

PART B: MINIMUM FEES, DISTRIBUTION, USE RIGHTS, AND 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.

Categories (listed on following page)	Period	Daily Fee	Hourly Rate	Overtime Rate	Weekly Rate
(a) Principal Actor, etc.	1	\$761.00	\$95.00	\$142.75	\$3234.25
	2	\$783.75	\$97.75	\$147.00	\$3331.25
	3	\$807.25	\$100.75	\$151.50	\$3,431.25
(b) Singer, etc.	1	\$570.25	\$71.25	\$107.00	\$2424.00
	2	\$587.25	\$73.50	\$110.25	\$2496.75
	3	\$604.75	\$75.75	\$113.50	\$2,571.75
(c) Actor, etc.	1	\$513.75	\$64.00	\$96.25	\$2183.75
	2	\$529.25	\$66.00	\$99.25	\$2249.25
	3	\$545.25	\$68.00	\$102.25	\$2,316.75
(d) Variety Principal	1	\$1141.50	\$142.75	\$214.00	\$4851.25
	2	\$1175.75	\$147.00	\$220.50	\$4996.75
	3	\$1211.00	\$151.50	\$227.00	\$5,146.75
(e) Chorus Performer	1	\$739.75	\$92.50	\$138.75	\$3146.25
	2	\$762.00	\$95.25	\$143.00	\$3240.75
	3	\$784.75	\$98.00	\$147.25	\$3,338.00
(f) Stunt Coordinator	1	\$1008.75	\$126.00	\$189.00	n/a
	2	\$1039.00	\$129.75	\$194.75	n/a
	3	\$1070.25	\$133.75	\$200.50	n/a
(g) Stunt Actor	1	\$1141.50	\$142.75	\$214.00	n/a
	2	\$1175.75	\$147.00	\$220.50	n/a
	3	\$1211.00	\$151.50	\$227.00	n/a

Period 1 January 1, 2019, to December 31, 2019

Period 2 January 1, 2020, to December 31, 2020

Period 3 January 1, 2021, to December 31, 2021

Categories

- (a) Principal Actor, Announcer, Cartoonist, Dancer (solo or duo), Host, Narrator, Commentator, Puppeteer, Singer (solo or duo), Specialty Act, Sportscaster, Stunt Performer, Panelist
- (b) Singers or Dancers in groups of up to four (4)
- (c) Actor, Model, Singers or Dancers in groups of more than four (4)
- (d) Variety Principal
- (e) Chorus Performer
- (f) Stunt Coordinator
- (g) Stunt Actor

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

B103 Minimum Fees for Off-Camera Performers and Lip Synchronization (per Production)

Categories	Period	Daily Fee	Hourly Fee	Overtime Rate	Included Work Hours
Principal Actor, etc.	1	\$533.50	\$95.00	\$142.75	4
	2	\$549.50	\$97.75	\$147.00	4
	3	\$566.00	\$100.75	\$151.50	4
Actor, etc.	1	\$359.25	\$64.00	\$96.25	4
	2	\$370.00	\$66.00	\$99.25	4
	3	\$381.00	\$68.00	\$102.25	4

For the purpose of this clause, “Principal Actor” shall include all categories noted under Article B101(a) and (b), and “Actor” shall include all categories noted under Article B101(c).

The fees and rates in Article B103 are based on four (4) hours of included work time. When work is continued beyond the designated four (4) hours of included work time on a single Production in 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 Productions is covered by Part D.)

B104 Minimum Fees for Off-Camera Narrators and Commentators (per Production) For purposes of payment to off-camera Narrators and Commentators, the Production 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)**

1st segment	\$356.75/ \$367.50/ \$378.50 per Performer
2nd segment	\$289.25/ \$298.00/ \$307.00 per Performer
3rd segment	\$143.75/ \$148.00/ \$152.50 per Performer
4th and subsequent segments	\$99.25/ \$102.25/ \$105.25 per Performer
- (b) **Additional Work Time** Any time worked in excess of the included work time per segment provided for above shall be paid at the rate of \$95.00/ \$97.75/ \$100.75 per hour per Performer.
- (c) **Discounts** Where the performance involves two (2) Productions in one session, a twenty percent (20%) discount applies. If there are three (3) or more Productions in one session, a thirty percent (30%) discount applies.

B2 – DISCOUNTS

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

B202 Multiple Productions For game, talk, panel, exercise, cooking, and similar skill- or craft-oriented Productions, each of which is thirty (30) minutes in length or less, and for all other Productions of any type, each of which is fifteen (15) minutes or less in length, when a Performer contracted for the Series performs in at least three (3) such Productions to be produced per day of production, a thirty percent (30%) discount in

- (b) Free Television one (1) domestic run in Canada
- (c) Pay Television one (1) year's Use in Canada
- (d) Cable Television three (3) years' Use in Canada
- (e) Compact Devices two (2) years' Use in Canada
- (f) Educational Television three (3) years' Use in Canada
- (g) New Media worldwide Use for one (1) year for:
 - (i) Option 1 New Media Productions (as defined in Part E) with a budget of ten thousand dollars (\$10,000.00) per minute or less; and
 - (ii) Option 1 New Media Productions with a budget of over ten thousand dollars (\$10,000.00) per minute where the Producer elects to pay a Prepayment or Advance; and
 - (iii) High-Budget SVOD Productions (as defined in Part E) where the Producer elects to pay a Prepayment or Advance.

All other Option 1 New Media Productions and High-Budget SVOD Productions (defined in Article E203) shall have a worldwide declared Use of six (6) months.

If there is an administrative or clerical error in the initial selection of the declared Use of the Production, which is discovered before the first Use of such Production, the Producer shall promptly advise ACTRA of the error and ACTRA will act reasonably in allowing a correction to the declaration.

If the intended declared Use of the Production changes within twelve (12) months following the delivery of the Production, but before the first Use of such Production, and the change is bona fide, the Producer shall advise ACTRA of such change. Subject to the consent of the contracted Performers, which shall not be unreasonably withheld or delayed, the amended declared Use shall then apply.

B4 – RESIDUAL PAYMENTS

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

B402 Theatrical Use When a Production produced with a declared Use of Free Television, Pay Television, Cable Television, Compact Devices, Educational Television or New Media is distributed for Theatrical Use, the Producer shall pay to Performers the following percentages of the Performers’ Net Fees for unlimited theatrical Use:

- (a) productions sixty (60) minutes or less in length 15%
- (b) productions 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%
 - all other stations 10%

When the aggregate of payments to the Performer for Use under subparagraph (a)(ii) above has reached thirty percent (30%) of the Performer’s Net Fees, the Producer shall be entitled to authorize broadcast of the Production one (1) time on one (1) television station in each market in Canada in which the Production has not been so used.

(b) Use in the United States

Use	Network	Syndicated	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

- (i) each Use in any country except Canada, United States, United Kingdom, and Germany 10%
- (ii) each Use in United Kingdom 5%
- (iii) each Use in Germany 4%

	(iv) each Use in any single country except Canada, United States, United Kingdom, and Germany	2%
B404	Pay Television	
	(a) Use in Canada	
	for each three (3) months' Use in Canada	10%
	for twelve (12) months' Use in Canada	25%
	(b) Use in the United States	
	for each three (3) months' Use in the U.S.	15%
	for twelve (12) months' Use in the U.S.	30%
	(c) Use in foreign markets	
	for each three (3) months' Use in foreign markets	5%
	for twelve (12) months' Use in foreign markets	30%
B405	Cable Television	
	(a) Use in Canada	
	for each one (1) year of Use in Canada	10%
	(b) Use in the United States	
	for each one (1) year of Use in the U.S.	15%
	(c) Use in foreign markets	
	for each one (1) year of Use in foreign markets	15%
B406	Compact Devices	
	(a) Use in Canada	
	for each one (1) year of Use in Canada	10%
	(b) Use in the United States	
	for each one (1) year of Use in the U.S.	15%
	(c) Use in foreign markets	
	for each one (1) year of Use in foreign markets	15%
B407	Educational Television	
	(a) Use in Canada	
	for each one (1) year of Use in Canada	10%
	(b) Use in the United States	
	for each one (1) year of Use in the U.S.	15%
	(c) Use in foreign markets	
	for each one (1) year of Use in foreign markets	15%

B408 New Media

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|-------------------------------------|---|-----|
| (a) Use in Canada | for each one (1) year of Use in Canada | 10% |
| (b) Use in the United States | for each one (1) year of Use in the U.S. | 15% |
| (c) Use in foreign markets | for each one (1) year of Use in foreign markets | 15% |

B5 – USE FEES BASED ON PARTICIPATION IN DISTRIBUTOR’S GROSS REVENUE

B501 Options If a Producer plans to exploit a Production by a Use other than the declared Use, and elects not to pay residual payments in accordance with Article B4, the Producer shall elect one of the following options at the time of production:

- (a) **All Uses Prepayment Option** The Producer may acquire unrestricted Use rights, in all media throughout the world, including New Media, for a period of four (4) consecutive years from the date of first exploitation release in any Residual Market, for one hundred and thirty-five percent (135%) of Net Fees for theatrical Productions, or one hundred and ten percent (110%) of Net Fees for television and other Productions.
- (b) **Conventional Use Prepayment Option** The Producer may acquire unrestricted Use rights, in all media throughout the world, excluding New Media, for a period of four (4) consecutive years from the date of first exploitation release in any conventional Residual Market, for one hundred and thirty percent (130%) of Net Fees for theatrical Productions, or 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 prepayment must be paid to Performers at the time of production.
- (c) **Advance Option** The Producer may pay, at the time of production, one of the following percentages of Net Fees as a non-refundable advance (“Advance”) against the following Use fees for all Uses set out in Article A445 (a)(i-viii), based on Performer participation in DGR as defined in Article B509:

Option Number	Non-refundable Advance (% of Net Fees)	Participation in DGR
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 circumstance that will allow a Producer to select Option 4 above, and therefore make a twenty-five percent (25%) Advance payment under Article B501(c), is if there are only exclusively Canadian presale(s) as of the first day of principal photography of the Production, which presale(s) includes one of the declared Uses as defined in Article B301. Unless the Production presale(s) fulfills these conditions, the Producer shall not be entitled to exercise Option 4. In the event that prior to the completion of principal photography of a Production or a Series there is a non- Canadian sale, the Producer shall immediately and retroactively increase the Advance payment to at least fifty percent (50%).
- (b) A Producer who exercises Option 4 without strictly fulfilling all of the conditions in Article B502(a) shall be liable to pay damages to the ACTRA PRS in respect of the Performers affected, based on the Advance payment calculated at the rate of seventy-five percent (75%) (Option 2), less the Advance payment actually made. The Performers concerned shall continue to be entitled to participate in DGR derived from the Production at the rate provided for in Option 4 (6.6%).
- (c) Producers accessing the terms of this Article shall sign the Declaration Respecting the 25% Advance Option attached as Appendix 23.

B503 Selection of Use-Payment Option The election made by the Producer under Article B501 shall be the same for each Performer engaged in the Production. The Producer shall either elect to prepay all Performers as set out in Article B501(a) or (b) or elect one of the Advance payment options as set out in Article B501(c). For clarity, if a Producer elects to prepay Performers as set out in Article B501(a) or (b), 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 Article B501(c), the Producer must select the same percentage of the Advance and thus provide for the identical rate of participation in the DGR for each Performer in the Production.

B504 Participation in Gross: Prepayment

- (a) If the Producer elects to make a prepayment as set out in Article B501(a) or (b) or D111(a) or (b), the Performers shall be paid Use fees in the aggregate in the amount of 3.6 % of the DGR or, in the case of CIPIP productions the amount shall be 5% and in the case of Option 1 New Media Productions with a budget of \$10,000 per minute or less the amount shall be 8%, 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, i.e., revenues attributed to Uses within the initial four (4) year period shall not form part of the DGR for the purposes of calculating additional Use fees.
- (b) In the event the Producer elects any conventional Use prepayment under the IPA or CIPIP provisions and the Producer subsequently exploits the Production in New Media, the Performers shall be paid New Media Use fees in the aggregate in the amount of 3.6 % of DGR or, in the case of CIPIP productions the amount shall be 5%, from the date of first exploitation in the New Media Use.

B505 Participation in Gross: Advance If the Producer elects to pay an Advance as set out in B501 (c), Performers shall be paid, as Use fees, an aggregate amount equal to the applicable percentage of DGR, provided that no amounts shall be paid until such time as the Aggregate Advance (as defined in Article B507) is recouped from the DGR.

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 The Aggregate Advance shall be, for the purposes of calculating additional Use fees, the total of all the Advance payments paid to Performers in a Production, with the limitation that 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 Article 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 Article B512. Although individual Advance payments in excess of the limitations specified in Article B506 and B507 that are 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 said Performer under Article B512.
- B509 Distributor’s Gross Revenue (“DGR”)** shall mean all monies derived in any manner whatsoever from 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, DGR shall include only revenues from licences of the English-language version of the Production. 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 DGR;
 - (b) DGR 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 DGR shall include all monies received by sub-distributors that
 - (i) are related to (as per the provisions of Appendix 4), 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) Presale revenues shall be included in DGR. A presale means the grant of a licence or rights to utilize a Production, prior to production, to an end user, for consideration. Distribution Advances (i.e., payments received by a Producer from a Distributor) shall not be included in DGR 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 Distributor's Advance from the DGR for the purpose of calculating Use payments.

- (d) Notwithstanding the foregoing, DGR derived from "Electronic Sell Through" (EST) and the sale or rental of Compact Devices shall be deemed to be equal to twenty percent (20%) of the wholesale selling price. In the event that the wholesale selling price of Compact Devices is at or less than the typical sell-through price to wholesalers (currently \$30 per unit), the deemed DGR shall be ten percent (10%) of the wholesale selling price.
- (e) The Producer, at the time of production, 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 DGR upon which Use payments are based, subject to the right of ACTRA to refer any difference to arbitration under Article B701. If, as a result of this allocation, Use fees become payable from the DGR, the said fees shall be paid to the ACTRA PRS at the time of production.
- (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 allocate the revenue attributable to each individual Production, subject to the right of ACTRA to refer any difference to arbitration under Article B701.
- (g) **Official Treaty Co-productions**
 - (i) While DGR includes revenue from all sources on a worldwide basis, in respect of official treaty co-productions certified by Telefilm or by any successor organization, the DGR shall be
 - A. all those revenues derived from 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;
 - B. 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, which proportion shall be equal to that proportion of revenues agreed on 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’s budget financing derived directly or indirectly from any Canadian source(s).

- (ii) Prior to production, the Producer shall disclose the Production’s status as an official treaty co-production to ACTRA and will provide the following information to ACTRA:
 - A. the name and legal status of the co-producers;
 - B. 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 Associations negotiate a definition of DGR (or the equivalent) that 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 When a Producer selects any of the Advance options, the Producer shall deliver to ACTRA

- (a) the calculation of the total amount of Advance payments, certified by the Production accountant or controller, and the backup material in this regard;
- (b) the first report that is due to the ACTRA PRS pursuant to subparagraph (a) of Article B511; and
- (c) the information and Use fees, if any, payable pursuant to Article B509(e).

B511 Reporting and Payment Procedure

- (a) The Producer shall deliver to the ACTRA PRS reports setting forth the amount of DGR in respect of all Uses of the Production derived in the applicable accounting period. Each report shall be delivered to the ACTRA PRS in the same manner and with the same 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 (2) years following the first report filed hereunder, and annually thereafter. The first report shall be due sixty (60) days following the last date of the first reporting period and the ensuing reports shall be due with the frequency provided above. The first reporting period is the period immediately following 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 said payments.

- (b) At the request of the ACTRA PRS the Producer will consent to release of true copies of the reports dealing with DGR filed with the government agencies and/or other financiers, subject to the right 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 ACTRA PRS on the due date (i.e., the date that each report is due). In the enforcement of this Article, ACTRA, subject to its rights as a creditor, shall agree not to hold any employee of a Producer (or Distributor) liable for negligence, provided that said employee acts in a bona fide fashion. The DGR shall be recognized when a contract for the sale or conveyance of any rights in a Production is made, but Use payments shall be payable only when the reports are due under Article B511(a).
- (d) If the currency of the DGR is other than the Canadian dollar, the Use payment shall be calculated at the exchange rate for said currency on the basis of the established practice of the Producer or Distributor, which practice shall be disclosed in writing to the ACTRA PRS upon request. If the practice is amended at any time, such amendment shall be disclosed to the ACTRA PRS.

- (e) Payments shall be made to the ACTRA PRS, a corporation without share capital, in trust for the Performers concerned. The ACTRA PRS shall be entitled to make a claim of interest on payments received after the due date as provided for herein (i.e., the date the reports are due to be filed) at the Prime rate of interest as of the due date, plus three percent (3%), calculated monthly, which claim shall be enforceable under the terms of this Agreement.

B512 Distribution of Payments Residual and Use payments shall be distributed to Performers through the ACTRA PRS 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 (1) day of work.
- Performers shall receive units according to the Gross Fee paid to that Performer for the production of the Production, to a maximum of twenty (20) units per Performer.
- (b) For each Production, the total revenue will be divided by the total units accumulated by all Performers with respect to the Production 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 she or he has accumulated and the dollar value calculated in the preceding sentence.

B513 Fair Market Value The Producer and/or Distributor shall meet with the ACTRA PRS to determine the fair market value for distribution of a Production should such Production be distributed for Use by means of barter, exchange, or other means for which no charge is made, or a nominal fee is charged, or as part of a package of Productions. The Use fees payable to Performers shall be based on such agreed fair market value or as determined under the terms of Article B701.

B514 Right of Audit The Producer agrees that, for the purposes of verifying the propriety of payments made under this Agreement, ACTRA 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 ACTRA or the ACTRA PRS at its sole discretion), at the normal place of business and during normal business hours, all books, records, accounts, receipts, disbursements, and any other relevant documents related to the Production and its distribution.

B515 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 ACTRA 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 Article B701.

B6 – USE RIGHTS FOR DOCUMENTARY AND INDUSTRIAL PROGRAMS

B601 **Documentary Programs**

- (a) **Distribution Rights** Upon payment of the minimum fees provided for in this Agreement, the Producer is entitled to
- (i) Unrestricted Theatrical and Non-Theatrical release rights, or
 - (ii) Non-Theatrical release rights and one Domestic Run.
- (b) **Step-up for Both Uses** Upon payment of ten percent (10%) Net Fees, the Producer shall be entitled to the rights in both Articles B601(a)(i) and B601(a)(ii).
- (c) **Conventional Use Prepayment Option** Upon payment of not less than fifty percent (50%) of the Net Fees, the Producer is entitled to unlimited Use of the Production, excluding New Media in all countries for five (5) years. At the expiry of any five (5) year period the Producer may elect to either:
- (i) pay a further fifty percent (50%) Net Fees in order to acquire unlimited Use rights, excluding New Media, in all countries for a further five (5) year period; or
 - (ii) pay three and six-tenths percent (3.6%) of DGR. Once the 3.6% DGR applies, production cannot revert back to the fifty percent (50%) for five (5) years formula.
- (d) **All Uses Prepayment Option** Upon payment of not less than fifty-five percent (55%) of the Net Fees, the Producer is entitled to unlimited Use of the Production, including New Media, in all countries for five (5) years. At the expiry of any five (5) year period, the Producer may elect to either:
- (i) pay a further fifty-five percent (55%) of the Net Fees in order to acquire unlimited Use rights, including New Media, in all countries for a further five (5) year period; or
 - (ii) pay 3.6% of DGR. Once the 3.6% DGR applies, production

cannot revert back to the fifty-five percent (55%) for five (5) years formula.

Note: For greater clarity, this Use fee section does not apply to dramatic Productions such as *Exhibit “A”* or *72 Hours*.

B602 Industrial Programs

- (a) **Distribution Rights** Upon payment of the minimum fees provided for in this Agreement, the Producer is entitled to unrestricted theatrical and Non-theatrical release rights (i.e., 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 (1) domestic run.
- (c) **Conventional Use Prepayment Option** Upon payment to the Performer of not less than fifty percent (50%) of the Net Fees, the Producer is entitled to unlimited Use of the Production, excluding New Media in all countries for five (5) years.
- (d) **All Uses Prepayment Option** Upon payment to the Performer of not less than fifty-five percent (55%) of the Net Fees, the Producer is entitled to unlimited Use of the Production, including New Media, in all countries for five (5) years.

B603 Reuses 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 Production on television:

first reuse	10%
second and subsequent reuse	5%

B7 – DISPUTE RESOLUTION MECHANISM

B701 Any differences between the Parties to this Agreement arising from the interpretation, application, administration, or alleged violation of the provisions of Articles B3 to B6 inclusive, or as otherwise provided for in this Agreement, shall be referred to final and binding arbitration. The Arbitrator shall be jointly selected by the relevant Producer’s Association and ACTRA, and if the Parties fail to agree within twenty-

one (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 11.