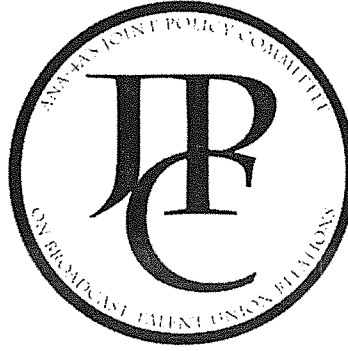


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June 5, 2014
 6:43 PM

Effective on this 5th day of June, 2014, the ANA-4A's Joint Policy Committee on Broadcast Talent Union Relations (hereinafter the "JPC") and the American Federation of Musicians ("AFM") agree to modify the Commercial Announcements Agreement as set forth below. Except as otherwise set forth herein, the terms and conditions set forth in the Commercial Announcements Agreement (as previously extended and modified by the JPC and AFM) remain unchanged. The following Tentative Agreements are subject to drafting considerations that will be reflected in the parties' CBA, and the references to particular provisions of the CBA are not intended to be inclusive.

JPC Proposals – Tentative Agreement by Union	Union Proposals – Tentative Agreement by JPC
JPC 1: <u>Article I.2 – Term</u> . Three years.	U1: Excluding AFM Proposals 2, 3, 5, 6 and 7, a wage increase of 6% to the base wage. All payments under the CBA (e.g., use and re-use cycles) will continue to be based on their current ratio to the applicable session fee.
JPC 2: <u>Article I.3 – Services Covered</u> . Revise (1) to include Made for Internet and Made for New Media commercials per MOUs.	U2: \$1,245 per side musician and copyist per commercial, payable upfront, for a 52-week initial use cycle in all media (including, without limitation, television, radio, Internet, non-broadcast and foreign use). (Corresponding revisions shall be made to Article XIV, Section 1 – Initial Use).
JPC 3: <u>Article II.4 – Subsidiaries and Controlling Interests</u> . Revise as follows: "The Employer's obligations under this Agreement shall also be binding upon (1) its subsidiaries, (2) any interest which controls it, and (3) subsidiaries of any interest which controls it, to the extent that any of these makes or deals with commercial announcements covered by this Agreement. The Employer, any interest which controls it, and the its subsidiaries of either shall be jointly and severally liable with respect to the Employer's obligations arising or due under this Agreement. An interest which	U3: \$933.75 per side musician per commercial, payable upfront, for a 52-week re-use cycle in all media (including, without limitation, television, radio, Internet, non-broadcast and foreign use).

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<p>owns, directly or indirectly, at least to% of any class of stock in the Employer shall conclusively be deemed to control the Employer.--A corporation shall conclusively be deemed a subsidiary of any person, firm or corporation which, directly or indirectly, owns at least 10% of any class of its stock."</p>	
<p>JPC 4: <u>Article V.7 – Hearing and Award.</u> Add as a last sentence, "Copies of all arbitration decisions shall be provided to the JPC c/o its Lead Negotiator."</p>	<p>U4: <u>Health & Welfare – Article XVIII, Section 1.</u> Increase employer contributions to \$26 per session and 6% of all scale wages (session, dubbing, use, conversion and re-use fees).</p>
<p>JPC 5: <u>Article VI – Reporting.</u> Revise all reporting forms including, without limitation, the Reporting Form set forth in Exhibit B, to specify Ad-ID as the commercial identifier.</p>	<p>U5: <u>Cartage – Article VII, Section 13.</u> Increase the fixed fees for cartage to \$50 for harp, keyboard, etc. and \$25 for tuba, drums, etc.</p>
<p>JPC 6: <u>Article VII.17 – Public Service Announcements.</u></p> <p>(a) Add the following to the end of the first paragraph: "A public service announcement may also be exhibited on the website and/or branded social media pages of the organization that is the subject of the public service announcement. Such organization shall also be permitted to include an advertiser sponsor's logo/ID on its website(s)."</p> <p>(b) Add the following to ¶ 4: "; provided, however, that the Employer shall be permitted to seek a waiver from the Union for the payment of session fees for celebrities."</p> <p>(c) Add the following as ¶ 5: "In the event that the public service announcement is broadcast on paid time, re-use payments shall be at 100%."</p>	<p>U6: <u>Sideline Musicians – Article XVI, Section 1.</u> Increase the base scale as follows:</p> <p>(i) Side Musicians/Orchestra Manager – \$215</p> <p>(ii) Overtime after eight hours – \$10</p> <p>(iii) One person alone – \$250</p> <p>(iv) One person alone, overtime – \$12</p>
<p>JPC 7: <u>Article VII.18 – Session Notification.</u> Revise (v) to delete "Identification" and replace it with "Ad-ID".</p>	<p>U7: <u>Internet/New Media – Article XI.</u> The AFM agrees to the JPC's proposal (11(d)) that 8-week, 26-week, and one-year cycles need not be consecutive and may alternate under the following terms for each cycle, per side musician:</p> <p>(a) 8 weeks – \$100</p> <p>(b) 26 weeks – \$200</p> <p>(c) 52 weeks – \$300</p> <p>(These rates apply to made for and moved over)</p>
<p>JPC 8: <u>Article VII.19 – Session Reports to Accompany Session Payments.</u> Revise (v) to state: "Ad-ID(s) for commercial(s)."</p>	<p>INTENTIONALLY BLANK</p>
<p>JPC 9: <u>Article IX.3 – Regional Commercial Announcements.</u></p> <p>(a) D - Session Fee and First 13-Week Cycle.</p>	<p>INTENTIONALLY BLANK</p>

<p>(i) Revise title to "Session Fee and First Use Cycle".</p> <p>(ii) Revise last clause of first paragraph to read ", and this fee shall include 8 weeks or 13 weeks (as applicable) of unlimited use of the commercial in one medium."</p> <p>(b) Add a new paragraph F and re-letter the subsequent paragraphs:</p> <p style="padding-left: 40px;">F. 8-Week Re-Use</p> <p style="padding-left: 40px;">All subsequent 8-week use cycles of this commercial announcement shall be paid for at 50% of the one-hour Standard session fee rate.</p> <p>(c) I (now J) – First Use in New Region. Revise to add 8-week cycle.</p>	
<p>JPC 10: <u>Article IX.4 – Regional Commercial Announcements for Regional Advertisers.</u> Revise to make conforming changes with Article IX.3 for addition of 8-week cycle.</p>	INTENTIONALLY BLANK
<p>JPC 11: <u>Article XI – Internet Commercial Announcements.</u></p> <p>(a) Revise title to "Internet and New Media Commercial Announcements" per 2007 MOU.</p> <p>(b) Delete 1. Experimental and replace with language from 2007 MOU:</p> <p style="padding-left: 40px;">1. The provisions of this Agreement apply, inclusively to the engagement of Musicians with respect to the production and use of music tracks used in commercial announcements made for initial use on either or both the Internet and/or other digital, electronic or any other similar type of delivery platform including, but not limited to, podcasts, delivery to mobile phones and other digital and electronic media ("New Media"). The Internet and New Media shall be considered a single broadcast medium, and the payments for the session, initial use and reuse shall be as provided below."</p> <p>(c) Revise remaining sections in accordance with 2007 and 2009 MOUs with respect to the addition of "New Media Commercial Announcements" and the addition of consecutive 8-week cycles for non-broadcast, Internet and New Media.</p> <p>(d) Combine 2.D and 2.E to add second 8 week Use and to specify that the 8-week, 26 week and one-year cycles need not be consecutive and may</p>	INTENTIONALLY BLANK

alternate (e.g., a 26-week cycle may follow an 8-week cycle and vice versa).

(e) Add new section 5 – Coverage Waiver as follows and renumber remaining subsections:

(i) A. User-Generated/Crowdsourced Commercial Contests. An Employer may solicit, accept and display via Internet and/or New Media user-generated/crowdsourced commercials as entries to a contest to select a winning commercial. Such contest entries may be exhibited via Internet and/or New Media during the contest period without triggering any application of this Agreement for the entries. The contest winner(s), if exhibited after the expiration of the contest period, shall trigger the application of this Agreement. The contest entries may not be exhibited on any platform after the expiration of the contest period without coverage and payment under this Agreement.

(ii) B. An Employer for Made for Internet or Made for New Media commercial(s) may film or record activities of persons in public for the types of commercials set forth below without covering such persons under this Agreement, provided such persons were not cast for the commercial.

(1) Live Events – “Live Events” are events attended by at least 20 persons who are neither hired nor cast by Producer to attend the event. However, such Live Events (1) shall not be staged for the purpose of producing a commercial(s); and (2) non-covered participants at the live event may not receive individual direction but may be directed as a group.

(2) Man on the Street Commercial – A “Man on the Street Commercial” means a commercial(s) where an interviewer interviews people on the street, at public venues, or at live events and asks them questions or makes statements or gestures to elicit a response or reaction from them.

(3) Hidden Camera Commercials – A “Hidden Camera Commercial” means a commercial(s) comprised of footage captured by a hidden camera(s) without direction to the individual(s) being filmed.

An Employer shall notify the Union that it has produced under this Article XI.5.B and provide the

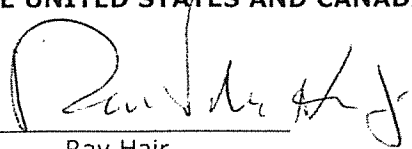
<p>Union with an electronic or physical copy of the commercial(s) within 60 days of the first exhibition of the commercial.</p> <p>If a commercial announcement is produced under this provision and is subsequently exhibited other than on the Internet and/or New Media where such use is otherwise covered by this Agreement, anyone qualifying as a member of the collective bargaining unit as defined in Article II.1 and who provides services in the commercial announcement as subsequently exhibited other than on the Internet and/or New Media shall be compensated at the rates provided for in this Agreement for such use. The provisions of this subsection B shall expire on June 4, 2017 and shall not be citable or precedential in future negotiations or in the interpretation of any other provision of the Commercial Announcements Agreement.</p> <p>(f) Revise Section 5 (now 6) to increase the number of days that the joint committee has to resolve the dispute from 30 days to 90 days.</p>	
<p>JPC 12: <u>Article XII.3.C – Mechanical Editing – Use Payments.</u></p> <p>(a) Revise the title and first sentence to include Internet and New Media commercials.</p> <p>(b) Revise the second sentence as follows: “If the video portion of a commercial is mechanically edited to make a single <u>up to 2</u> shorter or longer commercials, and either:”</p> <p>(c) Revise (i) as follows: “the music track of both all versions is <u>are</u> identical. Or”</p> <p>(d) Revise the last paragraph as follows: “Note, however, that payment of a 1 Dubbing Fee shall be required for the first mechanical edit <u>and payment of 2 Dubbing Fees shall be required for the second mechanically edited music track</u> is incorporated into a version under this Section. (See Article XII, Paragraph 3(A) of the Agreement.)”</p>	<p>INTENTIONALLY BLANK</p>
<p>JPC 13: <u>Article XII.4 – Changes Required by Law, Broadcast Standards and Language Translations.</u> Delete the last two sentences of subsection (a).</p>	
<p>JPC 14: <u>Article XIII.3 – Information to Accompany Conversion and Dubbing Payments.</u> Revise (v) as follows: “Ad-ID for commercial(s)”.</p>	<p>INTENTIONALLY BLANK</p>
<p>JPC 15: <u>Article XIV – Use/Re-Use.</u></p>	<p>INTENTIONALLY BLANK</p>

<p>(a) Revise introductory parenthetical as follows: "(Applicable to all Commercials except Regional, Local, and Internet <u>and New Media Commercial Announcements—Articles IX, X and XI)</u>"</p> <p>(b) Revise Section 1 as follows:</p> <p>(i) Re-title Section 1 - Initial Use to read "1. Initial Use - 13 week Cycle"</p> <p>(ii) Replace last sentence of paragraph 1 with the following: "Under this paragraph, the Initial Use cycle of a commercial announcement shall be a period of 13 weeks (Initial Use Cycle - 13 weeks) from the date of first broadcast either by television stations or by radio stations."</p> <p>(f) Revise Section 10(vi) to delete "ISCI code or Agency Identification Number, whichever is applicable - if any", leaving solely "Ad-ID".</p> <p>(g) Revise Section 14(v) to state: "Ad-ID(s) for commercial(s)."</p>	
<p>JPC 16: <u>Article XVII – Pension Fund.</u></p> <p>(a) Revise Section 1 as follows: "Employer shall contribute an amount equal to 16.5% of all earnings (excluding health and welfare payments, cartage fees, late payment penalties and travel, food and clothing expenses) of whatever nature covered by this Agreement, computed at scale earnings. Of this contribution, X% shall be allocated to the Pension Fund and 0.25% to the Administrative Maintenance Fund (defined below)."</p>	INTENTIONALLY BLANK
<p>JPC 17: All rates, terms and provisions of a new Agreement shall be effective February 14, 2014 upon execution of the MOU and shall apply to all music tracks produced after execution of the MOU and all "new" commercials (as defined in the CBA) produced after execution of the MOU. and Employers will have sixty (60) days following ratification of the new Agreement by the Union to comply with such new rates, terms and provisions.</p>	INTENTIONALLY BLANK

IN WITNESS WHEREOF, the parties have caused this agreement to be executed as of the date set forth on page one.

**AMERICAN FEDERATION OF MUSICIANS
OF THE UNITED STATES AND CANADA**

By: _____



Ray Hair
President

**ANA-4A'S JOINT POLICY COMMITTEE ON
BROADCAST TALENT UNION RELATIONS**

By: _____



Stacy Marcus
Lead Negotiator