclosure of an agent's list of clients shall be made. The Board of Directors of SAG shall have access to information filed hereunder for the purpose of inquiring into an agent's activities or interests in motion picture production; however, information regarding the internal organization and ownership structure of agents is filed hereunder for administrative purposes only and access thereto shall be restricted to the officials charged with the administration of these Regulations. Nothing herein shall, however, apply to the examination of client's lists by actors under the provisions of the second paragraph of Subsection H (8) of Section IV.

Section XXII. Scope and Application of Rule 16(g).

Rule 16(g) shall, commencing August 1, 1975, apply to the representation of actors by agents in connection with, or relating to, the actor's employment or professional career as an employee in the production of motion pictures made for all purposes, uses and methods of exhibition including, without limitation, motion pictures made for theatrical, commercial, industrial, educational and television use, as provided in Article XII of the Basic Contract. Except as expressly provided to the contrary herein, all provisions of these Regulations shall apply to the representation of actors by agents in connection with their employment or professional careers as employees in television motion pictures.

Section XXIII. Waivers Outstanding.

All waivers previously granted to franchised agents outstanding on July 31, 1975, are continued in effect under this Rule 16(g) except production waivers, all of which terminated July 31, 1962.

Section XXIV. Agents-SAG Cooperative Committee.

A joint SAG-Agents Cooperative Committee is hereby established. The Committee shall be divided into two sections: a New York section, and a Hollywood section.

The New York Section shall consist of six agency representatives with two alternates and six SAG representatives with two alternates. The Hollywood Section shall consist of six agency representatives with two alternates and six SAG representatives with two alternates. Upon written notice either side may replace one of its members or alternates. The Committee shall meet from time to time upon request of either party and may establish such regular meetings as it may deem proper. However, the Committee shall not meet less than once each calendar quarter. In order for the Committee to act a quorum must be present. A quorum shall consist of at least four agency and four SAG representatives. A similar cooperative committee shall be established in any SAG branch area when deemed necessary by the agents and SAG membership in the area.

Such Committees shall have the following functions with A through D to be considered at the committee's first quarterly meeting:

A. To review and revise the following alternatives with respect to Section VII:

(1) Elimination of the section in its entirety;

(2) Revision to incorporate the following provisions:

(a) elimination of the "primary area" concept;

(b) amount of commission to be paid to the respective agents to be as agreed between the agents with approval of the client (i.e., elimination of the automatic "split commission" provisions).

B. Commissionability of overscale residual payments for supplemental market use.

C. To review and update paragraph of the theatrical/television agency contract.

D. Review of information system and communications regarding SAG non-signatory production companies.

E. To discuss, investigate and make recommendations as to the solution of problems arising in the construction, interpretation and administration of the Regulations and the Basic Contract, and as to any abuses or grievances, which arise during the term of the Basic Contract affecting agent-actor relationships generally and for which no remedy is provided for in the Regulations and/or Basic Contract.

F. To make every effort to prevent and remedy abuses arising under the Regulations and Basic Contract; to eliminate tension; to promote cooperation and to assist in a mutual understanding of the problems of agent and actor.

G. To discuss and make recommendations for the establishment of a simplified arbitration procedure for the adjudication of disputes involving small amounts. Such simplified procedure shall provide for the use of a single arbitrator, and shall further provide that the arbitrator's fees and other arbitration costs shall be paid out of a Small Claims Arbitration fund.

H. To discuss, investigate and make recommendations with respect to any and all other matters affecting the operation and application of the Regulations and the Basic Contract and which will aid in promoting harmonious agent-actor relationships.

I. To establish and implement positive programs for providing access to all SAG members to agents for interviews for the purpose of possible representation; provided, however, that in geographic areas where local memberships have voted to apply the no-commission-on-scale rule as provided in Section XI, subparagraphs (3) and (4) of this agreement, there shall be no obligation on the part of agents to establish and implement such programs for providing access.

J. To discuss and clarify the provisions governing the reimbursement by SAG members of certain expenses incurred by agents on their behalf particularly with respect to the types of expenses which shall be reimbursable.

Section XXV. Agents as Actors Prohibited.

No franchised agent or sub-agent shall accept employment as an actor in the jurisdiction of SAG.

EXHIBIT A

APPLICATION FOR SCREEN ACTORS GUILD, INC.TALENT AGENT'S FRANCHISE

The undersigned, and each of them, hereby apply to the Screen Actors Guild, Inc. hereinafter sometimes called the "SAG", for an Agent's Franchise, for and on behalf of

_____ as Applicant.
For convenience the undersigned and applicant may be hereinafter collectively referred to as "Applicant."

I. Applicant proposes to conduct the agency business at the following offices, having the following address or addresses: _____

Office phone number: _____

Home address: _____

Home phone number: _____

Applicant agrees to notify SAG promptly of any change in office address(es) or phone number(s) or the establishment of new office(s).

2. Applicant's State or- Local License number is _____.

3. Has applicant had an agency license revoked, suspended, or denied? _____.

4. What other franchises are held by Applicant?: AFTRA__ ; AGVA__ ; Equity__ ; AFM__

5. Has any franchise been revoked, suspended or denied by AFTRA, AGVA, Equity or AFM_____?

6. Applicant has read Rule 16(g) of SAG, which is herein referred to as the 'Regulations'. The said Regulations are incorporated herein by this reference as though set forth in this application, and Applicant agrees to be bound thereby and conform thereto. Applicant has examined the form of Agent's Franchise which SAG proposes to issue and is familiar therewith and agrees that the Agent's Franchise in such form is the one which SAG may issue pursuant to this application.

7. Applicant is submitting herewith evidence of maintenance of a Surety Bond in the amount of \$10,000.00 or, in the absence thereof, has provided other security acceptable to SAG, guaranteeing the financial obligations of the agent to actors under Rule 16(g) as a condition of issuance and continuance of franchise as provided by Section III of Rule 16(g).

8. Applicant agrees that all statements, agreements and representations made in this application are made for the express benefit of SAG and of its members, both present and future. Applicant further agrees that this application and the franchise issued pursuant hereto, if one be issued, shall constitute a contract between Applicant and SAG.

9. All statements attached are a part hereof. Applicant has attached hereto a statement setting forth a summary of the business experience of each of the undersigned.

10. Applicant states that no person, firm or corporation who is engaged in the production or distribution of motion pictures has an interest in Applicant's business, either directly or indirectly, whether as an owner or otherwise. Applicant further states that no person, firm or corporation who is engaged in the production or distribution of motion pictures has any right to share in the profits of Applicant's business, directly or indirectly, or holds any indebtedness from Applicant to such person. Applicant is not engaged in the production or distribution of motion pictures. If the foregoing statements, or any of them, are not correct, the incorrect statement or

statements should be stricken out and a detailed statement attached to this application setting forth the facts which caused Applicant to strike out the incorrect statement or statements. However, to the extent permitted by Sections V and XVI of the Regulations, Applicant need not strike out, and there shall be no misrepresentation.

11. Applicant has never been convicted of a crime involving embezzlement, theft, fraud, forgery or dishonest conduct. If the foregoing is incorrect, applicant shall strike it out and attach to this application a statement giving all of the details with reference to any such conviction.

12. Each person, firm or corporation, and all of them, agree to be bound jointly and severally hereunder. Each person who is now or may hereafter be an owner of Applicant shall be jointly and severally liable on all contracts between Applicant and any member of SAG where any obligation under any such contract was incurred to the member while such person was an owner of Applicant.

13. Each person executing this application, where such application is made on behalf of a partnership or corporation, states that he has no existing contracts to act as agent with members of SAG, or, if such person has any such contracts, then such person states that he now holds, or is applying as an individual for an agent's franchise from SAG.

14. Applicant recognizes that in this complicated industry waivers may be necessary from time to time with reference to the Regulations, and Applicant agrees that SAG may grant such waivers without affecting the Applicant's obligations hereunder.

15. Applicant agrees to conform to the Regulations and does hereby consent to the modification of all existing contracts with reference to the motion picture industry between Applicant and present or future members of SAG in the manner and to the extent set forth in the Regulations.

16. This application shall be of no effect unless SAG issues a franchise pursuant hereto.

17. Notice to the party in whose name the franchise is issued shall be notice to all parties who join herein.

18. Applicant attaches hereto a statement setting forth a full description of the legal and factual organization of Applicant. Named in said statement are the owners of interest in Applicant and the percentage interest of each, and the nature of such ownership, whether stock, partnership, profit sharing, or otherwise. If Applicant is a corporation, such statement also contains the names of the officers and directors and stockholders of Applicant. Such statement also contains the names of all employees who are actively engaged in the conduct of the agency business as franchised sub-agents, or who are applying for franchises as sub-agents.

Applicant agrees that SAG will be notified by Applicant of any change in the identity of the persons who are owners, officers, directors, partners or managers of Applicant, in writing, within ten (10) days after any such change occurs and Applicant has knowledge thereof.

19. No person may succeed to ownership in Applicant who has been denied an agent's or sub-agent's franchise by SAG or whose agent's or sub-agent's franchise has been revoked or suspended. No person may succeed to ownership in Applicant without filing a new application and securing consent of SAG. Refusal to give such consent may be arbitrated, and may not be withheld if the proposed new owner is a franchised agent or the owner of a franchised agent. If SAG claims that a person who is not qualified has become an owner (as for instance where the transfer is involuntary by operation of law and the new owner is not qualified or refuses to file a new application and secure consent of SAG) then SAG may submit the matter to arbitration, and the arbitration tribunal may order the said new owner to comply with the Regulations, if compliance is possible, or to divest himself of such ownership within the time and upon the terms and conditions specified in the award. Failure to comply with such award shall cancel such ownership interest in such agent. The arbitration tribunal may reserve continuing jurisdiction.

20. Applicant hereby represents that all statements and information attached to the application for agency franchise heretofore filed by Applicant under Rule 16(g) required by Paragraphs 7, 9

and 18 of said application, as supplemented by written notice to SAG as required by Rule 16(g), are true and correct as of the date of the filing of this application, except as otherwise specifically noted in the statement attached to this application. All said statements and information heretofore filed with SAG are, by this reference, made a part of this application as though herein set forth at length, except as otherwise specifically noted in the above referred to statement attached to this application.

YOUR PARTICULAR ATTENTION IS CALLED TO ARTICLE VII OF THE BASIC CONTRACT WHICH PROVIDES THAT ANY MODIFICATION OR AMENDMENT TO THE BASIC CONTRACT AND RULE 16(g) MADE PURSUANT TO AGREEMENT BETWEEN SCREEN ACTORS GUILD, INC, AND AGENTS' ORGANIZATIONS SHALL BE BINDING ON ALL FRANCHISED AGENTS EXCEPT THOSE WHO GIVE NOTICE OF THEIR REFUSAL TO CONSENT THERETO; PROVIDED, HOWEVER, THAT ANY AGREEMENT BETWEEN SCREEN ACTORS GUILD, INC, AND AGENTS' ORGANIZATIONS FOR AN EXTENSION OF THE FIXED TERM OF RULE 16(g) AS SET FORTH IN ARTICLE XI OF THE BASIC CONTRACT SHALL BIND ALL FRANCHISED AGENTS.

(Note to Applicant: If the information and statements heretofore filed with SAG required by Paragraphs 7, 9 and 18 of Applicants application for agency franchise under Rule 16(g) are in all respects true and correct as of the date of the filing of this application, Applicant need not attach the information required by Paragraphs 7, 9 and 18 of this application. If any changes have occurred with respect to said information or it is not otherwise correct as of the present date, Applicant should attach hereto a statement setting forth the correct information.)

I declare under penalty of perjury that the above is true and correct.

Dated at _____, this _____ day of _____, 19____

_____ Applicant	_____ Social Security Number

EXHIBIT B
APPLICATION FOR SCREEN ACTORS GUILD, INC. SUB-AGENT'S FRANCHISE

The undersigned hereby applies for a franchise to act as a sub-agent for the agent named below, as hereinafter set forth:

For convenience the undersigned may be hereinafter referred to as "Applicant", and the Screen Actors Guild, Inc. may be referred to as "SAG".

Applicant states and represents that the following are true and correct:

1. Applicant proposes to act as a sub-agent for, an agent holding an Agent's Franchise from SAG, or an applicant therefor.

2. Applicant has read Rule 16(g) of SAG, which may hereinafter be referred to as the "Regulations". The said Regulations are incorporated herein by this reference as though set forth in this application, and Applicant agrees to be bound thereby and conform thereto. Applicant has examined the form of Sub-Agent's Franchise which SAG proposes to issue and is familiar therewith and agrees that the Sub-Agent's Franchise in such form is the one which SAG may issue pursuant to this application.

3. Applicant agrees that all statements, agreements and representations made in this application are made for the express benefit of SAG and of its members, both present and future. Applicant further agrees that this application and the franchise issued pursuant hereto, if one be issued, shall constitute a contract between Applicant and SAG.

4. Applicant attaches hereto a statement as a part hereof summarizing his previous business experience.

5. Applicant is not engaged in the production or distribution of motion pictures except as permitted by Sections V and XVI of the Regulations.

6. Applicant has never been convicted of a crime involving embezzlement, theft, fraud, forgery or dishonest conduct. If the foregoing is incorrect, Applicant shall strike it out and attach to this application a statement, as a part hereof, giving all of the details with reference to any such conviction.

7. Has Applicant ever had an agency license revoked, suspended or denied? _____.

8. Has any franchise been revoked, suspended or denied by AFTRA, AGVA, Equity or AFM? _____.

I declare under penalty of perjury that the above is true and correct.

Dated at _____, this _____ day of _____, 19_____

Applicant's Name (print or type)

Social Security Number

Applicant's Signature

The undersigned franchised Talent Agent or applicant for a Talent Agent's franchise joins in the foregoing application as of the above date and certifies that the applicant for a sub-agent's franchise is a bona fide employee of the undersigned.

EXHIBIT C

SCREEN ACTORS GUILD, INC. TALENT AGENT'S FRANCHISE

SCREEN ACTORS GUILD, INC., relying upon an application filed by _____

on the _____ day of _____, 19 _____, hereby grants an Agent's Franchise to _____

for a period commencing _____ and ending upon the expiration of and in accordance with the provisions of Rule 16(g) of the Screen Actors Guild, Inc., and subject thereto, irrevocable during the term above stated except in accordance with said Rule 16(g).

Dated at _____, this _____ day of _____, 19 _____

SCREEN ACTORS GUILD, INC.

By _____

EXHIBIT D

SCREEN ACTORS GUILD, INC. SUB-AGENT'S FRANCHISE

SCREEN ACTORS GUILD, INC., relying upon an application filed by _____
_____ sub-agent,
and _____, agent,
on the _____ day of _____, 19 _____, hereby grants a Sub-Agent's Franchise to said
sub-agent commencing _____, and ending upon the expiration of and in
accordance with the provisions of Rule 16(g), to act as sub-agent for
_____, agent in accordance with Rule 16(g) of the Screen Actors Guild,
Inc., and subject thereto. Subject to said Rule, this Franchise may be transferred to enable the
sub-agent to act as such for any franchised agent on application therefor by the new agent and
the sub-agent.

Dated at _____, this _____ day of _____, 19 _____

SCREEN ACTORS GUILD, INC.

By _____

EXHIBIT E
SAG MOTION PICTURE / TELEVISION AGENCY CONTRACT

THIS AGREEMENT made and entered into at _____,
by and between _____, a talent agent, hereinafter called the "Agent",
(please print or type)
and _____,
(please print or type) (social security number)
hereinafter called the "Actor".

WITNESSETH

(1) The Actor engages the Agent as his agent for the following fields as defined in Screen Actors Guild Codified Agency Regulations, Rule 16(g) and the Agent accepts such engagement:

[Mark appropriate space(s)]

Theatrical Motion Pictures Television Motion Pictures

If television motion pictures are included herein for purposes of representation and if during the term of this agency contract the Actor enters into a series or term employment contract for services in television motion pictures under which he agrees also to render services in program commercials or spots, this agency contract shall include representation of the Actor in connection with his employment in said commercials, and representation of the Actor in said commercials shall not be deemed included in any separate agency contract which the Actor may have entered into covering commercials.

This contract is limited to motion pictures in the above-designated field(s) and to contracts of the Actor as an actor in such motion pictures, and any reference herein to contracts or employment whereby Actor renders his services refers to contracts or employment in such motion pictures unless otherwise specifically stated.

(2) The term of this contract shall be for a period of _____, commencing _____, 19_____.

(3)(a) The Actor agrees to pay to the Agent as commissions a sum equal to percent of all moneys or other consideration received by the Actor, directly or indirectly, under contracts of employment (or in connection with his employment under said employment contracts) entered into during the term specified in Paragraph (2) or in existence when this agency contract is entered into except to such extent as the Actor may be obligated to pay commissions on such existing employment contract to another agent. Commissions shall be payable when and as such moneys or other consideration are received by the Actor, or by anyone else for or on the Actor's behalf. Commission payments are subject to the limitations of Rule 16(g).

(b) Commissions on compensation paid to Actors for domestic reruns, theatrical exhibition, foreign exhibition or supplementary market exhibition of television motion pictures are subject to the provisions of Rule 16(g).

(c) Commissions on commercials included herein under paragraph (1) above shall be subject to the rules governing commercials provided by Rule 16(g).

(d) No commission shall be payable on any of the following:

(i) Separate amounts paid to Actor not as compensation but for travel or living expenses incurred by Actor;

(ii) Separate amounts paid to Actor not as compensation but as reimbursement for necessary expenditures actually incurred by Actor in connection with Actor's employment, such as for damage to or loss of wardrobe, special hairdress, etc. ;

(iii) Amounts paid to Actor as penalties for violations by Producer of any of the provisions of the SAG collective bargaining contracts, such as meal period violations, rest period violations, penalties or interest on delinquent payments;

(iv) Sums payable to Actors for the release on free television or for supplemental market exhibition of theatrical motion pictures produced after January 31, 1960, under the provisions of the applicable collective bargaining agreement providing for such payment; however, if an Actor's individual theatrical motion picture employment contract provides for compensation in the event the motion picture made for theatrical exhibition is exhibited over free television or in supplemental market exhibition, in excess of the minimum compensation payable under the applicable collective bargaining agreement in effect at the time the employment contract was executed, commissions shall be payable on such compensation.

(v) Sums payable to Actors for foreign telecasting on free television of television motion pictures and commercials under the provisions of the applicable collective bargaining agreements; however, if an individual Actor's contract provides for compensation in excess of minimum under the applicable collective bargaining agreements in effect at the time of employment, commissions shall be payable on such sums.

(vi) On any employment contract which is in violation of SAG collective bargaining agreements. For example, employment contracts providing for "free days", "free rehearsal", "free looping", "a break in consecutive employment", etc., shall not be commissionable. This paragraph is not subject to SAG waiver.

(vii) On any employment contract for television motion pictures which provide for any prepayment or buyout of domestic or foreign residuals or theatrical release, or supplemental market fees, other than those permitted by the appropriate SAG collective bargaining agreement, unless such provisions of individual employment contracts are expressly approved by SAG.

(e) Any moneys or other consideration received by the Actor, or by anyone for or on his behalf, in connection with any termination of any contract of the Actor by virtue of which the Agent would otherwise be entitled to receive commission, or in connection with the settlement of any such contract, or any litigation arising out of any such contract, shall also be moneys in connection with which the Agent is entitled to the aforesaid percentage; provided, however, that in such event the Actor shall be entitled to deduct attorney's fees, expenses and court costs before computing the amount upon which the Agent is entitled to his percentage. The Actor shall also be entitled to deduct reasonable legal expenses in connection with the collection of moneys or other consideration due the Actor arising out of an employment contract in motion pictures before computing the amount upon which the Agent is entitled to his percentage.

(f) The aforesaid percentage shall be payable by the Actor to the Agent during the term of this contract and thereafter only where specifically provided herein and in the Regulations.

(g) The Agent shall be entitled to the aforesaid percentage after the expiration of the term specified in Paragraph (2) for so long a period thereafter as the Actor continues to receive moneys or other consideration under or upon employment contracts entered into by the Actor during the term specified in Paragraph (2) hereof, including moneys or other consideration received by the Actor under the extended term of any such employment contract, resulting from the exercise of an option or options under such an employment contract, extending the term of

such employment contract, whether such options be exercised prior to or after the expiration of the term specified in Paragraph (2), subject, however, to the applicable limitations set forth in the Regulations.

(h) If during the period the Agent is entitled to commissions a contract of employment of the Actor be terminated before the expiration of the term thereof, as said term has been extended by the exercise of options therein contained, by joint action of the Actor and employer, or by the action of either of them, other than on account of Act of God, illness, or the like, and the Actor enters into a new contract of employment with said employer within a period of sixty (60) days, such new contract shall be deemed to be in substitution of the contract terminated as aforesaid, subject, however, to the applicable limitations set forth in the Regulations. No contract entered into after said sixty (60) day period shall be deemed to be in substitution of the contract terminated as aforesaid. Contracts of substitution have the same effect as contracts for which they were substituted; provided, however, any increase or additional salary, bonus or other compensation payable to the actor thereunder over and above the amounts payable under the contract of employment which was terminated shall be deemed an adjustment and, unless the Agent shall have a valid agency contract in effect at the time of such adjustment, the Agent shall not be entitled to any commissions on any such additional or increased amounts. In no event may a contract of substitution with an employer extend the period of time during which the Agent is entitled to commission beyond the period that the Agent would have been entitled to commission had no substitution taken place. A change in form of an employer for the purpose of evading this provision or a change in the corporate form of an employer resulting from reorganization or the like shall not preclude the application of these provisions.

(i) So long as the Agent receives commissions from the Actor, the Agent shall be obligated to service the Actor and perform the obligations of this agency contract with respect to the services of the Actor on which such commissions are based, unless the agent is relieved therefrom under express provisions of the Regulations.

j) The Agent has no right to receive money unless the Actor receives the same, or unless the same is received for or on his behalf, and then only in the above percentage when and as received. Money paid pursuant to legal process to the Actor's creditors, or by virtue of assignment or direction of the Actor, and deductions from the Actor's compensation made pursuant to law in the nature of a collection or tax at the source, such as Social Security, Old Age Pension taxes, State Disability taxes or income taxes shall be treated as compensation received for or on the Actor's behalf.

(4) Should the Agent, during the term specified in Paragraph (2), negotiate a contract of employment for the Actor and secure for the Actor a bona fide offer of employment, which offer is communicated by the Agent to the Actor in reasonable detail and in writing or by other corroborative action, which offer the Actor declines, and if, within sixty (60) days after the date upon which the Agent gives such information to the Actor, the Actor accepts said offer of employment on substantially the same terms, then the Actor shall be required to pay commissions to the Agent upon such contract of employment. If an agent employed under a prior agency contract is entitled to collect commissions under the foregoing circumstances, the Agent with whom this contract is executed waives his commission to the extent that the prior agent is entitled to collect the same.

(5)(a) The Agent may represent other persons who render services in motion pictures, or in other branches of the entertainment industry.

(b) Unless and until prohibited by the Actor, the Agent may make known the fact that he is the sole and exclusive representative of the Actor in the motion picture fields covered hereby. However, it is expressly understood that even though the Agent has not breached the contract the Actor may at any time with or without discharging the Agent, and regardless of whether he has legal grounds for discharge of the Agent, by written notice to the Agent prohibit him from rendering further services for the Actor or from holding himself out as the Actor's Agent, and

such action shall not give Agent any rights or remedies against Actor, the Agent's rights under this paragraph continuing only as long as Actor consents thereto but this does not apply to the Agent's right to commissions. In the event of any such written notice to the Agent the right of termination set forth in Paragraph (6) of this agency contract is suspended and extended by the period of time that the Agent is prohibited from rendering services for the Actor.

(6)(a) If this is an initial agency contract and if actor fails to be employed and receive, or be entitled to receive, compensation for ten (10) days' employment in the initial 151 days of the contract, provided further that if no bona fide offer of employment is received by the Actor within any consecutive 120 days during the initial 151 day period, or if during any other period of 91 days immediately preceding the giving of the notice of termination hereinafter mentioned in this paragraph, the Actor fails to be employed and receive, or be entitled to receive compensation for ten (10) days' employment, whether such employment is from fields under SAG's jurisdiction or any other branch of the entertainment industry in which the Agent may be authorized by written contract to represent the Actor, then either the Actor or Agent may terminate the engagement of the Agent hereunder by written notice to the other party, subject to the qualifications hereinafter in this paragraph set forth. Each day the Actor renders services or may be required to render services in motion pictures shall count as one (1) day's employment. For the purpose of determining what is a day's employment in other fields of the entertainment industry the following rules shall govern:

(i) Each separate original radio broadcast (including rehearsal time), whether live or recorded, and each transcribed program shall be considered a day's employment.

(ii) Each separate live television broadcast shall be considered a minimum of two (2) days' employment. However, each day spent in rehearsal over the minimum of two (2) days inclusive of the day of telecast, shall be considered an additional one-half (1/2) day's employment.

(iii) A rebroadcast, whether recorded or live, or by an off the line recording, or by a prior recording, or time spent in rehearsal for any employment in the radio broadcasting or radio transcription industry shall not be considered such employment. A retecast of a live television program and a rerun of television motion picture entertainment film or commercial shall likewise not be considered such employment.

(iv) Each master phonograph record recorded by the Actor shall be one (1) day's employment.

(v) In all other branches of the entertainment industry, except as set forth above, each day the Actor renders services or may be required to render services for compensation shall count as one (1) day's employment.

(b) The 91 day period which is the basis of termination shall be extended by the amount of employment the Actor would have received from calls for his services in any other branch of the entertainment industry in which the Actor is a recognized performer and at or near the Actor's usual places of employment at a salary and from an employer commensurate with the Actor's prestige, which calls are actually received by the Agent and reported to the Actor in writing or by other corroborative action, when the Actor is in such a locality (away from his usual places of employment) that he cannot return in response to such a call, or when the Actor is unable to respond to such a call by reason of physical or mental incapacity or any other reason beyond his control, or by reason of another engagement in a field in which the Actor is not represented by the Agent; provided, however, that if the Actor is rendering services in another engagement in a field in which the agent is authorized to represent the Actor, then the time spent in such engagement shall not be added to the 91 day period. Regardless of whether or not the Agent is authorized to represent the Actor on the legitimate stage, if the Actor accepts an engagement on the legitimate stage under a run of the play contract, the 91 day period which is the basis of termination shall be extended by the length of such run of the play contract including rehearsals. The 91 day period which is the basis of termination shall also be extended for any period of time

during which the Actor has declared himself to be unavailable and has so notified the Agent in writing or by other corroborative action or has confirmed in writing or by other corroborative action a communication from the Agent to such effect.

(c) In the event that the Agent has given the Actor notice in writing or by other corroborative action, of a bona fide offer of employment as an actor in any branch of the entertainment industry in which the Actor is a recognized performer at or near his usual place of employment at a salary and from an employer commensurate with the Actor's prestige (and there is in fact such an offer), which notice sets forth in detail the terms of the proposed employment and the Actor refuses or fails within a reasonable time after receipt of such notice to accept such proffered employment, then the period of guaranteed employment in said offer shall be deemed as time worked by the Actor in computing time worked with reference to the right of the Actor to terminate under the provisions of this paragraph.

(d) The Actor may not exercise the right of termination if at the time he attempts to do so: The Actor is under a contract or contracts for the rendition of his services in the entertainment industry in any or all fields in which the Agent is authorized by written contract to represent the Actor, which contract or contracts in the aggregate guarantee the Actor:

- (i) compensation for such services of Seventy Thousand (\$70,000.00) Dollars or more, or
- (ii) Fifty (50) or more days' employment, during the 91 days in question plus the succeeding 273 days after said 91 day period.

(e) Saturdays, Sundays and holidays are included in counting days elapsed during the 91 and 273 day periods provided.

(f) No termination hereunder shall deprive the Agent of the right to receive commission or compensation on moneys earned or received by the Actor prior to the date of termination, or earned or received by the Actor after the date of termination of the Agent's engagement, on contracts for the Actor's services entered into by the Actor prior to the effective date of any such termination.

(g) Periods of lay-off, leave of absence, or any periods during which the Actor is not performing and is prohibited from rendering services for others in the motion picture field under and during the term of any motion picture employment contract shall not be deemed periods of unemployment hereunder. The "term of any motion picture employment contract" as used in this subparagraph shall not include any unexercised options.

(h) Where the Actor does not actually render his services for which he has been employed but nevertheless is compensated therefor, the same shall be considered as employment hereunder. This shall not apply to employment on live television shows, which employment is computed according to the formula set forth in subparagraph (a) (ii) hereof.

(i) If, at any time during the term of the agency contract, the production of motion pictures in general (as distinguished from production at one or more studios) should be suspended, thereupon the provisions of Paragraph 6 herein mentioned shall be extended by the period of such suspension.

(j) If the Actor is under an employment contract which provides that any part of the Actor's guaranteed compensation shall be deferred or if said compensation is spread over a period prior or subsequent to the time of the actual performance of Actor's services under said employment contract, then for the purpose of determining the Actor's right to terminate under the provisions of subparagraph (d) hereof, the guaranteed compensation shall be deemed to have been paid to the actor during the period of the actual performance of Actor's services under said employment contract.

(k) Anything herein to the contrary notwithstanding, if the agent submits to the actor a bona fide offer of employment in writing or by other corroborative action, as defined in Paragraph (6) subparagraph (c), after the right of termination has accrued under Paragraph (6) but the Actor has not yet terminated the agency contract, and if the Actor thereafter terminates the agency contract pursuant to Paragraph (6) and thereafter accepts the offer within sixty (60) days of the date of

submission of the offer to the Actor by the Agent, the Actor shall pay the Agent commission on the compensation received by the Actor pursuant to such offer.

(l) Other than in cases of initial agency contracts subject to the 151 day clause provided by the first paragraph of this paragraph (6), the right of termination provided by the 91 day termination provisions of this Paragraph (6) shall also be subject to the right of termination beginning with the 82nd day of the 91-day period whenever it becomes apparent that the Agent will be unable to procure the required employment pursuant to this Paragraph (6) during such 91-day period. In considering whether it has become so apparent, the possibility that after the Actor exercises the right of termination, the Agent might preclude exercise of the right by compliance with subparagraphs (b), (c) or (d) hereof, shall be disregarded. To illustrate: If the Actor has had no employment for 82 days, Actor may terminate on the 82nd day, since only 9 days remain, and Agent cannot obtain 10 days' employment for the Actor in such period. If Actor received one day's employment in 83 days, Actor may terminate on the 83rd day, since only 8 days remain, and Agent cannot obtain 10 days' employment for Actor in such period.

(m) Employment at SAG minimum shall be deemed "employment" and/or "work" for purposes of this Paragraph (6).

(7) Rule 16(g) of the Screen Actors Guild Inc. which contains regulations governing the relations of its members to talent agents is hereby referred to and by this reference hereby incorporated herein and made a part of this contract. The provisions of said rule are herein sometimes referred to as the "Regulations" and the Screen Actors Guild, Inc. is herein sometimes referred to as "SAG".

(This note is for the instruction of agents and should not be included in the standard form agency contract Exhibit E of the Regulations. The following are four (4) alternative forms of Paragraph (8) of Exhibit E. Each agent shall incorporate in the form of agency contract which he uses, only the particular one of these forms which is applicable to the class of agent to which he belongs. For example, if he is a type CM 1 agent he should use the form of Paragraph (8) which applies to CM 1 agents, etc.)

In the case of CM 1 agents, Paragraph (8) shall read as follows:

(8) The Agent agrees that during the term of this contract the following person only shall have the responsibility of personally supervising the Actor's business, and of servicing and being available to the Actor. The name of the person shall be inserted in the Actor's own handwriting. *(This italicized provision is a note from SAG to the Actor; and is not a part of the contract. If the Actor is executing this contract in reliance on the fact that a particular person is connected with the Agent, the Actor should insert only such person's name in the space following. If the Actor is not executing this contract in reliance on such fact, then the Actor shall insert one name.)*

The Agent upon request of the Actor and on reasonable notice shall assign such person to conduct negotiations for the Actor at such city or its environs and such person shall do so; it being understood that sub-agents employed by the Agent who are not named herein may handle agency matters for the Actor or may aid the above named person in handling agency matters for the Actor. In the event the person above named shall cease to be active in the affairs of the Agent by reason of death, disability, retirement or any other reason, the Actor shall have the right to

terminate this contract upon written notice to the Agent. The rights of the parties in such case are governed by Sections XI and XII of the Regulations.

In the case of CM 2 agents, Paragraph (8) shall read as follows:

(8) The Agent agrees that during the term of this contract the following persons only shall have the responsibility of personally supervising the Actor's business and of servicing and being available to the Actor. The name of one of the persons shall be inserted in the Actor's own handwriting. *(This italicized provision is a note from SAG to the Actor and is not a part of the contract. If the Actor is executing this contract in reliance on the fact that a particular person is connected with the Agent, then the Actor should insert only such person's name in the space following. If the Actor is not executing this contract in reliance on such fact, then the Agent shall insert not more than one name, and the Actor shall insert one name.)*

The Agent, upon request of the Actor, shall assign either one of such persons who may be available (and at least one of them always shall be upon reasonable notice from the Actor) and whom the Actor may designate to conduct negotiations for the Actor at such city or its environs and such person shall do so; it being understood that sub-agents employed by the Agent who are not named herein may handle agency matters for the Actor or may aid either of the named persons in handling agency matters for the Actor. In the event both of the persons above named shall cease to be active in the affairs of the Agent by reason of death, disability, retirement or any other reason, the Actor shall have the right to terminate this contract upon written notice to the Agent. The rights of the parties in such case are governed by Sections XI and XII of the Regulations.

In the case of CM 2 agents having a waiver under Paragraph (2) of Subsection B of Section XII, Paragraph (8) shall read as follows:

(8) The Agent agrees that during the term of this contract the following persons shall all have the responsibility of personally supervising the Actor's business and of servicing and being available to the Actor. The name of one of the persons shall be inserted in the Actor's own handwriting. *(This italicized provision is a note from SAG to the Actor and is not a part of the contract. If the Actor is executing this contract in reliance on the fact that a particular person is connected with the Agent, then the Actor should insert only such person's name in the space following. If the Actor is not executing this contract in reliance on such fact, then the Agent shall insert not more than two names, and the Actor shall insert one name.)*

The Agent, upon request of the Actor, shall assign anyone of such persons who may be available (and at least one of them always shall be upon reasonable notice from the Actor) and whom the Actor may designate to conduct negotiations for the Actor at such city or its environs and such person shall do so; it being understood that sub-agents employed by the Agent who are not named herein may handle agency matters for the Actor or may aid any of the named persons in handling agency matters for the Actor. In the event all of the persons above named (or two of

such persons in the event the person remaining is not an owner as defined in Paragraph (2) of Subsection D of Section XII of the Regulations) shall cease to be active in the affairs of the Agent by reason of death, disability, retirement or any other reason, the Actor shall have the right to terminate this contract upon written notice to the Agent. The rights of the parties in such case are governed by Sections XI and XII of the Regulations.

In the case of CM 3 agents, Paragraph (8) shall read as follows:

(8) The Agent agrees that during the term of this contract the following persons only shall have the responsibility of personally supervising the Actor's business and of servicing and being available to the Actor. The names of two of the persons shall be inserted in the Actor's own handwriting. *(This italicized provision is a note from SAG to the Actor and is not a part of the contract. If the Actor is executing this contract in reliance on the fact that a particular person is connected with the Agent, then the Actor should insert only such person's name in the space following. If the Actor is not executing this contract in reliance on such fact, then the Agent may insert not more than two names, and the Actor shall insert two names.)*

The Agent, upon request of the Actor, shall assign anyone of such persons who may be available (and at least one of them always shall be upon reasonable notice from the Actor) and whom the Actor may designate to conduct negotiations for the Actor at such city or its environs and such person shall do so; it being understood that sub-agents employed by the Agent who are not named herein may handle agency matters for the Actor or may aid any of the named persons in handling agency matters for the Actor. In the event four persons are named above and any three out of such four persons shall cease to be active in the affairs of the Agent for any reason, whether due to death, disability, retirement or any other reason, or if three or less persons are named and all such persons shall cease to be active in the affairs of the Agent for any reason, the Actor shall have the right to terminate this contract upon written notice to the Agent. The rights of the parties in such case are governed by Sections XI and XII of the Regulations.

(9) The Agent agrees to maintain telephone service and an office open during all reasonable business hours (emergencies such as sudden illness or death excepted) within the city of _____ or its environs, throughout the term of this agreement and that some representative of the Agent will be present at such office during such business hours. This contract is void unless the blank in this paragraph is filled in with the name of a city at which the Agent does maintain an office to render services to actors.

(10) If the Actor is employed under a series or term contract the Actor shall have the right to terminate this contract during the 30-day period immediately following any annual anniversary date of the series or term contract then in effect by giving the Agent 30-days' written notice of his intention to so terminate this contract. Exercise of this termination right shall not affect the Actor's commissions obligation hereunder. (See Additional Agreed Interpretation 5).

(11) Any controversy under this contract, or under any contract executed in renewal or extension hereof or in substitution hereof or alleged to have been so executed, or as to the existence, execution or validity hereof or thereof, or the right of either party to avoid this or any such contract or alleged contract on any grounds, or the construction, performance, nonperformance, operation, breach, continuance or termination of this or any such contract, shall be submitted to arbitration in accordance with the arbitration provisions in the Regulations regardless of whether either party has terminated or purported to terminate this or any such contract or alleged contract. Under this contract the Agent undertakes to endeavor to secure employment for the Actor. This provision is inserted in this contract pursuant to a rule of the

SAG, a bona fide labor union, which Rule regulates the relations of its members to talent agents. Reasonable written notice shall be given to the Labor Commissioner of the State of California of the time and place of any arbitration hearing hereunder. The Labor Commissioner of the State of California, or his authorized representative, has the right to attend all arbitration hearings. The clauses relating to the Labor Commissioner of the State of California shall not be applicable to cases not falling under the provisions of Section 1700.45 of the Labor Code of the State of California.

(12) Both parties hereto state and agree that they are bound by the Regulations and by all of the modifications heretofore or hereafter made thereto pursuant to the Basic Contract and by all waivers granted by SAG pursuant to said Basic Contract or to the Regulations.

(13)(a) Anything herein to the contrary notwithstanding, if the Regulations should be held invalid, all references thereto in this contract shall be eliminated; all limitations of the Regulations on any of the provisions of this contract shall be released, and the portions of this contract which depend upon reference to the Regulations shall be deleted, and the provisions of this contract otherwise shall remain valid and enforceable.

(b) Likewise, if any portion of the Regulations should be held invalid, such holding shall not affect the validity of remaining portions of the Regulations or of this contract; and if the portion of the Regulations so held invalid should be a portion specifically referred to in this contract, then such reference shall be eliminated herefrom in the same manner and with like force and effect as herein provided in the event the Regulations are held invalid; and the provisions of this contract otherwise shall remain valid and enforceable.

Whether or not the Agent is the Actor's agent at the time this contract is executed, it is understood that in executing this contract each party has independent access to the Regulations and has relied exclusively upon his own knowledge thereof.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the

_____ day of _____, 19 _____.

Actor

Agent

By _____

(parties please sign in ink)

This talent agent is licensed by the Labor Commissioner of the State of California.

This talent agent is franchised by the Screen Actors Guild, Inc.

The form of this contract has been approved by the State Labor Commissioner of the State of California on January 11, 1991.

This form of contract has been approved by the Screen Actors Guild, Inc.

(The foregoing references to California may be deleted or appropriate substitutions made in other states.)

EXHIBIT F
SAG TELEVISION COMMERCIALS AGENCY CONTRACT

THIS AGREEMENT, made and entered into at _____,
by and between _____, a talent agent, hereinafter called the "Agent",
(please print or type)

and _____, _____,
(please print or type) (social security number)

hereinafter called the "Actor".

WITNESSETH

(1) The Actor engages the Agent as his agent for television commercials under Screen Actors Guild jurisdiction, and the Agent accepts such engagement. This contract is limited to television commercials and to contracts of the Actor as an actor in television commercials, and any reference herein to contracts or employment whereby Actor renders his services refers to contracts or employment in television commercials unless otherwise specifically stated.

(2) The term of this contract shall be for a period of _____, commencing _____, 19 _____ ;

(3)(a) Except as expressly provided herein, the Actor agrees to pay to the Agent as commissions a sum equal to percent of all moneys or other consideration received by the Actor, directly or indirectly, under contracts of employment (or in connection with his employment under said employment contracts) entered into during the term specified in Paragraph (2) or in existence when this agency contract is entered into except to such extent as the Actor may be obligated to pay commissions on such existing employment contract to another agent. Commissions shall be payable when and as such moneys or other consideration are received by the Actor, or by anyone else for or on the Actor's behalf.

(b) Commissions on commercials shall be subject to the following:

Where an Actor consents to the use of a commercial for a period beyond the maximum period of use provided in the applicable Screen Actors Guild Commercials Contract, the Agent shall not be entitled to receive commissions on reuse fees paid to the Actor for such additional period of use, except under the following circumstances:

(i) If, not more than 120 days prior to the expiration of such maximum period of use, the Actor specifically authorizes the Agent, in writing, to attempt to secure overscale reuse fees or a guarantee acceptable to the Actor for reuse of the commercial during the renewal period, the Agent, shall be entitled to commissions with respect to the use of the commercial during such renewal period, as follows:

a) If overscale compensation is obtained for the Actor, to the extent only that such commissions do not reduce the Actor's compensation below minimum scale; or

b) If a guarantee is obtained for the Actor, commission shall be payable on the amount of the guarantee.

The above-referred-to authorization from the Actor to the Agent shall in no event be construed as authorizing the Agent to give any notice that the Actor intends to terminate the advertising agency's right of renewed use of the commercial.

(ii) Where the Actor's original employment contract for a commercial provides for overscale compensation or a guarantee for use of the commercial during a renewal period, the Agent shall be entitled to commissions for such renewal period to the extent provided in subparagraphs (i) (a) and b) above.

This Section shall be applicable to all commercials heretofore or hereafter produced with respect to which the Agent is entitled to commissions.

(c) No agency commission shall be payable on any of the following:

(i) Separate amounts paid to Actor not as compensation but for travel or living expenses incurred by Actor;

(ii) Separate amounts paid to Actor not as compensation but as reimbursement for necessary expenditures actually incurred by Actor in connection with Actor's employment, such as for damage to or loss of wardrobe, special hairdress, etc.;

(iii) Amounts paid to Actor as penalties for violations by Producer of any of the provisions of the SAG collective bargaining contract, such as meal period violations, rest period violations, penalties or interest on delinquent payments.

(iv) Sums payable to Actors for foreign telecasting on free television of television commercials under the provisions of the applicable collective bargaining agreement; however, if an individual Actor's contract provides for compensation in excess of the minimum under the applicable collective bargaining agreement in effect at the time of employment, commissions shall be payable on such sums.

(d) Any moneys or other consideration received by the Actor, or by anyone for or on his behalf, in connection with any termination of any contract of the Actor by virtue of which the Agent would otherwise be entitled to receive commission, or in connection with the settlement of any such contract, or any litigation arising out of any such contract, shall also be moneys in connection with which the Agent is entitled to the aforesaid percentage; provided, however, that in such event the Actor shall be entitled to deduct attorney's fees, expenses and court costs before computing the amount upon which the Agent is entitled to his percentage. The Actor shall also be entitled to deduct reasonable legal expenses in connection with the collection of moneys or other consideration due the Actor arising out of an employment contract in television commercials before computing the amount upon which the Agent is entitled to his percentage.

(e) The aforesaid percentage shall be payable by the Actor to the Agent during the term of this contract and thereafter only where specifically provided herein and in the Regulations.

(f) The Agent shall be entitled to the aforesaid percentage after the expiration of the term specified in paragraph (2) for so long a period thereafter as the Actor continues to receive moneys or other consideration under or upon employment contracts entered into by the Actor during the term specified in Paragraph (2) hereof, including moneys or other consideration received by the Actor under the extended term of any such employment contract, resulting from the exercise of an option or options under such an employment contract, extending the term of such employment contact, whether such options be exercised prior to or after the expiration of

the term specified in Paragraph (2), subject, however, to the applicable limitations of the Regulations.

(g) If during the period the Agent is entitled to commissions a contract of employment of the Actor be terminated before the expiration of the term thereof, as said term has been extended by the exercise of options therein contained, by joint action of the Actor and employer, or by the action of either of them, other than on account of Act of God, illness, or the like, and the Actor enters into a new contract of employment with said employer within a period of sixty (60) days, such new contract shall be deemed to be in substitution of the contract terminated as aforesaid, subject, however, to the applicable limitations of the Regulations. No contract entered into after said sixty (60) day period shall be deemed to be in substitution of the contract terminated as aforesaid. Contracts of substitution have the same effect as contracts for which they were substituted; provided, however, any increase or additional salary, bonus or other compensation payable to the actor thereunder over and above the amounts payable under the contract of employment which was terminated shall be deemed an adjustment and, unless the Agent shall have a valid agency contract in effect at the time of such adjustment, the Agent shall not be entitled to any commissions on any such additional or increased amounts. In no event may a contract of substitution with an employer extend the period of time during which the Agent is entitled to commission beyond the period that the Agent would have been entitled to commission had no substitution taken place. A change in form of an employer for the purpose of evading this provision or a change in the corporate form of an employer resulting from reorganization or the like shall not preclude the application of these provisions.

(h) So long as the Agent receives commissions from the Actor, the Agent shall be obligated to service the Actor and perform the obligations of this agency contract with respect to the services of the Actor on which such commissions are based, unless the Agent is relieved therefrom under express provisions of the Regulations.

(i) The Agent has no right to receive money unless the Actor receives the same, or unless the same is received for or on his behalf, and then only in the above percentage when and as received. Money paid pursuant to legal process to the Actor's creditors, or by virtue of assignment or direction of the Actor, and deductions from the Actor's compensation made pursuant to law in the nature of a collection or tax at the source, such as Social Security, Old Age Pension taxes, State Disability taxes or income taxes shall be treated as compensation received for or on the Actor's behalf.

j) Should the Agent, during the term specified in Paragraph (2), negotiate a contract of employment for the Actor and secure the for Actor a bona fide offer of employment, which offer is communicated by the Agent to the Actor in reasonable detail and in writing or by other corroborative action, which offer the Actor declines, and if, within sixty (60) days after the date upon which the Agent gives such information to the Actor, the Actor accepts said offer of employment on substantially the same terms, then the Actor shall be required to pay commissions to the Agent upon such contract of employment. If an agent employed under a prior agency contract is entitled to collect commissions under the foregoing circumstances, the Agent with whom this contract is executed waives his commission to the extent that the prior agent is entitled to collect the same.

(4)(a) The Agent may represent other persons who render services in television commercials, or in other branches of the entertainment industry.

(b) Unless and until prohibited by the Actor, the Agent may make known the fact that he is the sole and exclusive representative of the Actor in television commercials. However, it is

expressly understood that even though the Agent has not breached the contract the Actor may at any time with or without discharging the Agent, and regardless of whether he has legal grounds for discharge of the Agent, by written notice to the Agent prohibit him from rendering further services for the Actor or from holding himself out as the Actor's Agent, and such action shall not give Agent any rights or remedies against Actor, the Agent's rights under this paragraph continuing only as long as Actor consents thereto but this does not apply to the Agent's right to commissions. In the event of any such written notice to the Agent the right of termination set forth in Paragraph (6) of this agency contract is suspended and extended by the period of time that the Agent is prohibited from rendering services for the Actor.

(5) It is expressly understood and agreed that the Agent's right to commissions on minimum reuse payments for television commercials is conditioned on faithful performance by Agent of the duties and services listed herein.

Agent shall:

(a) Seek and arrange interviews, negotiate terms and conditions of employment, and examine proposed employment contracts to check conformity with deal negotiated;

(b) Advise Actor concerning any provisions of the employment contract pertaining to exclusivity, releases, warranties or other special clauses;

(c) Maintain records and keep Actor advised of any exclusivity commitments, use best efforts to clear conflicting exclusivity commitments and engagements and obtain releases for Actor where necessary, negotiate for releases of exclusivity commitments and other restrictions where commercials have been withdrawn from use;

(d) Maintain adequate records showing dates of employment, dates of first usage, class of usage, cycles of usage, and payments made for employment and usage;

(e) Where necessary, send reminder to employer of payments due for employment and usage and promptly report to SAG any cases of repeated late payments or other violations;

(f) Where employer seeks to acquire other rights or services in addition to the performance of the Actor in a commercial, Agent shall bargain separately for such rights and services;

(g) Maintain records regarding maximum periods of use and reuse, advise Actor of expiration dates of periods of use, give written notices to advertising agencies of Actor's election not to grant right of renewed use;

(h) Make periodic inquiries to determine if commercials have been withdrawn from use;

(i) With respect to compensation for television commercials collected by the Agent and paid over to the Actor: the Agent shall accompany each such check with a voucher which shall contain the name of the employer or advertising agency, name of product, nature of payment (whether session fee, holding fee, use payment, wardrobe fee, overtime, travel time, travel expense, etc.), cycle dates and date of payment. If the voucher supplied by the advertising agency contains all of the information set forth above, the Agent may deliver such voucher, or a copy thereof, in lieu of a separate voucher. If the advertising agency or production company fails to provide the Agent with a voucher after demand therefore by

the Agent, the Agent shall notify SAG to this effect but shall not be responsible for failure of the advertising agency or production company to deliver such voucher.

(j) Notify the Actor and SAG whenever a late penalty is due an Actor

(k) The Agent shall notify the Actor not less than 120 days prior to the expiration of the maximum period of use of the forthcoming expiration of said period.

(6) If, during the period of 91 days immediately proceeding the giving of notice of termination, the Actor fails to receive compensation in the sum of \$3,500 or more for services and reuse fees for commercials in which the Actor was employed during the term of this contract (including a prior contract which this contract renews), then either the Actor or the Agent may terminate the engagement of the Agent hereunder by written notice to the other party; provided, however, that if this contract is not a renewal contract, then such notice may not be given prior to 151 days after the date of commencement of the term of this agency contract; provided further that if no bona fide offer of employment for television commercials is received by the Actor within any consecutive period of 120 days during the initial 151 day period then either the Actor or the Agent may terminate the engagement of the Agent hereunder by written notice to the other party. The foregoing right to terminate applies when the Agent is authorized to represent the Actor only for television commercials. In the event the Actor is also represented by the Agent under a separate contract for representation in television motion pictures the provisions of Section (6) of the motion picture/television agency agreement shall govern termination.

(7) Rule 16(g) of the Screen Actors Guild, Inc., which contains regulations governing the relations of its members to talent agents is hereby referred to and by this reference hereby incorporated herein and made a part of this contract. The provisions of said Rule are herein sometimes referred to as the "Regulations" and the Screen Actors Guild, Inc., is herein sometimes referred to as "SAG".

(This note is for the instruction of agents and should not be included in the standard form agency contract Exhibit F of the Regulations. The following are four (4) alternative forms of Paragraph (8) of Exhibit F. Each agent shall incorporate in the form of agency contract which he uses, only the particular one of these forms which is applicable to the class of agent to which he belongs. For example, if he is a type CM 1 agent he should use the form of Paragraph (8) which applies to CM 1 agents, etc.)

In the case of CM 1 agents, Paragraph (8) shall read as follows:

(8) The Agent agrees that during the term of this contract the following person only shall have the responsibility of personally supervising the Actor's business, and of servicing and being available to the Actor. The name of the person shall be inserted in the Actor's own handwriting. *(This italicized provision is a note from SAG to the Actor; and is not a part of the contract. If the Actor is executing this contract in reliance on the fact that a particular person is connected with the Agent, the Actor should insert only such person's name in the space following. If the Actor is not executing this contract in reliance on such fact, then the Actor shall insert one name.)*

The Agent upon request of the Actor and on reasonable notice shall assign such person to conduct negotiations for the Actor at such city or its environs and such person shall do so; it

being understood that sub-agents employed by the Agent who are not named herein may handle agency matters for the Actor or may aid the above named person in handling agency matters for the Actor. In the event the person above named shall cease to be active in the affairs of the Agent by reason of death, disability, retirement or any other reason, the Actor shall have the right to terminate this contract upon written notice to the Agent. The rights of the parties in such case are governed by Sections XI and XII of the Regulations.

In the case of CM 2 agents, Paragraph (8) shall read as follows:

(8) The Agent agrees that during the term of this contract the following persons only shall have the responsibility of personally supervising the Actor's business and of servicing and being available to the Actor. The name of one of the persons shall be inserted in the Actor's own handwriting. *(This italicized provision is a note from SAG to the Actor and is not a part of the contract. If the Actor is executing this contract in reliance on the fact that a particular person is connected with the Agent, then the Actor should insert only such person's name in the space following. If the Actor is not executing this contract in reliance on such fact, then the Agent shall insert not more than one name, and the Actor shall insert one name.)*

The Agent, upon request of the Actor, shall assign either one of such persons who may be available (and at least one of them always shall be upon reasonable notice from the Actor) and whom the Actor may designate to conduct negotiations for the Actor at such city or its environs and such person shall do so; it being understood that sub-agents employed by the Agent who are not named herein may handle agency matters for the Actor or may aid either of the named persons in handling agency matters for the Actor. In the event both of the persons above named shall cease to be active in the affairs of the Agent by reason of death, disability, retirement or any other reason, the Actor shall have the right to terminate this contract upon written notice to the Agent. The rights of the parties in such case are governed by Sections XI and XII of the Regulations.

In the case of CM 2 agents having a waiver under Paragraph (2) of Subsection B of Section XII, Paragraph (8) shall read as follows:

(8) The Agent agrees that during the term of this contract the following persons shall all have the responsibility of personally supervising the Actor's business and of servicing and being available to the Actor. The name of one of the persons shall be inserted in the Actor's own handwriting. *(This italicized provision is a note from SAG to the Actor and is not a part of the contract. If the Actor is executing this contract in reliance on the fact that a particular person is connected with the Agent, then the Actor should insert only such person's name in the space following. If the Actor is not executing this contract in reliance on such fact, then the Agent shall insert not more than two names, and the Actor shall insert one name.)*

The Agent, upon request by the Actor, shall assign anyone of such persons who may be available (and at least one of them always shall be upon reasonable notice from the Actor) and whom the Actor may designate to conduct negotiations for the Actor at such city or its environs and such person shall do so; it being understood that sub-agents employed by the Agent who are not named herein may handle agency matters for the Actor or may aid any of the named persons in handling agency matters for the Actor. In the event all of the persons above named (or two of such persons in the event the person remaining is not an owner as defined in Paragraph (2) of Subsection D of Section XII of the Regulations) shall cease to be active in the affairs of the Agent by reason of death, disability, retirement or any other reason, the Actor shall have the right to terminate this contract upon written notice to the Agent. The rights of the parties in such case are governed by Sections XI and XII of the Regulations.

In the case of CM 3 agents, Paragraph (8) shall read as follows:

(8) The Agent agrees that during the term of this contract the following persons only shall have the responsibility of personally supervising the Actor's business and of servicing and being available to the Actor. The names of two of the persons shall be inserted in the Actor's own handwriting. *(This italicized provision is a note from SAG to the Actor and is not a part of the contract. If the Actor is executing this contract in reliance on the fact that a particular person is connected with the Agent, then the Actor should insert only such person's name in the space following. If the Actor is not executing this contract in reliance on such fact, then the Agent may insert not more than two names, and the Actor shall insert two names.)*

The Agent, upon request of the Actor, shall assign anyone of such persons who may be available (and at least one of them always shall be upon reasonable notice from the Actor) and whom the Actor may designate to conduct negotiations for the Actor at such city or its environs and such person shall do so; it being understood that sub-agents employed by the Agent who are not named herein may handle agency matters for the Actor or may aid any of the named persons in handling agency matters for the Actor. In the event four persons are named above and any three out of such four persons shall cease to be active in the affairs of the Agent for any reason, whether due to death, disability, retirement or any other reason, or if three or less persons are named and all such persons shall cease to be active in the affairs of the Agent for any reason, the Actor shall have the right to terminate this contract upon written notice to the Agent. The rights of the parties in such case are governed by Sections XI and XII of the Regulations.

(9) The Agent agrees to maintain telephone service and an office open during all reasonable business hours (emergencies such as sudden illness or death excepted) within the city of or its environs, throughout the term of this agreement and that some representative of the Agent will be present at such office during such business hours. This contract is void unless the blank in this paragraph is filled in with the name of a city at which the Agent does maintain an office to render services to Actors.

(10) Any controversy under this contract, or under any contract executed in renewal or extension hereof or in substitution hereof or alleged to have been so executed, or as to the existence, execution or validity hereof or thereof, or the right of either party to avoid this or any such contract or alleged contract on any grounds, or the construction, performance, nonperformance, operation, breach, continuance or termination of this or any such contract, shall be submitted to arbitration in accordance with the arbitration provision in the Regulations regardless of whether either party has terminated or purported to terminate this or any such contract or alleged contract. Under this contract the Agent undertakes to endeavor to secure employment for the Actor. This provision is inserted in this contract pursuant to a rule of the

SAG, a bona fide labor union, which Rule regulates the relations of its members to talent agents. Reasonable written notice shall be given to the Labor Commissioner of the State of California of the time and place of any arbitration hearing hereunder. The Labor Commissioner of the State of California, or his authorized representative, has the right to attend all arbitration hearings. The clauses relating to the Labor Commissioner of the State of California shall not be applicable to cases not falling under the provisions of Section 1700.45 of the Labor Code of the State of California.

(11) Both parties hereto state and agree that they are bound by the Regulations and by all of the modifications heretofore or hereafter made thereto pursuant to the Basic Contract and by all waivers granted by SAG pursuant to said Basic Contract or to the Regulations.

(12)(a) Anything herein to the contrary notwithstanding, if the Regulations should be held invalid, all references thereto in this contract shall be eliminated; all limitations of the Regulations on any of the provisions of this contract shall be released, and the portions of this contract including, but not limited to Paragraph (8) and (11) which depend upon reference to the Regulations shall be deleted, and the provisions of this contract otherwise shall remain valid and enforceable.

(b) Likewise, if any portion of the Regulations should be held invalid, such holding shall not affect the validity of remaining portions of the Regulations or of this contract; and if the portion of the Regulations so held invalid should be a portion specifically referred to in this contract, then such reference shall be eliminated herefrom in the same manner and with like force and effect as herein provided in the event the Regulations are held invalid; and the provisions of this contract otherwise shall remain valid and enforceable.

Whether or not the Agent is the Actor's agent at the time this contract is executed, it is understood that in executing this contract each party has independent access to the Regulations and has relied exclusively upon his own knowledge thereof.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the _____ day of _____, 19 _____.

Actor

Agent

By _____
(Parties please sign in ink)

This talent agent is licensed by the Labor Commissioner of the State of California.

This talent agent is franchised by the Screen Actors Guild, Inc.

The form of this contract has been approved by the State labor Commissioner of the State of California on March 2, 1988.

This form of contract has been approved by the Screen Actors Guild, Inc.

(The foregoing references to California may be deleted or appropriate substitutions made in other states.)

EXHIBIT G
SCREEN ACTORS GUILD CLIENT CONFIRMATION FORM

Agency Name: _____ Date: _____

To: _____

(Actor's Name)

Address: _____ Effective Date: _____

Social Security No.: _____

Commission Rate: _____

This will confirm our agreement to represent you as your agent in the following fields within Screen Actors Guild's Jurisdiction:

[MARK APPROPRIATE SPACE(S)]

- THEATRICAL MOTION PICTURES
- TELEVISION MOTION PICTURES
- TELEVISION COMMERCIALS

This oral agreement is evidenced by the provisions in those certain documents entitled SAG Motion Picture/Television Agency Contract and SAG Television Commercials Agency Contract.

Said representation is in accordance with Screen Actors Guild Agency Regulations, Rule 16(g), as amended, and shall remain effective until such authority is revoked.

The following agent(s) shall be deemed responsible for your agency affairs for purposes of continuity of management:

(CM-1 agents may insert one name; CM-2 and CM-3 agents may insert two names).

TALENT AGENCY NAME

(Agent's Signature)

This talent agency is licensed by the Labor Commissioner of the State of California. The form of this contract has been approved by the State Labor Commissioner of the State of California on

the 11th day of January, 1991. The form of contract has been approved by SAG. This talent agency is franchised by Screen Actors Guild, Inc.

EXHIBIT H-I
RENEWAL SAG MOTION PICTURE / TELEVISION
AGENCY CONTRACT

THIS AGREEMENT, made and entered into at _____,

by and between _____, a talent agent, hereinafter called the "Agent",
(please print or type)

and _____, _____,
(please print or type) (social security number)

hereinafter called the "Actor".

WITNESSETH

(1) The Actor renews the engagement of the Agent as his agent for the following fields as defined in Screen Actors Guild Codified Agency Regulations, Rule 16(g) and the Agent accepts such engagement:

[Mark appropriate space(s)]

Theatrical Motion Pictures

Television Motion Pictures

If television motion pictures are included herein for purposes of representation and if during the term of this agency contract the Actor enters into a series or term employment contract for services in television motion pictures, under which he agrees also to render services in program commercials or spots, this agency contract shall include representation of the Actor in connection with his employment in said commercials, and representation of the Actor in said commercials shall not be deemed included in any separate agency contract which the Actor may have entered into covering commercials.

This contract is limited to motion pictures in the above-designated field(s) and to contracts of the Actor as an actor in such motion pictures, and any reference herein to contracts or employment whereby Actor renders his services refers to contracts or employment in such motion pictures unless otherwise specifically stated.

(2) The term of this renewal contract shall be for a period of _____, commencing _____, 19 _____.

(3) The Actor agrees to pay to the Agent as commissions a sum equal to percent of all moneys or other consideration received by the Actor, directly or indirectly, under contracts of employment (or in connection with his employment under said employment contracts) entered into during the term specified in Paragraph (2) or in existence when this agency contract is entered into except to such extent as the Actor may be obligated to pay commissions on such existing employment contract to another agent. Commissions shall be payable when and as such moneys or other consideration are received by the Actor, or by anyone else for or on the Actor's behalf. Commission payments are subject to the limitations of Rule 16(g).

(4) The provisions of Rule 16(g) of the Screen Actors Guild, Inc. are hereby referred to and by this reference made a part of this contract. Except as herein provided the provisions of the

previous SAG Agency contract(s) between the Actor and the Agent are hereby incorporated herein and by this reference made a part of this contract.

(5) The Agent agrees to maintain telephone service and an office open during all reasonable business hours (emergencies such as sudden illness or death excepted) within the city of or its environs, throughout the term of this agreement and that some representative of the Agent will be present at such office during such business hours. This contract is void unless the blank in this paragraph is filled in with the name of a city at which the Agent does maintain an office to render services to Actors in the motion picture/television business.

(This note is for the instruction of agents and should not be included in the standard form agency contract Exhibit H-1 of the Regulations. The following are four (4) alternative forms of Paragraph (6) of Exhibit H-1. Each agent shall incorporate in the form of agency contract which he uses, only the particular one of these forms which is applicable to the class of agent to which he belongs. For example, if he is a type CM 1 agent he should use the form of Paragraph (6) which applies to CM 1 agents, etc.)

In the case of CM 1 agents, Paragraph (6) shall read as follows:

(6) The provisions of Paragraph (8) of the prior agency contract are superseded by the following:

The Agent agrees that during the term of this contract the following person only shall have the responsibility of personally supervising the Actor's business, and of servicing and being available to the Actor. The name of the person shall be inserted in the Actor's own handwriting. *(This italicized provision is a note from SAG to the Actor; and is not a part of the contract. If the Actor is executing this contract in reliance on the fact that a particular person is connected with the Agent, the Actor should insert only such person's name in the space following. If the Actor is not executing this contract in reliance on such fact, then the Actor shall insert one name.)*

The Agent, upon request of the Actor, and on reasonable notice shall assign such person to conduct negotiations for the Actor at such city or its environs and such person shall do so; it being understood that sub-agents employed by the Agent who are not named herein may handle agency matters for the Actor or may aid the above named person in handling agency matters for the Actor. In the event the person above named shall cease to be active in the affairs of the Agent by reason of death, disability, retirement or any other reason, the Actor shall have the right to terminate this contract upon written notice to the Agent. The rights of the parties in such case are governed by Sections XI and XII of the Regulations.

In the case of CM 2 agents, Paragraph (6) shall read as follows:

(6) The provisions of Paragraph (8) of the prior agency contract are superseded by the following:

The Agent agrees that during the term of this contract the following persons only shall have the responsibility of personally supervising the Actor's business and of servicing and

being available to the Actor. The name of one of the persons shall be inserted in the Actor's own handwriting. *(This italicized provision is a note from SAG to the Actor and is not a part of the contract. If the Actor is executing this contract in reliance on the fact that a particular person is connected with the Agent, then the Actor should insert only such person's name in the space following. If the Actor is not executing this contract in reliance on such fact, then the Agent shall insert not more than one name, and the Actor shall insert one name.)*

The Agent, upon request of the Actor, shall assign either one of such persons who may be available (and at least one of them always shall be upon reasonable notice from the Actor) and whom the Actor may designate to conduct negotiations for the Actor at such city or its environs and such person shall do so; it being understood that sub-agents employed by the Agent who are not named herein may handle agency matters for the Actor or may aid either of the above named persons in handling agency matters for the Actor. In the event both of the persons above named shall cease to be active in the affairs of the Agent by reason of death, disability, retirement or any other reason, the Actor shall have the right to terminate this contract upon written notice to the Agent. The rights of the parties in such case are governed by Sections XI and XII of the Regulations.

In the case of CM 2 agents having a waiver under Paragraph (2) of Subsection B of Section XII, Paragraph (6) shall read as follows:

(6) The provisions of Paragraph (8) of the prior agency contract are superseded by the following:

The Agent agrees that during the term of this contract the following persons shall all have the responsibility of personally supervising the Actor's business and of servicing and being available to the Actor. The name of one of the persons shall be inserted in the Actor's own handwriting. *(This italicized provision is a note from SAG to the Actor and is not a part of the contract. If the Actor is executing this contract in reliance on the fact that a particular person is connected with the Agent, then the Actor should insert only such person's name in the space following. If the Actor is not executing this contract in reliance on such fact, then the Agent shall insert not more than two names, and the Actor shall insert one name.)*

The Agent, upon request of the Actor, shall assign anyone of such persons who may be available (and at least one of them always shall be upon reasonable notice from the Actor) and whom the Actor may designate to conduct negotiations for the Actor at such city or its environs and such person shall do so; it being understood that sub-agents employed by the Agent who are not named herein may handle agency matters for the Actor or may aid any of the above named persons in handling agency matters for the Actor. In the event all of the persons above named (or two of such persons in the event the person remaining is not an owner as defined in Paragraph (2) of Subsection D of Section XII of the Regulations) shall cease to be active in the affairs of the Agent by reason of death, disability, retirement or any other reason, the Actor shall have the

right to terminate this contract upon written notice to the Agent. The rights of the parties in such case are governed by Sections XI and XII of the Regulations.

In the case of CM 3 agents, Paragraph (6) shall read as follows:

(6) The provisions of Paragraph (8) of the prior agency contract are superseded by the following:

The Agent agrees that during the term of this contract the following persons only shall have the responsibility of personally supervising the Actor's business and of servicing and being available to the Actor. The names of two of the persons shall be inserted in the Actor's own handwriting. *(This italicized provision is a note from SAG to the Actor and not a part of the contract. If the Actor is executing this contract in reliance on the fact that a particular person is connected with the Agent, then the Actor should insert only such person's name in the space following. If the Actor is not executing this contract in reliance on such fact, then the Agent may insert not more than two names, and the Actor shall insert two names.)*

The Agent, upon request of the Actor, shall assign anyone of such persons who may be available (and at least one of them always shall be upon reasonable notice from the Actor) and whom the Actor may designate to conduct negotiations for the Actor at such city or its environs and such person shall do so; it being understood that sub-agents employed by the Agent who are not named herein may handle agency matters for the Actor or may aid any of the above named persons in handling agency matters for the Actor. In the event four persons are named above and any three out of such four persons shall cease to be active in the affairs of the Agent for any reason, whether due to death, disability, retirement or any other reason, or if three or less persons are named and all such persons shall cease to be active in the affairs of the Agent for any reason, the Actor shall have the right to terminate this contract upon written notice to the Agent. The rights of the parties in such case are governed by Sections XI and XII of the Regulations.

It is understood that in executing this contract each party has independent access to the Regulations and has relied exclusively upon his own knowledge thereof.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the _____ day of _____, 19____.

Actor

Agent

By _____
(parties please sign in ink)

This talent agency is licensed by the Labor Commissioner of the State of California.

This talent agent is franchised by the Screen Actors Guild, Inc.

The form of this contract has been approved by the State Labor Commissioner of the State of California on January 11, 1991.

This form of contract has been approved by the Screen Actors Guild, Inc.

(The foregoing references to California may be deleted or appropriate substitutions made in other states.)

NOTE: This renewal form may only be used when renewing an immediately preceding contract between the Actor and Agent under the terms and conditions for renewals provided by Rule 16(g).

EXHIBIT H-2
RENEWAL SAG TELEVISION COMMERCIALS
AGENCY CONTRACT

THIS AGREEMENT, made and entered into at _____ ,
by and between _____ , a talent agent, hereinafter called the "Agent",
(please print or type)
and _____ , _____ ,
(please print or type) (social security number)
hereinafter called the "Actor".

WITNESSETH

(1) The Actor renews the engagement of the Agent as his agent for television commercials under Screen Actors Guild jurisdiction, and the Agent accepts such engagement. This contract is limited to television commercials and to contracts of the Actor as an actor in such television commercials and any reference herein to contacts or employment whereby the Actor renders his services refers to contracts or employment in television commercials unless otherwise specifically stated.

(2) The term of this renewal contract shall be for a period of _____ , commencing _____ , 19 _____ .

(3) Except as expressly provided herein, the Actor agrees to pay to the Agent as commissions a sum equal to _____ percent of all moneys or other consideration received by the Actor, directly or indirectly, under contracts of employment (or in connection with his employment under said employment contracts) entered into during the term specified in Paragraph (2) or in existence when this agency contract is entered into except to such extent as the Actor may be obligated to pay commissions on such existing employment contract to another agent. Commissions shall be payable when and as such moneys or other consideration are received by the Actor, or by anyone else for or on the Actor's behalf.

(4) The provisions of Rule 16(g) of the Screen Actors Guild, Inc. are hereby referred to and by this reference made a part of this contract. The provisions of paragraphs (3)b-j, (4), (5), (6), (7), (10), (11), and (12) of the previous SAG Television Commercials Agency contract between the Actor and the Agent are hereby incorporated herein and by this reference made a part of this contract.

(5) The Agent agrees to maintain telephone service and an office open during all reasonable business hours (emergencies such as sudden illness or death excepted) within the city of _____ or its environs, throughout the term of this agreement and that some representative of the Agent will be present at such office during such business hours. This contract is void unless the blank in this paragraph is filled in with the name of a city at which the Agent does maintain an office to render services to Actors.

(This note is for the instruction of agents and should not be included in the standard form agency contract Exhibit H-2 of the Regulations. The following are four (4) alternative forms of Paragraph (6) of Exhibit H-2. Each agent shall incorporate in the form of agency contract which he uses, only the particular one of

these forms which is applicable to the class of agent to which he belongs. For example, if he is a type CM 1 agent he should use the form of Paragraph (6) which applies to CM 1 agents, etc.)

In the case of CM 1 agents, Paragraph (6) shall read as follows:

(6) The provisions of Paragraph (8) of the prior agency contract are superseded by the following:

The Agent agrees that during the term of this contract the following person only shall have the responsibility of personally supervising the Actor's business, and of servicing and being available to the Actor. The name of the person shall be inserted in the Actor's own handwriting. *(This italicized provision is a note from SAG to the Actor; and is not a part of the contract. If the Actor is executing this contract in reliance on the fact that a particular person is connected with the Agent, the Actor should insert only such person 's name in the space following. If the Actor is not executing this contract in reliance on such fact, then the Actor shall insert one name.)*

The Agent upon request of the Actor and on reasonable notice shall assign such person to conduct negotiations for the Actor at such city or its environs and such person shall do so; it being understood that sub-agents employed by the Agent who are not named herein may handle agency matters for the Actor or may aid the above named person in handling agency matters for the Actor. In the event the person above named shall cease to be active in the affairs of the Agent by reason of death, disability, retirement or any other reason, the Actor shall have the right to terminate this contract upon written notice to the Agent. The rights of the parties in such case are governed by Sections XI and XII of the Regulations.

In the case of CM 2 agents, Paragraph (6) shall read as follows:

(6) The provisions of Paragraph (8) of the prior agency contract are superseded by the following:

The Agent agrees that during the term of this contract the following persons only shall have the responsibility of personally supervising the Actor's business and of servicing and being available to the Actor. The name of one of the persons shall be inserted in the Actor's own handwriting. *(This italicized provision is a note from SAG to the Actor and is not a part of the contract. If the Actor is executing this contract in reliance on the fact that a particular person is connected with the Agent, then the Actor should insert only such person's name in the space following. If the Actor is not executing this contract in reliance on such fact, then the Agent shall insert not more than one name, and the Actor shall insert one name.)*

The Agent, upon request of the Actor, shall assign either one of such persons who may be available (and at least one of them always shall be upon reasonable notice from the Actor) and whom the Actor may designate to conduct negotiations for the Actor at such city or its environs and such person shall do so; it being understood that sub-agents employed by the

Agent who are not named herein may handle agency matters for the Actor or may aid either of the above named persons in handling agency matters for the Actor. In the event both of the persons above named shall cease to be active in the affairs of the Agent by reason of death, disability, retirement or any other reason, the Actor shall have the right to terminate this contract upon written notice to the Agent. The rights of the parties in such case are governed by Sections XI and XII of the Regulations.

In the case of CM 2 agents having a waiver under Paragraph (2) of Subsection B of Section XII, Paragraph (6) shall read as follows:

(6) The provisions of Paragraph (8) of the prior agency contract are superseded by the following:

The Agent agrees that during the term of this contract the following persons shall all have the responsibility of personally supervising the Actor's business and of servicing and being available to the Actor. The name of one of the persons shall be inserted in the Actor's own handwriting. *(This italicized provision is a note from SAG to the Actor and is not a part of the contract. If the Actor is executing this contract in reliance on the fact that a particular person is connected with the Agent, then the Actor should insert only such person's name in the space following. If the Actor is not executing this contract in reliance on such fact, then the Agent shall insert not more than two names, and the Actor shall insert one name.)*

The Agent, upon request of the Actor, shall assign anyone of such persons who may be available (and at least one of them always shall be upon reasonable notice from the Actor) and whom the Actor may designate to conduct negotiations for the Actor at such city or its environs and such person shall do so; it being understood that sub-agents employed by the Agent who are not named herein may handle agency matters for the Actor or may aid any of the above named persons in handling agency matters for the Actor. In the event all of the persons above named (or two of such persons in the event the person remaining is not an owner as defined in Paragraph (2) of Subsection D of Section XII of the Regulations) shall cease to be active in the affairs of the Agent by reason of death, disability, retirement or any other reason, the Actor shall have the right to terminate this contract upon written notice to the Agent. The rights of the parties in such case are governed by Sections XI and XII of the Regulations.

In the case of CM 3 agents, Paragraph (6) shall read as follows:

(6) The provisions of Paragraph (8) of the prior agency contract are superseded by the following:

The Agent agrees that during the term of this contract the following persons only shall have the responsibility of personally supervising the Actor's business and of servicing and being available to the Actor. The name of two of the persons shall be inserted in the Actor's own handwriting. *(This italicized provision is a note from SAG to the Actor and is not a part of the contract. If the Actor is executing this contract in reliance on the fact that a particular person is connected with the Agent, then the Actor should insert only such person's name in*

the space following. If the Actor is not executing this contract in reliance on such fact, then the Agent may insert not more than two names, and the Actor shall insert two names.)

The Agent, upon request of the Actor, shall assign anyone of such persons who may be available (and at least one of them always shall be upon reasonable notice from the Actor) and whom the Actor may designate to conduct negotiations for the Actor at such city or its environs and such person shall do so; it being understood that sub-agents employed by the Agent who are not named herein may handle agency matters for the Actor or may aid any of the above named persons in handling agency matters for the Actor. In the event four persons are named above and any three out of such four persons shall cease to be active in the affairs of the Agent for any reason, whether due to death, disability, retirement or any other reason, or if three or less persons are named and all such persons shall cease to be active in the affairs of the Agent for any reason, the Actor shall have the right to terminate this contract upon written notice to the Agent. The rights of the parties in such case are governed by Sections XI and XII of the Regulations.

It is understood that in executing this contract each party has independent access to the Regulations and has relied exclusively upon his own knowledge thereof.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the _____ day of _____, 19 _____.

Actor

Agent

By _____
(Parties please sign in ink)

This talent agency is licensed by the labor Commissioner of the State of California.

This talent agent is franchised by the Screen Actors Guild, Inc.

The form of this contract has been approved by the State labor Commissioner of the State of California on January 11, 1991.

This form of contract has been approved by the Screen Actors Guild, Inc.

(The foregoing references to California may be deleted or appropriate substitutions made in other states.)

NOTE: This renewal form may only be used when renewing an immediately preceding contract between the Actor and Agent under the terms and conditions for renewals provided by Rule 16(g).

EXHIBIT I ARBITRATION RULES

Arbitration proceedings shall be had in accordance with the procedure specified herein in all cases which are to be submitted to arbitration except as a different procedure is elsewhere in the Regulations specifically provided.

The following rules of general procedure shall govern all arbitration proceedings and all proceedings called "arbitrations" in the Regulations, except as otherwise in the Regulations or herein provided:

(1) Arbitration shall be commenced by the filing with the Arbitration Secretary (sometimes referred to herein as the Secretary) of a brief written statement of claim by the person who desires to institute proceedings. The person filing the claim may be referred to as the claimant. In the claim, the claimant shall name the person who is to act as an arbitrator selected by claimant.

(2) The Secretary shall notify in writing the person or persons with whom arbitration is sought of the claim, and shall cause to be mailed or delivered to such person or persons a copy of the statement of claim. Such person or persons may be called the respondent or respondents.

(3) The respondent shall, within ten (10) days of receipt of the claim, file an answer with the Secretary. In the answer, the respondent shall name the person who is to act as an arbitrator selected by respondent. The Secretary shall cause to be mailed or delivered to the claimant a copy of the answer.

(4) Within fifteen (15) days after the answer naming the second arbitrator is filed with the Secretary, the two arbitrators shall submit in writing to the Secretary the name of a third arbitrator. The three arbitrators selected as aforesaid shall constitute the arbitration tribunal. If there is more than one claimant, then the claimants by a majority vote among themselves shall name the arbitrator selected by the claimants. If there is more than one respondent, then the respondents, by a majority vote among themselves, shall name the arbitrator selected by the respondents. If either claimant(s) or respondent(s) fail to name an arbitrator in the claim or answer, or if the arbitrators selected by the claimant(s) and respondent(s) fail to name a third arbitrator within the time herein specified, then, within sixty (60) days after submission of the claim, the Secretary shall appoint a person to act as arbitrator from a panel submitted by the American Arbitration Association.

(5) Arbitrators shall be paid only with the mutual consent of the parties.

(6) Arbitration hearings shall be held in the locality at which both claimant and respondent are situated.

(7) If both parties are not located in the same locality, then the parties may stipulate as to the place at which the arbitration hearings are to be held. If the parties fail to agree as to the place for hearings, pursuant to the preceding sentence, then the Secretary shall select the place for the arbitration hearings.

(8) The SAG shall be an ex officio party to all arbitration proceedings hereunder in which any member of SAG is involved, and SAG may do anything which a party named in such proceedings might do.

(9) The ATA or NATR shall be an ex officio party to all arbitration proceedings hereunder in which any member of ATA or NATR is involved, and ATA or NATR may do anything which a party named in such proceedings might do.

(10) Any party to an arbitration proceeding shall have the right to bring in other parties whose interests are involved and who are necessary in order to have the arbitration tribunal make a complete determination of all issues. Disputes on this matter shall be settled by the Secretary after a hearing.

(11) In the event there are conflicting arbitrations and any party to either of said arbitrations claims that the conflicting claim should be determined in a specific arbitration, the matter shall be submitted to the Secretary who, after a hearing, shall determine which, if any, arbitration shall be permitted to proceed, and shall determine what disposition shall be made of the other conflicting arbitration proceedings.

(12)(a) In the event conflicting claims are made against any member of SAG by agents, the member may deposit the moneys claimed of the member with the arbitration tribunal, stating that conflicting claims are made against him, naming the persons who are making the claims, and agreeing that the moneys so deposited with the arbitration tribunal, selected as hereinbefore provided, may be disposed of between the conflicting claimants in accordance with the ruling of the arbitration tribunal. The arbitration tribunal shall then be selected by the persons named in the proceeding as making the conflicting claims, and the Secretary shall designate which of such persons are the claimant or claimants and which are the respondent or respondents. The arbitration proceeding shall then proceed with the conflicting claimants and respondents as the real parties in interest. If no money be claimed, the same procedure may be followed without deposit. If either agent asserts other claims against the member, the arbitration shall proceed as in other cases.

(b) In the event a claim for commissions is made by an agent against any member of SAG and the member has already paid such commissions to another agent, it shall be the duty of the member to bring such other agent into the proceedings as a party thereto. In such case, the member shall include in his statement of claim, if he is the claimant, or in his answer, if he is the respondent, a statement alleging that conflicting claims are made against him with respect to the commissions involved, and naming the agent to whom the commissions have been paid. The Secretary shall notify the agent so named and shall cause to be mailed or delivered to such agent, a copy of the statement of claim or answer in which the member has made such allegation of payment to such agent. If the member of SAG who has made such payment to such agent is a claimant in the arbitration, the agent to whom payment has been made shall be designated by the Secretary as a co-claimant; and if the member of SAG is a respondent in the arbitration, such agent to whom payment has been made shall be named by the Secretary as co-respondent. The selection of the arbitrator for such co-claimants or co-respondents shall be made in accordance with the provisions of Paragraph 4 hereof.

(13) In arbitrations under Basic Contract Article X the only parties shall be SAG and ATA or NATR.

(14) Any answer may contain a counterclaim or cross-claim which shall be deemed denied. Except as above provided, failure to answer within the time specified by the rules, or failure to deny an allegation, shall be deemed an admission of the allegations not denied. A denial may be general of an entire paragraph, or the entire claim.

(15) If a member of SAG fails to name an arbitrator, SAG may name one for him. If a member of ATA fails to name an arbitrator, ATA may name one for him. If a member of NATR fails to name an arbitrator, NATR may name one for him.

(16) An arbitration tribunal shall have complete control of the conduct of the arbitration, and may specify any rules and regulations with reference thereto not in conflict herewith. The decision of a majority shall be the decision of the arbitration tribunal, and shall be final. All awards shall be in writing. Three (3) originals of the award shall be ruled with the Secretary, who shall cause one to be mailed or delivered to the claimant or his attorney and one to the respondent or his attorney, retaining the other. The technical rules of evidence shall be waived in the discretion of the tribunal.

The single or neutral arbitrator shall have the authority to issue subpoenas at the request of a party to require the appearance of witnesses or the production of documents which are relevant to the issues in the arbitration.

(17) Parties are entitled to be represented by counsel and to be heard, provided, however, that nothing herein contained shall limit the power of the arbitration tribunal to control the manner, method, and conduct of the proceedings and the presentation of the evidence, subject always to the requirement that the parties be given a fair and impartial hearing.

(18) Awards of arbitration tribunals may be confirmed in accordance with any arbitration laws which are applicable in the locality in which the arbitration is held, where such awards are in the class of arbitrations within the purview of such arbitration laws.

(19) Expenses of an arbitration shall be borne by the parties thereto equally, except as hereafter provided. The award may include costs as part of the award, and may provide for their taxing in a supplementary proceeding and by a supplementary award. If a shorthand reporter or a stenographic transcript is desired by a party, he shall pay for the same, and the cost may not be charged to any other party in the award. Where SAG, ATA or NATR is an ex officio party, no costs shall be taxed against such ex officio party.

(20) Arbitration tribunals have the right to apportion or tax to one party all costs and expenses of arbitration proceedings between individual members of SAG and agents, and to include such costs and expenses in the award. Counsel fees may not be taxed as costs.

(21) Any ruling of the Secretary may be submitted to the arbitration tribunal for review.

(22) The Secretary may, from time to time, make rules and regulations with reference to the form and number of copies in which claims and answers shall be ruled. The Secretary furthermore shall have the power to grant applications for additional time when the Secretary deems such requests proper.

(23) The Secretary may make additional procedural rules from time to time, with the consent of SAG, ATA and NATR.

(24) Where not inconsistent herewith the rules of the American Arbitration Association apply.

(25) In any arbitration, the arbitrators shall have the broadest possible power permitted by law to frame their award to do substantial justice between or among the parties, provided the award shall not be violative of any of the provisions of the Agency Regulations.

(26) The parties to arbitrations pursuant to Articles VI and X of the Basic Contract shall be ATA or NATR and SAG. A written agreement between the said parties may take the place of such arbitration.

(27) The Arbitration Secretary provided for in Basic Contract Article X, which is a portion of Section X of the Regulations, may be replaced in the same manner he is selected.

(28) The parties to arbitration (disciplinary proceeding) under Sections VIII and IX shall be SAG and the parties complained against, with ATA an ex officio party, if any party complained against be a member of ATA; with NATR an ex officio party, if any party complained against be a member of NATR. The arbitrators shall be selected as provided in Paragraphs (1), (3), and (4) hereof unless otherwise provided in the Regulations.

(29) In all arbitrations between agents and SAG members the provisions of agency contracts requiring notice to the Labor Commissioner of the State of California shall be complied with.

(30) Except as otherwise specified herein, arbitrations shall not be public.

(31) Whenever the Secretary disqualifies himself in a particular matter, by reason of interest or otherwise, another person to act as Secretary in such matter shall be appointed; in the event of failure to appoint, a temporary secretary shall be appointed by the American Arbitration Association to act in such matter.

(32) If in the judgment of either SAG, ATA or NATR the method of selecting arbitrators from the panel of the American Arbitration Association set forth in Paragraph (4) and the provisions of Paragraph (5) hereof prove unsatisfactory, SAG, ATA and NATR agree upon request of any party to negotiate for a change in such method. If such negotiations do not result in an agreement within thirty (30) days, the method of selecting arbitrators heretofore provided in Rule 16(d) may be re-established as a part of Rule 16(g) upon the request of any of the aforesaid parties.

BASIC CONTRACT

This Agreement entered into between SCREEN ACTORS GUILD, INC., a non-profit corporation (for convenience sometimes herein referred to as SAG), and ASSOCIATION OF TALENT AGENTS, a non-profit corporation (for convenience sometimes herein referred to as ATA), and NATIONAL ASSOCIATION OF TALENT REPRESENTATIVES, INC., (for convenience sometimes herein referred to as NATR) and other franchised talent agents,

WITNESSETH:

Reference is made to the Basic Contract dated July 12, 1968. Negotiations have been conducted between SAG, ATA, NATR and representatives of talent agents who are not members of either association for this new Basic Contract herein referred to as "Basic Contract".

Now, THEREFORE, in consideration of the foregoing and of the mutual covenants, statements and agreements hereinafter set forth, THE PARTIES HERETO AGREE AS FOLLOWS:

ARTICLE I. Franchising

This Basic Contract incorporates by reference and makes a part hereof as though expressly set forth herein Rule 16(g) of SAG, attached hereto, which has been concurrently herewith enacted as a rule by SAG and which contains within itself the rules and regulations concerning franchises and franchising. Said Rule 16(g), is herein referred to as Rule 16(g) or the Regulations.

ARTICLE II. Definitions

Definitions of the various terms used in this agreement and in the Regulations are set forth in Section I of the Regulations. Unless otherwise indicated, terms so defined shall be given the meaning set forth in the Regulations.

ARTICLE III. Scope of Agreement

A. This agreement is entered into for the benefit of the members of SAG, both present and future, and for the benefit of members of ATA and NATR, both present and future, and all other agents who accept franchising hereunder.

B. Any member of ATA or NATR by applying for a franchise and accepting the same, shall be deemed to have subscribed to the terms and conditions of this agreement.

C. Every member of SAG shall be bound by Rule 16(g), but nothing in this agreement or said Rule shall prevent any member of SAG from contracting with an agent on terms more favorable to the member of SAG than those prescribed herein.

D. SAG agrees that no franchises shall be issued by it upon terms and conditions other than those specified in this agreement during the term hereof.

E. SAG agrees that during the term of this agreement it will not adopt any amendment to its Articles or By-laws or make any rules or order which will conflict with the provisions of this agreement, or which will change said Regulations, except in accordance with Article VII hereof. Notwithstanding the foregoing sentence it is expressly understood and agreed that SAG reserves the right to issue conditional waivers covering the relations of its members with persons, firms or corporations who generally and primarily operate in the manner of so-called "casting agents" or who generally and primarily represent actors on a non-exclusive basis under arrangements whereby the actor registers or deals with more than one person, firm or corporation for representation in the same field or on an oral basis other than that permitted by the second paragraph of subparagraph (1) of Subsection C of Section IV of Rule 16(g). Said waivers may impose restrictions other than or additional to those provided in Rule 16(g); provided, however, that the same shall apply only to persons, firms, corporations who operate their businesses in the

manner above described. SAG agrees to give ATA and NATR notice of all waivers issued under this Section.

F. The parties mutually reaffirm their policy of non-discrimination with respect to age, sex, race, creed, color or national origin.

ARTICLE IV. State and Federal Authorities

Nothing herein contained shall be construed so as to abridge or limit any rights, powers or duties which state or federal authorities (such as the Labor Commissioner of the State of California) have, or may have, under the laws of the several states or the United States, as said laws now or may be hereafter amended.

ARTICLE V. Notice to Members of SAG

SAG agrees that within twenty days after promulgation of Rule 16(g) it will give effective legal notice thereof to its members. Any franchised agent may notify his clients of the fact that he has received a franchise and that agency contracts between such clients and the agent are modified in accordance with such Rule, but failure to give such notice by the agent shall not affect such modification.

ARTICLE VI. Avoidance of Legal Conflict

Nothing herein contained shall conflict with any law, or regulation authorized by law, of the several states or the United States. If any provision hereof or of the Regulations so conflict, it shall not affect or render illegal the remainder of this contract or the Regulations, unless the portion declared illegal goes to the essence of this contract or the Regulations and in case of any dispute as to whether such portion is of the essence or not, the dispute shall be settled by arbitration.

ARTICLE VII. Amendment

This agreement and Regulations may be modified or amended only in accordance with the following procedure:

A. The joint written consent of SAG and ATA and NATR shall first be obtained to such modification or amendment.

B. Thereafter written notice of the modification or amendment shall be given by SAG by certified mail to all then franchised agents, and such modification or amendment shall be binding upon all then franchised agents except those franchised agents who give written notice to SAG of their refusal to accept the same within fifteen (15) days after the date of the giving of such notice. However, any agreement between SAG and ATA and NATR for an extension of the period of the fixed term of this agreement as set forth in Article XI hereof shall bind all franchised agents without the notice set forth above.

ARTICLE VIII. Waivers

A. The SAG may grant waivers to agents from time to time excusing compliance with the terms of this Basic Contract and the Regulations. Each member of SAG shall be bound by all waivers granted by SAG insofar as the same may be applicable to any such member. All waivers so granted by SAG shall be irrevocable unless otherwise stated.

B. SAG agrees to notify ATA and NATR in writing within fifteen (15) days after the end of each calendar month of waivers granted during the preceding calendar month but need not delineate waivers relating to late filing of talent agency contracts. The information given shall include the terms of such waivers but need not mention the names of the parties to whom such waivers are given or the clients affected. On the request of the ATA and NATR, SAG agrees to

supply to ATA and NATR the names of the persons to whom such waivers have been given and the clients affected.

ARTICLE IX. Right to Franchises

A. An agent holding a franchise previously issued by SAG under Rule 16(g) and in existence on the effective date of the Basic Contract and who executes a letter Agreement accepting the terms of these Codified Agency Regulations, Rule 16(g), need not file a new application for a franchise hereunder. The execution by such agent of said Letter Agreement automatically extends the agent's existing franchise to cover the representation of SAG members under the terms and conditions set forth in Rule 16(g). The execution by said agent of said Letter Agreement shall also automatically extend the franchises of sub-agents employed by said agent on the effective date of this Basic Contract to cover the representation of SAG members under the terms and conditions set forth in Rule 16(g).

B. The following persons shall, as a matter of right on application therefor at any time during the term of this Basic Contract receive a franchise from the SAG:

(1) Partners in agencies which are now, or during the term of this Basic Contract become, members of the ATA or NATR and which are conducted as partnerships, and which agencies, during the term of this Basic Contract, shall make application for and receive a franchise for such agencies;

(2) Officers or stockholders of corporation agencies which are now, or during the term of this Basic Contract become, members of the ATA or NATR, and which agencies, within the term of this Basic Contract, shall make application for and receive a franchise for such agencies;

(3) Employees of agencies, which such agencies are now, or during the term of this Basic Contract become, members of the ATA or NATR and which agencies, during the application period, shall make application for and receive a franchise for such agencies;

(4) Corporations wholly owned by persons who come within the above categories as such categories are qualified below.

C. None of such persons, however, shall receive franchises as a matter of right, if:

(1) In the case of partners, officers or stockholders, they are not now actively engaged in the business of such agency in the same capacity as a sub-agent;

(2) In the case of employees, they are not now actively engaged in the business of such agency as a sub-agent and make application as such during the term of this Basic Contract, and receive a sub-agent's franchise;

(3) An arbitration tribunal as a part of any decision has taken away such right.

D. Notwithstanding the foregoing, any persons may hereafter apply for franchises, and the SAG, if it sees fit, may grant the same.

E. Should any other persons, firms or corporations conducting an agency business at any time during the term of this Basic Contract make application for a franchise from the SAG, either directly, indirectly, or in association with others, it is agreed as follows:

(1) SAG may refuse to grant any such application.

(2) SAG may make new and additional requirements for any such persons, firms or corporations.

(3) Such new requirements may not be more favorable to such persons, firms or corporations than the requirements specified in this Basic Contract and the Regulations, Rule 16(g), unless such more favorable terms and conditions immediately and automatically become applicable to all franchised agents.

(4) Such new requirements may not include any obligation on such persons, firms or corporations to charge a commission at the rate of less than ten per cent (10%).

F. Any persons not now active in the agency business who hereafter make application for an agent's franchise or a sub-agent's franchise, shall receive the same, subject to the same terms and

conditions as may be applicable to members of the ATA and NATR who apply for and obtain franchises during the term of this Basic Contract, unless SAG finds such persons not to be qualified. If SAG finds such persons not to be qualified, then such persons shall have the right to have their qualifications arbitrated and the decision of the arbitration tribunal in such respect shall be conclusive.

ARTICLE X. Arbitration

All disputes and controversies between the SAG and the ATA or NATR with reference to this Basic Contract and its interpretation, or any breach or alleged breach thereof, shall be referred to arbitration in accordance with the procedure and with the effect set forth in the regulations. An arbitration secretary shall be appointed by agreement between the SAG and the ATA or NATR. If the SAG and the ATA or NATR fail to agree upon a person to act as arbitration secretary, the matter shall be submitted to the American Arbitration Association which shall, after a hearing at which the ATA or NATR and the SAG shall present arguments, select a person who is impartial and disinterested to act as arbitration secretary.

ARTICLE XI. Term

A. The term of the Basic Contract shall commence on August 1, 1975, shall continue in effect for a period of five years, and shall continue thereafter unless terminated by either SAG or ATA and NATR by six months advance written notice to the other given at any time after February 1, 1980. In order for such written notice to be effective it must be accompanied by proposals from the party serving the notice. The five-year period commencing August 1, 1975, is referred to herein as "the fixed term of this agreement."

B. Upon termination of the Regulations and Basic Contract agency contracts then in effect shall remain in effect for an additional period not to exceed fifteen months, unless earlier termination occurs by virtue of normal expiration of an individual agency contract. During such fifteen month period new agency contracts may be entered into but such contracts shall be automatically terminated at the end of said fifteen month period.

C. In the event that any such notice is given by either party SAG will immediately notify all then franchised agents of the giving or receiving of such notice. Following the receipt of such notice by SAG or ATA and NATR and by all then franchised agents, it is agreed that SAG and ATA and NATR at mutually convenient times will negotiate with each other in good faith for a new agreement between them to include regulations governing agents relating to activities of SAG members within SAG's jurisdiction. Representatives of franchised agents who are not members of ATA or NATR shall be invited to participate in said negotiations. It is the intent of SAG and ATA and NATR that they shall use their best endeavors to have said negotiations commence as soon as reasonably possible following the receipt of such notice, at mutually agreeable times and places, so that ample time will be available for said negotiations during the six (6) months period after receipt of such notice before the term of Rule 16(g) terminates. If negotiations between SAG and ATA and NATR result in a signed agreement, said new agreement will take effect in accordance with its terms.

D. Should a new agreement with reference to franchising not become effective on or after the date of the expiration or termination of this Contract and the Regulations, nevertheless agents who, on the date of such expiration or termination, have a franchise and who continue to comply with the Regulations in force immediately prior to such expiration or termination date, except for maintaining a franchise, shall for the purpose of performing their obligations and exercising their rights under agency contracts existing upon the date of such expiration or termination and for such purpose only, be deemed to be franchised agents and sub-agents of such agents for such purpose, and for such purpose only, shall be deemed to be franchised sub-agents. The failure to maintain such franchises of agents and sub-agents in such event and for the purpose of such

agency contract, and such agency contracts only, shall not affect or render void any such agency contracts.

ARTICLE XII. Limitation of Basic Contract

This Basic Contract shall apply to services rendered by the agent to the actor in connection with or relating to the actor's employment or professional career as an employee in the production of motion pictures, including, without limitation, motion pictures made for theatrical, commercial, industrial, educational and television use so long as the same remains within SAG's jurisdiction. Nothing contained in this Basic Contract or in the Regulations, Rule 16(g), is intended to regulate services rendered by agents for, or commissions received by agents from, members of SAG who are also members of other unions with respect to activities within the jurisdiction of such other unions and not within the jurisdiction of SAG.

ARTICLE XIII. Association Membership

No agent shall be required to join ATA or NATR as a condition of his receiving a franchise.

ARTICLE XIV. Successors and Assigns

A. This contract shall be non-assignable by any party.

B. Any successor corporation or association of SAG (whether effected by reorganization, consolidation with another corporation or corporations, association or associations, or in any other manner that results in the merger of the identity of SAG with another corporation or association) having similar powers and authority and including among its members motion picture actors, shall succeed to the rights and obligations of SAG under this Basic Contract; provided, however, that jurisdiction over the subject of dealing with motion picture agents shall always be vested exclusively in motion picture actors or in representatives elected solely by motion picture actors.

C. Any successor corporation or association of ATA or NATR (whether effected by reorganization, consolidation with another corporation or corporations, association or associations, or in any other manner that results in the merger of the identity of ATA or NATR with another corporation or association) having similar powers and authority and including among its members motion picture agents, shall succeed to the rights and obligations of ATA or NATR under this contract; provided, however, that jurisdiction over the subject of dealing with motion picture actors shall always be vested exclusively in motion picture agents or in representatives elected solely by motion picture agents.

IN WITNESS WHEREOF, the parties hereto have re-executed Rule 16(g) and the Basic Contract in this codified version which includes all amendments made up to and including the date of execution hereof.

SCREEN ACTORS GUILD, INC.

By: s/KEN ORSATTI
National Executive Director

ASSOCIATION OF TALENT AGENTS
By: S/CHESTER L. MIGDEN
Executive Director

NATIONAL ASSOCIATION OF
TALENT REPRESENTATIVES, INC.
By: s/MARJE FIELDS
President

DATED: November 1, 1990.

AGREED INTERPRETATION

Under the provisions of the Memorandum Agreement of 1976 executed by Screen Actors Guild (SAG), National Association of Talents Agents (NATR) and Artists Managers Guild, presently known as Association of Talent Agents (ATA), certain changes in commissionability of actors' employment in SAG's jurisdiction resulted. The provisions of Paragraph 9 of said agreement, which provided for local referenda on the issue of commission on scale employment in theatrical motion pictures and television motion pictures, caused these changes.

The results of such local referenda while known to the parties have never been formally noted nor has there been a summary made of the current status of commissionability as a guide or reference for all parties concerned.

The purpose of this document is a Restatement and Summary of the status of the commission rules as currently in effect in theatrical and television motion pictures as a guide to all those affected by Rule 16(g).

I. Commission on Scale -A Brief History

Since 1975 the SAG Regulations have provided a "No Commission on Scale" rule. Actually the rule is that commissions shall not be payable on employment in "Theatrical or TV motion pictures" which would reduce the actor's salary below the scale provided for the type of employment involved. Areas of employment in SAG's jurisdiction other than theatrical and television motion pictures are not affected by the rule.

This rule does not apply everywhere. A number of SAG Branches rejected the rule after local referenda were conducted under the provisions of the Memorandum Agreement of 1976. Los Angeles, Chicago, Detroit and Atlanta voted to retain the rule. As a result, commission is payable on scale employment in all Branches of the Screen Actors Guild, other than Los Angeles, Chicago, Detroit and Atlanta. However, where commission is payable on scale, there are limitations on commissions on residuals as indicated herein.

II. What's Commissionable -Theatrical Motion Pictures

A. Original Employment:

1. In Los Angeles, Chicago, Detroit and Atlanta, employment in Theatrical motion pictures is commissionable only when commission does not reduce salary below scale.

2. Everywhere else - completely commissionable.

B. Television Exhibition or Supplemental Market Use of Theatrical Motion Pictures: Not commissionable unless player's contract provides an overscale deal.

III. What's Commissionable -TV Motion Pictures

A. Original Employment:

1. In Los Angeles, Chicago, Detroit and Atlanta, employment in TV motion pictures is commissionable when commission does not reduce salary below scale.

2. Everywhere else - completely commissionable.

B. Reruns of TV Programs:

1. Network Prime Time Reruns -These reruns are payable on "total actual compensation."

a. Los Angeles, Chicago, Detroit and Atlanta -commissionable so long as player's residual is not reduced below scale. Since these residuals are on actual compensation if the job was commissionable the network primetime rerun will be commissionable as well. If at scale not commissionable.

- b. Everywhere else -Completely commissionable if above scale, and at scale through the third run (original play plus two repeats).
2. Other Reruns of TV Programs (Syndication & Non-Prime Time Network)
- a. Los Angeles, Chicago, Detroit and Atlanta -Commissionable only when player's contract provides for an overscale residual.

- b. Everywhere else -Commission is payable through the third run (original play plus two repeats) if at scale; if overscale without any limitations.
- C. Theatrical Exhibition of TV shows:
 - 1. Los Angeles, Chicago, Detroit and Atlanta -Commissionable only when actor's contract provides for an overscale residual.
 - 2. Everywhere else -Fully commissionable.
- D. Foreign TV Exhibition of TV Programs: Commissionable only when actor's contract provides an overscale agreement for foreign TV exhibition.
- E. Supplemental Markets -TV Programs:
 - This includes pay-TV, inflight, cassettes, discs.
 - 1. Commissionable in Los Angeles, Chicago, Detroit and Atlanta only if overscale payment provided for the actor.
 - 2. Elsewhere -completely commissionable.

ADDITIONAL AGREED INTERPRETATIONS

- 1. The limitations of the Agency Regulations, Rule 16(g), as amended, with respect to commissions and additional fees for other services apply equally to all performers, whether or not SAG members, working in motion pictures including theatrical, television, commercials, industrial and educational films, within SAG's jurisdiction, whether or not the producers of such motion pictures are signatory to a SAG contract. [See Section XI A(2)] [Adopted 11/21/90]
- 2. A franchised agent may not charge or receive a booking fee or other remuneration from any employer in SAG's jurisdiction. [See Section V] [Adopted 11/21/90]
- 3. It is a violation of the Screen Actors Guild Agency Regulations for a franchised agent or sub-agent, as a condition of representation, to request of an actor a nude or semi-nude interview or to request that an actor engage in sexual activity. It is understood that such conduct is within the meaning of Section VIII.C of the Agency Regulations and represents an offense for which a franchised agent or sub-agent may accordingly be disciplined. [Adopted 1/29/92]
- 4. Section I -Definitions -Add subsection T as follows:
 - T. Loan Out Company. A "loan out company" is a corporate or other entity which has the right to the actor's personal services in the motion picture industry and actor's services are performed through loanouts to employers. The term "agency services," defined above, includes the representation of the actor for engagements through a loan out company, if one exists or is created during the period of actor representation by the agent. [Adopted 1/29/92]
- 5. The following are Agreed Interpretations with respect to the intent and purposes of Paragraph 10 of SAG Television/Theatrical Agency Contracts: [Adopted 1/29/92]
 - A. The term "annual anniversary date" is defined as the last date provided by the employment agreement upon which the employer may exercise an option for an additional employment year under the terms of the employment agreement.
 - B. An "annual anniversary date" can only occur after the first contract year of the employment agreement.