

PART B: MINIMUM FEES, DISTRIBUTION, USE RIGHTS & FEES

B1 - MINIMUM FEES

B101 Minimum Daily Fees for On-Camera Performers (Per Performer - Except Background Performer) *The rates and fees are based on an EIGHT (8) hour day, except for **Stunt Coordinator** rates and fees, which are based on a TEN (10) hour day.*

Categories (Listed below)	Year	Daily Fee	Hourly Rate	Overtime Rate	Weekly Rate
1. Principal Actor, etc.	1	\$445.00	\$55.75	\$83.75	\$1,780.00
	2	\$454.00	\$56.75	\$85.25	\$1,816.00
	3	\$463.00	\$58.00	\$87.00	\$1,852.00
2. Singers etc.	1	\$333.50	\$41.75	\$62.75	\$1,334.00
	2	\$340.25	\$42.50	\$63.75	\$1,361.00
	3	\$347.00	\$43.50	\$65.25	\$1,388.00
3. Actor, etc.	1	\$300.25	\$37.50	\$56.25	\$1,201.00
	2	\$306.25	\$38.25	\$57.50	\$1,225.00
	3	\$312.50	\$39.00	\$58.50	\$1,250.00
4. Variety Principal	1	\$668.25	\$83.50	\$125.25	\$2,673.00
	2	\$681.50	\$85.25	\$128.00	\$2,726.00
	3	\$695.25	\$87.00	\$130.50	\$2,781.00
5. Chorus Performer	1	\$432.75	\$54.00	\$81.00	\$1,731.00
	2	\$441.50	\$55.25	\$83.00	\$1,766.00
	3	\$450.25	\$56.25	\$84.50	\$1,801.00
6. Stunt Coordinator	1	\$580.00	\$58.00	\$87.00	n/a
	2	\$591.50	\$59.25	\$89.00	n/a
	3	\$603.25	\$60.25	\$90.50	n/a
7. Stunt Actor	1	\$667.50	\$83.50	\$125.25	n/a
	2	\$680.50	\$85.00	\$127.50	n/a
	3	\$694.00	\$86.75	\$130.25	n/a

Year 1: From November 1, 1995 to December 31, 1996

Year 2: January 1, 1997 to December 31, 1997

Year 3: January 1, 1998 to October 31, 1998

Categories:

1. Principal Actor, Announcer, Cartoonist, Dancer (solo or duo) Host, Narrator, Commentator, Puppeteer, Singer (solo or duo), Specialty Act, Sportscaster, Stunt Performer, Panelist;
2. Singers or Dancers in groups of up to four (4)
3. Actor, Model, Singers or Dancers in groups in excess of four (4)
4. Variety Principal
5. Chorus Performer
6. Stunt Coordinator
7. Stunt Actor

B102 Minimum Fees for Performers in Series In a Series, the performance fees may be calculated on the basis of the minimum daily fees (provided in B101) either "per Episode" or "per day of production", whichever is the greater.

B103 Minimum Fees for Off-Camera Performers and Lip Synchronization in Programs (Per Program).

Categories	Year	Daily Fee	Hourly Fee	Overtime Rate	Included Work Hours
<i>Principal Actor</i>	1	\$312.00	\$55.75	\$83.75	4
	2	\$318.25	\$56.75	\$85.25	4
	3	\$324.50	\$58.00	\$87.00	4
<i>Actor, etc.</i>	1	\$210.25	\$37.50	\$56.25	4
	2	\$214.50	\$38.25	\$57.50	4
	3	\$218.75	\$39.00	\$58.50	4

For the purpose of this clause, *Principal Actor* shall include all categories noted under B101 (1.) and (2.); *Actor* shall include all categories noted under B101 (3.).

The Fees and Rates in B103 are based on Four (4) Hours of Included Work Time. When work is continued beyond the designated Four (4) hours included work time on a single program on a day, the fifth (5th), sixth (6th), seventh (7th) and eighth (8th) hours of work shall be paid at the hourly rate specified above. Work, if required, beyond the eighth (8th)

hour of work shall be paid at the overtime rate specified above per hour. (Note: dubbing of animated programs is covered by *Part D*).

B104 Minimum Fees for Off-Camera Narrators and Commentators in Programs (Per Program). For purposes of payment to Off-camera Narrators and Commentators, the Program shall be divided into ten (10) minute segments.

Payment shall be based on the number of such segments in which the Performer appears and shall be a minimum of the following:

a. **Fees:** *(based on One (1) hour included work time)*

First (1st) segment - \$208.25 / 212.50 / 216.75 per Performer

Second (2nd) segment - \$169.00 / 172.50 / 176.00 per Performer

Third (3rd) segment - \$83.75 / 85.50 / 87.25 per Performer

Fourth (4th) and subsequent segments - \$58.00 / 59.25 / 60.50 per Performer

b. **Additional Work Time** Any time worked in excess of the included work time provided above per segment shall be paid at the rate of \$55.75 / 56.75 / 58.00 per hour per Performer.

c. **Discounts** Where the performance involves two (2) Programs in one session, a twenty percent (20%) discount applies; and if there are three (3) or more Programs in one session, a thirty percent (30%) discount applies.

B2 - DISCOUNTS

B201 Weekly Rate The weekly rate is applicable when no less than five (5) consecutive days of work out of seven (7) consecutive days are guaranteed in the Performer's written contract.

B202 Multiple Program Production For game, talk, panel, exercise, cooking and similar skill or craft oriented Programs, all of which Programs must be thirty (30) minutes in length or less, and for all Programs of any type which are fifteen (15) minutes or less in length, a Performer contracted for the Series on the basis of performing in at least three (3) Programs to be produced per day of production may provide a thirty percent (30%) discount in the daily fees applicable to each program. Additional work time, Overtime and other such fees shall not be subject to a discount.

B203 Series Rates for Off-camera Performance Where an Off-Camera Performer is guaranteed a minimum of thirteen (13) or more Episodes in:

a. a "live-action" Series to be produced within a period of six (6) months (for each thirteen (13) Programs), the daily work fee payable may be discounted by thirty-five percent (35%) in recognition of this guarantee. Weekly fees shall not be adjusted.

- b. Animated Series to be produced within six (6) months, (for each thirteen episodes) and where the Performer's contracted obligations are met within no more than two (2) eight (8) hour sessions, the minimum fees payable may be discounted by thirty-five percent (35%).

B204 No Pyramiding Whenever one of the above rates are applied, there shall not be a pyramiding of such rates. Only one of the above rates may be applied to any engagement of a Performer.

B205 Adjustment if Work Cancelled If any adjusted rate has been applied to a Performer's fee in accordance with the provisions provided herein and work is cancelled which causes a failure to meet the requirements of weekly, multiple Program or Series rates provisions, the Performer concerned shall be paid the contracted daily fee for the days of work for which the Performer is contracted.

B3 - USE RIGHTS & FEES FOR ALL PROGRAMS (Except Documentaries)

B3 - DECLARED USE

B301 Upon payment of the minimum fees, the Producer is entitled to world Wide Non-Theatrical Use and one of the following *Declared Uses* of the Program. At the time of contracting of Performers, the Producer must declare the intended Use of the Program.

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|----|-------------------------------|--|
| a. | <i>Theatrical</i> | Worldwide Theatrical use for period of copyright of the Program. |
| b. | <i>Free Television</i> | One (1) Domestic Run in Canada. |
| c. | <i>Pay-Television</i> | One (1) year use in Canada. |
| d. | <i>Cable TV</i> | Three (3) years use in Canada |
| e. | <i>Compact Devices</i> | Two (2) years use in Canada |
| f. | <i>Educational Television</i> | Three (3) years use in Canada |

B302 Should a Producer wish to exploit a form of use for which terms and conditions are not specified in this Agreement, such use shall not be made of the Production until the Guild and the Associations have negotiated mutually acceptable terms and conditions to apply to such form of use and any dispute hereunder will be referred to final and binding Arbitration in accordance with Art. B701.

B4 - RESIDUAL PAYMENTS

B401 When a Program is exploited in a market other than the market provided for in the *Declared Use* and the Producer has elected to not adopt the Use Payment system in B5, Performers shall be paid the following minimum Use Fees based upon the following percentages of *Net Fees* earned during the production of the Program. Use Fees to Performers shall be paid within thirty (30) days of the date of such Use.

B402 **Theatrical Use** When a Program produced with a Declared Use of Free Television, Pay Television, Cable Television, Compact Devices or Educational Television is distributed for Theatrical Use, the Producer shall pay to Performers the following percentages of the Performer's Net Fees for unlimited Theatrical Use:

- i. Programs sixty (60) minutes or less in length 15%
- ii. Programs exceeding sixty (60) minutes in length 35%

B403 **Free Television**

a. **Use in Canada**

- i. Each Domestic Run 30%
- ii. Each use on a single television station:
 - Toronto / Hamilton 20%
 - Each other station 10%

When payment to the Performer for use has reached thirty percent (30%) of the Performer's Net Fees provided in 1.1. above, the Producer shall be entitled to authorize broadcast of the Program one time on one television station in each market in Canada in which the Program has not been so used.

b. **Use in the United States:**

Use	Network	Syndicated Network	Non-Commercial
First	35%	25%	25%
Second	30%	20%	20%
Third	25%	15%	15%
Fourth	25%	15%	15%
Fifth and subsequent	10%	10%	10%

c. **World Market:**

Each use in any country except Canada, United States, Great Britain and West Germany	10%
Each use in Great Britain	5%
Each use in West Germany	4%
Each use in any single country, except Canada, U.S., Great Britain and West Germany	2%

B404 Pay-Television

- a. Use in Canada: Each three (3) months in Canada 10% or 25% for twelve (12) months use in Canada;
- b. Use in the U.S.: Each three (3) months use in the U.S. 15% or 30% for twelve (12) months use in the U.S.
- c. Use in the Foreign Markets: Each three (3) months use in Foreign Markets 15% or 30% for twelve (12) months use.

B405 Cable TV

- a. Use in Canada each one year of use 10%
- b. Use in U.S. each one year of use 15%
- c. Use in the Foreign Markets: each year of use in Foreign Markets - 15%

B406 Compact Devices

- a. Use in Canada each one year of use 10%
- b. Use in U.S. each one year of use 15%
- c. Use in the Foreign Markets: each year of use in Foreign Markets - 15%

B407 Educational Television

- a. Use in Canada each one year of use 10%
- b. Use in U.S. each one year of use 15%
- c. Use in the Foreign Markets: each year of use in Foreign Markets - 15%

B5 - USE FEES - Based on Participation in Distributors' Gross Revenue

B501 **Options:** The Producer shall elect one of the two following options at the time of Production, subject to Art. B401:

- a. **Prepayment Option** The Producer may acquire unrestricted Use Rights in all media, throughout the world for a period of Four (4) consecutive years, from the date of first exploitation release in any *Residual Market*, for one hundred and thirty percent (130%) of *Net Fees* for Theatrical Productions and one hundred and five percent (105%) of *Net Fees* for Television and Other Productions. The Producer shall declare and specify the prepayment in the individual contract of the Performer. The prepayments must be paid to Performers at the time of Production.
- b. **Advance Option** The Producer may pay, at the time of production, one of the following percentages of *Net Fees* as a *Non-Refundable Advance* against the following Use Fees based on Performer Participation in *Distributors' Gross Revenue*:

Option Number	Non-Refundable Advance (% of Net Fees)	Participation in Distributors' Gross Revenue
1	100.0%	3.6%
2	75.0%	4.6%
3	50.0%	5.6%
4	25.0%	6.6%

B502 **Limitation of Selection of 25% Advance**

- a. The only circumstances which will allow a Producer to select option # 4, and therefore make a 25% Advance payment under para. B501 b., is if there is only one exclusively Canadian pre-sale in one media, as of the first day of principal photography of the Production, and which pre-sale must include one of the Declared Uses, as defined in para. B301. Unless the Production pre-sale fulfils these conditions the Producer shall not be entitled to exercise option # 4.
- b. A Producer who exercises option # 4 without strictly fulfilling all of the conditions in para. B502 a. shall be liable to pay damages to the ACTRA Performers Rights Society in respect of the Performers affected, based on the difference in the Advance payment calculated at the rate of seventy five percent (75%) (option # 2), less the Advance payment actually made, and the Performers concerned shall continue to be entitled to participate in Distributors' Gross Revenue derived from the Production at the rate provided in option # 4, ie. 6.6%.

B503 **Selection of Use Payment Option**

The election made by the Producer under Art. B501 shall be the same for each Performer engaged on the Production. The Producer shall **either** elect to prepay all performers as set out in Art. B501 a., **or** elect one of the Advance payment options as set out in Art. B501 b. For clarity, if a Producer elects to prepay Performers as set out in Art. B501 a., all Performers engaged in respect of the Production shall be entitled to receive the same percentage of fees as a Prepayment. On the other hand, if a Producer elects to make Advance payments as set out in Art. B501 b., the Producer must select the same percentage of the Advance and thus provide for the identical rate of participation in the Distributor's Gross Revenue for each Performer on the Production.

B504 Participation in Gross - Prepayment

After the Producer has exercised the option of making the Prepayments as set out and in conformity with Article B501 a., the Performers shall be paid Use Fees in the aggregate, in an amount of 3.6 % of the *Distributors' Gross Revenue*, except that revenues earned by the Production within the first four (4) year period of prepaid use shall not entitle the Performer to receive any such payments on such revenues, ie. revenues attributed to uses within the initial four (4) year period, shall not form part of the Distributors' Gross Revenue for the purposes of calculating Additional Use Fees.

B505 Participation in Gross - Advance

After the Producer has elected to make Advance Payments as set out in B501 b., Performers shall be paid, as Use Fees, an aggregate amount equal to the applicable percentage of *Distributors' Gross Revenue*, provided that no amounts shall be paid until such time as the Aggregate Advance is recouped from the *Distributor's Gross Revenue*.

B506 Limit on Individual Advance

The parties acknowledge that the maximum amount of an individual Performer's Advance shall be fifty percent (50%) of the Gross Fees payable to such Performer in respect of the Production.

B507 Calculation of Aggregate Advance

For purposes of calculating additional Use Fees, the Aggregate Advance shall be the total of all the Advance payments paid to Performers on a Production, with the following cap or limitation: No Performer shall be credited with an Advance payment greater than the amount equal to the number of days of principal photography multiplied by twenty (20) times the minimum daily fee for a Principal Actor as set out in Art. B101.

B508 Payment of Use Fees

Additional Use Fees shall be payable to the ACTRA PRS and shall be distributed to Performers pursuant to the provisions of Art. B511. Although the individual Advance payments in excess of the limitations specified in Art. B506 and B507 payable to individual Performers may not be credited to the Aggregate Advance, the ACTRA PRS shall have the

right to take into account such excess Advance payment to an individual Performer when determining the allocation that will be made to the said Performer under Art. B511.

B509 ***Distributors' Gross Revenue*** shall mean a sum of all monies derived in any manner whatsoever through the distribution of the Production, including through the sale, license or other like means of distribution of the Production and shall be calculated before or simultaneously with any other gross participants from first dollar, without deductions of expenses of any kind. In the case of animated Productions, Distributors' Gross Revenue shall include only revenues from licenses of the English language version of the Productions. For greater certainty:

- a. Monies derived through the exploitation of ancillary, allied and underlying rights and like rights, such as merchandising, novelization and sequel rights, shall not be included in Distributor's Gross Revenue
- b. Distributor's Gross Revenues shall also mean all monies received by those Distributors with which the Producer has entered into a Distribution Agreement (the *Head Distributor*) in respect of the Production. The Distributor's Gross Revenues shall also include all monies received by sub-distributors which:
 - i. are related to (as per the provisions of *Appendix 10*) or which do not have an arm's length relationship with, the Producer or the Head Distributor, or,
 - ii. have an obligation to report and remit Revenue directly to the Producer or Head Distributor.
- c. Pre-sale revenues shall be included in Distributor's Gross Revenue. A pre-sale means the grant of a licence or rights to utilize a Production, prior to Production, to an end user, for consideration. The amount of verified distribution Advances, ie. payments received by a Producer from a Distributor, shall not be included in Distributor's Gross Revenue for the purpose of triggering the payment of Use Fees to Performers, however, a Distributor shall not be entitled to deduct the amount of the Advance from the amount of the Distributor's Gross Revenues, for the purpose of the calculation of Use Payments.
- d. Notwithstanding the foregoing, Distributor's Gross Revenue derived from the sale or rental of Compact Devices shall be deemed to be equal to 20% of the wholesale selling price of such Compact Devices provided that in the event that the wholesale selling price is at or less than the typical sell-through price to wholesalers (currently \$30. per unit), the deemed Distributors' Gross shall be 10%.
- e. The Producer will make a reasonable allocation of revenues for the purposes of determining which portion thereof is attributable to the Declared Use and/or prepayment and which portion thereof is attributable to the Gross Distributor's Revenue upon which Use Payments are based, subject to the right of the Guild to refer any difference to Arbitration under Art. B701.

- f. **Packaging** It is acknowledged by the parties that distributors may seek to diversify their risks by packaging more successful and less successful Productions. Where productions are packaged together for the purposes of distribution, the parties shall attempt to allocate the revenue attributable to each individual Production, subject to the right of the Guild to refer any difference to Arbitration under Art. B701.
- g. **Official Treaty Co-productions**
- i. While Distributor's Gross Revenue includes revenue from all sources on a world wide basis, in respect of Official Treaty Co-productions certified by Telefilm or by any successor organization, the Distributor's Gross Revenue shall be:
- (1) all those revenues derived from the distribution of the Official Treaty Co-production in those territories to which the Canadian Co-producer is exclusively entitled to distribution revenues and has no obligation to report or remit revenues to the foreign co-producer;
 - (2) a proportion of those revenues derived from the distribution of the Official Treaty Co-production in those territories in which the Canadian Co-producer is entitled to distribution revenues on some shared basis with its foreign co-producer equal to that proportion of revenues agreed by the co-producers to be paid to the Canadian Co-producer from such territories (the *Canadian Share*). The Canadian Share shall be no less than the percentage of the total amount of the production budget financing derived, directly or indirectly, from any Canadian source(s).
- ii. Prior to production, the Producer shall disclose to the Guild that the Production is an Official Treaty Co-production and will provide the following information to the Guild:
- (1) the name and legal status of the Co-producers;
 - (2) the details of the agreement between or among the Co-producers in respect of the manner in which the revenues from the Official Treaty Co-production will be divided between (or among) them, including details of territories to which either Co-producer is exclusively entitled to distribution revenues and has no obligation to report or remit revenues to the other, and any material amendments to the agreement in such respect.
- h. If the Producer Associations, who are parties to this I.P.A. negotiate a definition of Distributor's Gross Revenue (or the equivalent) which in some or all aspects is superior to the definition in this Article, with any other trade union or association that bargains collectively on behalf of its members, the definition hereunder shall be amended to reflect the improvement.

B510 Reporting and Payment Procedure

- a. The Producer shall make and deliver to the Guild reports setting forth the amount of Distributor's Gross Revenues in respect of the Production, derived in the applicable accounting period. Each report shall be delivered to the Guild in the same manner and frequency as the Producer reports to government agencies and/or other financiers, but it shall be no less than semi-annually for the first two years following the first report filed hereunder and annually thereafter. The first report shall be due 60 days following the last date of the first reporting period and the ensuing reports shall be due in the frequency provided above. The first reporting period is the period immediately following the delivery of the Production to the Distributor. The reports will be accompanied by the aggregate Use Payments payable to Performers and an outline of the method of calculation of the said payment.
- b. At the request of the Guild (or the PRS) the Producer will consent to the release of true copies of the reports dealing with Distributor's Gross Revenue, filed with the government agencies and/or other financiers, subject to the right on the part of the Distributor to edit the reports on the grounds that they contain confidential information.
- c. The Producer (or Distributor) shall be deemed to hold the aggregate Use Payments in trust for the Performers, from the time that Gross Revenues are recognized, until the disbursement of same to the PRS on the due date, ie. the date that each report is due. In the enforcement of this Article, the Guild, subject to its rights as a creditor, shall agree to not hold any employee of a Producer (or Distributor) liable in negligence, provided the said employee acts in a *bona fide* fashion. The Distributor's Gross Revenues shall be recognized when a contract for the sale or conveyance of any rights in a Production is made, but Use payments shall only be payable when the reports are due under Art. B510.1. above.
- d. If the currency of the Distributor's Gross Revenues is other than the Canadian Dollar, the aggregate Gross participation payment shall be calculated at the exchange rate for the said currency, on the basis of the established practice of the Producer or Distributor, which practise shall be disclosed in writing to the Guild upon request. If the practise is amended at any time such amendment shall be disclosed to the Guild.
- e. Payments shall be made to the *ACTRA Performers Rights Society*, a corporation without share capital, (the "PRS") in trust for the Performers concerned. The PRS shall be entitled to make a claim of interest on payments received after the due date as provided herein, ie. the date the reports are due to be filed at the rate of the Prime rate, as of the due date, plus three percent (3%), calculated monthly, which claim shall be enforceable under the terms of this Agreement.

B511 Distribution of Payments

Such payments shall be distributed to Performers through the *ACTRA Performers Rights Society's National Office* on the following basis:

- a. Units will be assigned to Performers as follows: One (1) unit shall be defined as the minimum fee payable to the lowest rated residual category for one day of work.

Performers shall receive units according to the gross fee paid to that Performer for the production of the Program to a maximum of twenty (20) units per Performer.

- b. For each Program, the total revenue will be divided by the total units accumulated by all Performers with respect to the Program involved and therefore a dollar value will be assigned to each unit. The distribution made to each individual Performer will be based on the number of units he has accumulated and the dollar value calculated in the preceding sentence.

B512 Fair Market Value The Producer and/or Distributor shall meet with the Guild to determine the fair market value for distribution of a Program should such Program be distributed for use by means of barter, or exchange, or other means for which no charge is made or a nominal fee is charged, or as part of a package of Programs. The Use Fees payable to Performers shall be based on such agreed fair market value or as determined under the terms of Art. B701.

B513 Right of Audit The Producer agrees that, for the purposes of verifying the propriety of payments made under this Agreement, the Guild or the ACTRA PRS, shall have full access to and shall be entitled to examine and audit at annual intervals, or more frequently if warranted by the circumstances as determined by the Guild or the ACTRA PRS in its sole discretion, at the normal place of business and normal business hours, all books, records, accounts, receipts, disbursements and any other relevant documents related to the Production and its distribution.

B514 PRS Administration Charge In addition to the charges provided for in Art. A3702, where the PRS receives and is required to distribute monies to Performers under Part B of this Agreement, the Distributor shall pay to the *ACTRA Performers Rights Society* an administration charge of one percent (1%) of the total amount to be distributed. The minimum administration charge shall be \$150.00 per Program payable as an Advance with the first Use Payment. See also Article A3702.

B515 Assumption Agreement

- a. If the Producer, its or her successors and assigns, licences, sells, disposes or otherwise conveys a Production or any distribution rights in a Production produced under this Agreement, the Producer shall use its best efforts to obtain a Distributor's Assumption Agreement. In respect of any outright valid sale or conveyance hereunder, (ie. a disposition, the terms of which, do not include a requirement to report revenue to a Producer) a Distributor's Assumption Agreement is a condition precedent to said sale or conveyance.. The said Agreement shall be in the form attached as *Appendix 7*.
- b. Upon seeking the approval of the Guild to a sale, disposition or conveyance, the Producer shall also provide to the Guild such information and material pertaining to the Distributor, as the Guild may reasonably require, including but not limited to, the financial status, the individual principals and directors of the Distributor, and the conditions of the Agreement of Purchase and Sale.

- c. The Producer shall not be relieved of any of its obligations for payments due under this Agreement, unless the third party to whom the said property or rights have been sold, assigned, or otherwise disposed of (the Distributor) assumes the obligations for such payments by a Distributor's Assumption Agreement in the form contained in *Appendix 7*, and the Guild approves the assumption in writing. The Guild's approval shall not be unreasonably withheld.

B516 Security Agreement In accordance with Art. A516.a.v., a Security Agreement in the form of *Appendix 8* shall be provided to the Guild, prior to the completion of principal photography and the security for payment provided under either A516 or A517 shall not be released by the Guild until the delivery of the said executed Security Agreement. Where it is contemplated that the Production or Program will be distributed outside of the jurisdiction in which it is produced, the Guild may request and the Producer will provide additional Security Agreements in forms which are registerable in the jurisdictions where, in the opinion of the Guild, the Production or Program may be distributed.

B6 - USE RIGHTS FOR DOCUMENTARY & INDUSTRIAL PROGRAMS

B601 Documentary Programs

- a. **Distribution Rights** Upon payment of the minimum fees provided in this Agreement, the Producer is entitled to:
 - (1) Unrestricted Theatrical and Non-Theatrical release rights; or,
 - (2) Non-Theatrical release rights and one Domestic Run.
- b. **Step-up for Both Uses** Upon payment of ten percent (10%) of the total Net Fees paid to the Performers, the Producer shall be entitled to rights in both areas outlined in a. for use beyond the foregoing. Performers (except Narrators and Commentators) participating on- or off-camera in a Documentary Program shall be paid re-use fees based on B3-B5.
- c. **Prepayment Rights (Narrators and Commentators)** Upon payment to Narrators and Commentators of not less than fifty percent (50%) of the Performer's total Net Fees, the Producer is entitled to unlimited use of the Program in all countries for five (5) years.

B602 Industrial Programs

- a. **Distribution Rights** Upon payment of the minimum fees provided in this Agreement, the Producer is entitled to unrestricted Theatrical and Non-Theatrical release rights excluding television.
- b. **Step-up for Television Use** Upon payment of ten percent (10%) of the total Net Fees paid to Performers, the Producer is entitled to one Domestic Run.

- c. **Prepayment Rights** Upon payment to the Performer of not less than fifty percent (50%) of the Performer's total Net Fees, the Producer is entitled to unlimited Use of the Program in all countries for five (5) years.

B603 Re-Uses on Canadian Television - Documentary Programs (Narrators and Commentators) and Industrial Programs The Producer shall pay to the Performer the following percentages of the total Net Fees for each Domestic Run of a Program on Television:

First re-use	10%	/	Second and subsequent re-use	5%
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B7 - DISPUTE RESOLUTION MECHANISM

B701 Any differences between the Parties to this Agreement arising from the interpretation, application, administration or alleged violation of the of the provisions of Articles B3 to B6, inclusive of Part B of this Agreement, or as otherwise provided in this Agreement, shall be referred to final and binding Arbitration. The Arbitrator shall be jointly selected by the relevant Producer's Association and the Guild, and if the Parties fail to agree within 21 days from the date of referral to arbitration, the Arbitrator shall be appointed by the Federal Minister of Labour. The arbitration procedure shall be governed in all respects by the provisions of *Appendix 12*.