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AGREEMENT
("Agreement")

covering

FREELANCE WRITERS
of
SCRIPT MATERIAL

between

The WRITERS GUILD OF CANADA (the "Guild")

and

The NATIONAL FILM BOARD OF CANADA ("NFB")

February 1, 2002, to January 31, 2005

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Note: Capitalized words in this Agreement indicate that these particular terms are defined in Article A2.

SECTION A General - All Productions

ARTICLE A1 - RECOGNITION, APPLICATION AND TERM

- A101 The Producer recognizes the Guild as the exclusive bargaining agent for all Writers contracted to write Script Material, Story Editors and Story Consultants for all productions, (including but not limited to those authors described in the certificate issued by the Canadian Artists and Producers Professional Relations Tribunal dated June 25, 1996) engaged by the NFB, except as specifically excluded under this Agreement.
- A102 This Agreement does not apply to Writers contracted with respect to Script Material in French. It applies to Writers in Canada contracted with respect to Script Material in any other language.
- A103 This Agreement shall be jointly administered by the Guild and the NFB in all of its facets on a principle of equality between the Guild and the NFB in all matters pertaining to the administration of the Agreement's provisions. Questions regarding interpretation or the meaning of clauses in this Agreement may be directed to the NFB Staff Relations Advisor or to the Guild. Neither of the parties may make an interpretation binding on the other without the written agreement of the other.
- A104 If any provisions of this Agreement shall, during the term hereof, be held void or unenforceable, all other provisions hereof shall nevertheless continue in full force and effect.
- A105 a) This Agreement shall not apply to an employee of the NFB who is a member of the NFB Technical Category or a member of the Executive Category working in production.
- b) This Agreement shall not apply to a recognized specialist who is not a member who writes a non-dramatic Script, the contents of which relate to his or her own special field, except that this exclusion shall not apply to such a specialist after he or she has written three (3) such Scripts.
- A106 Nothing in this Agreement shall be considered as preventing the NFB from freely obtaining the services of a Writer, Story Editor or Story Consultant who may not be a member of the Guild, providing that before signing a contract the Writer, Story Editor or Story Consultant shall declare in writing to the Producer and the Guild that he or she does not wish to become a member of the Guild, in which case, he or she will be treated as a non-member under the terms of this Agreement. The rates, terms and conditions for such a Writer, Story Editor or Story Consultant shall not be less than those provided in this Agreement.
- A107 A Writer who is not a member of the Guild, shall join the Guild on signing his or her first writing services contract under this Agreement, unless the Writer has filed a written declaration with the Guild and the NFB pursuant to Article A106.

- A108 A non-Canadian Writer, Story Editor or Story Consultant contracted by the NFB shall be governed by the terms and conditions of this Agreement and of any reciprocal Agreement between the Guild and guilds or unions representing Writers in the country concerned. Where no such reciprocal Agreement exists, or in the event of a conflict between the provisions of this Agreement and any reciprocal Agreement, this Agreement shall apply.
- A109 The terms of this Agreement are minimum terms. Nothing herein contained shall prevent any Writer, Story Editor or Story Consultant from negotiating and contracting with the NFB for better terms and conditions for the benefit of such Writer than are here provided.
- A110 There shall be no discrimination against any Writer, Story Editor or Story Consultant because of race, ancestry, place of origin, creed or lack of creed, religion, sex, age, record of offences (other than offences related to copyright infringement), marital status, family status, disability, sexual orientation or political affiliation.
- A111 Should the NFB engage Writers to write Script Material for types of productions that fall within the jurisdiction of this Agreement but which are not specifically provided for herein, the NFB and the Guild will meet and negotiate mutually acceptable terms and conditions to apply to such productions.

ARTICLE A2 - DEFINITIONS

- A201 Animation Production means a production consisting entirely of a photographed series of drawings or electronically generated images or other means that simulate motion. These include but are not limited to: CGI, claymation, motion capture and traditional animation, which techniques may be used exclusively or in combination.
- A202 Assumption Agreement means that instrument which, when signed by the Guild, relieves the NFB of its obligations pursuant to this Agreement, when those obligations have been assumed by a third party (Appendices I and J).
- A203 Bible for Series means a written guide for Writers supplied by the Producer to the Writers providing the framework within which the central running characters will operate, the elements intended to be repeated in each episode, the setting, theme, premise or general story line of the proposed series and the central running characters which are distinct and identifiable, including detailed characterizations and the interplay of such characters. It may also include one or more suggested story lines for individual episodes, examples of dialogue, budgetary or subject matter guidelines or description of a typical production schedule.
- A204 Budget (either Certified or Non-Certified) means the total final budget prior to principal photography of all services and expenses, including but not limited to all production and post-production fees, salaries, services and related expenses, other than that part of the Production Fee payable on the first day of principal photography (i.e. Script Fees are included in the Budget).

A205 Certified Budget means the Budget as approved in writing by:

- i) the completion guarantor (in the case of an independent co-producer); or
- ii) the NFB Director-General, or his or her delegate. Such approval shall specify that it is the full budget prior to principal photography for the Production.

One year after the Video Master Approval or Test Print Approval has been granted, the NFB or independent co producer shall file the final budget as per Article A204.

A206 Continuity means material written to link program elements which are not written by that Writer.

A207 Distribution Royalty means a payment for use which is based on the Distributors' Gross Revenues as provided in Articles A20 and C8.

A208 Distributors' Gross Revenue means the monies derived from distribution of the Production as provided in Articles A20 and C8. (See Article C8 for the full definition.)

A209 Documentary means an information production not designed to be purely entertainment, and which may include drama or variety techniques in achieving its information goal.

A210 Documentary Outline means Script Material which may incorporate preparatory research and which indicates the intent, style, proposed structure and content for a Documentary production, and which serves as a guide for further development of the project.

A211 Documentary Script means all written material necessary for the production of a Documentary, which may include a Documentary Proposal Documentary Outline, Documentary Treatment, Documentary Shooting Script, Final Script and/or Narration script.

A212 Documentary Shooting Script means Script Material which sets out the film's visual style, tone and structure and brings together the various elements in the Documentary including but not limited to, interviews, possible interview subjects, locations shooting, re-creations and/or archival material.

A213 Documentary Treatment means Script Material of approximately fifteen (15) pages in length, describing the intent of the Documentary, structural plans and content for a Documentary Production, which serves as a guide for pre-production planning for the project.

A214 Draft Script means a complete draft of any Script in a mutually agreed form to a length to be specified by the NFB.

A215 Emerging Writer means a Writer who, at the time of contracting with the NFB on a Production, is not a member of the Guild or of any other affiliated writers guild and who

has not previously received a screen credit on a professional production as a contracted writer.

- A216 Excerpt means an extract or clip from a previously produced Production containing a recognizable character.
- A217 Feature Film means a Production (including Animation Production) of sixty (60) minutes or more in length intended initially for theatrical distribution.
- A218 Feature Film Script (Screenplay) means a fully written work for a Feature Film in screen terms, embodying individual scenes, full dialogue and/or monologue, narration (if required) and any other description of details necessary to facilitate production.
- A219 Final Script means the final Script of a Production as delivered and includes any changes made thereto during the making of such Production.
- A220 Free Television means the exhibition of a Production on home type-television receivers which exhibition gives rise to no specific charge either for the Production or for the channel on which the Production is received and the Production does not originate on a cable facility.
- A221 Gross Fee means the fee for the services and time provided to the NFB including Script Fees, Option Fees, the Production Fee, Residuals and Distribution Royalty, but exclusive of money paid to the Writer, Story Editor or Story Consultant by a Producer for expenses, such as per diem allowances or travel expenses as agreed upon.
- A222 Narration means script material used (typically off-camera) to explain or relate sequences or action.
- A223 Narration Script for Documentary means Script Material written at the assembly stage or later, to be read by one or more narrators, voice over or on camera, for a documentary Production, which may include pre-recorded improvised voice tracks.
- A224 Non-Certified Master Budget means the Budget of a CO-production that has no completion guarantor and is not subject to certification by the NFB as in Article A206. This Budget must be accompanied by a letter signed by the Producer confirming that it is the final itemized Budget prior to principal photography.
- A225 Option means a written agreement to acquire from a Writer specified rights in Script Material for a specific fee and providing a specified time for exercise of the Option.
- A226 Outline means the scene-by-scene development and structuring in a mutually agreed form of a story in screen terms to provide a synopsis or schematic of the Script to be written from it, in up to 5,000 words per half-hour of running time. When no Story or Screen Story is contracted separately, the Story or Screen Story shall be deemed to be included in the Outline.

- A227 Polish means minor improvements of script details within the basic structure of the scenes as written, and shall not include changes in the structure, addition or deletion of characters, alterations of plot, or reworking of more than 5% of the dialogue.
- A228 Producer means the NFB except where an independent producer has separately adhered to this Agreement, in which case “Producer” shall mean the individual, firm, corporation or organization that controls, administers, or is responsible for any production (whether or not he or she or it is or will be the copyright holder of the finished Production).
- A229 Production means the audio-visual work, in any format including, but not limited to, analogue and digital, recorded on film, tape or otherwise, and includes, without limitation, a drama, documentary, animated production or program for the Internet, (including each production in a series of productions), regardless of the method of production or delivery and includes, where the context so requires, any Script Material upon which such audio-visual work is based.
- A230 Proposal means Script Material which describes the central premise, ideas, tone, theme, and rationale, if necessary, of the Documentary or Animation Production.
- A231 Residual means a payment for use of Continuity Script Material which is based on the Script Fee.
- A232 Rewrite means writing which significantly changes the structure, the plot, story line, dialogue, and/or characters in a Script.
- A233 Screen Story means written narrative material contracted under this Agreement, based on Source Material, consisting of the basic narrative, idea, or theme and indicating character development and action suitable for use in or representing a substantial contribution to a final Script; provided, however, that the Writer shall not be obligated to (a) insert dialogue in a Screen Story (except to the extent necessary to show characterization), or (b) prepare the Screen Story in the form of an Outline. There is no differentiation between Story and Screen Story for compensation purposes. When no Story or Screen Story is contracted separately, the Story or Screen Story shall be deemed to be included in the Outline. In the case of a Feature Film, the Story or Screen Story shall be deemed to be included in the Treatment.
- A234 Script means a fully written work for a Production in screen terms, embodying individual scenes, full dialogue and/or monologue, Narration (if required) and any other descriptions or details necessary to facilitate production.
- A235 Script Fee means the negotiated fee as provided in Sections C and D.
- A236 Script Material means any written material covered by this Agreement and includes Continuity, Draft Script, Draft Screenplay, Narration, Outline, Polish, Rewrite, Screenplay, Story, Screen Story, Script, Treatment Documentary Outline, Documentary Treatment, Documentary Shooting Script, drama-documentary, dramatizations,

adaptations, Feature Films, Animation Productions, Sponsored Productions, Series, and any other form of production covered by this Agreement.

- A237 Series means a series of films, each complete in itself held together by the same title or identifying device, common to all the films in the series, or main characters common to many or all of the films.
- A238 Source Material means any material which was not written specifically for a Production but which becomes the basis for a Script or Screen Story.
- A239 Sponsored Production means a Production undertaken on behalf of and financed by the federal government or a non-profit organization. It includes Public Service Announcements.
- A240 Story means written narrative material contracted under this Agreement, not based on Source Material, consisting of the basic narrative, idea, or theme and indicating character development and action suitable for use in or representing a substantial contribution to a final Script; provided, however, that the Writer shall not be obligated to (a) insert dialogue in a Story (except to the extent necessary to show characterization), or (b) prepare the Story in the form of an Outline. There is no differentiation between Story and Screen Story for compensation purposes. When no Story or Screen Story is contracted separately, the Story or Screen Story shall be deemed to be included in the Outline. In the case of a Feature Film, the Story or Screen Story shall be deemed to be included in the Treatment.
- A241 Story Consultant means a writer whose duties include analysis, consultation, research and editorial advice regarding Script Material for Productions which are not part of a Series who is engaged on the basis of his or her expertise in the area of writing. (Also known as Script Consultant.)
- A242 Story Editor means a person, regardless of title or credit received, whose duties include writing Rewrites for a Series.
- A243 Team means two (or more, with the prior consent of the Guild) Writers engaged by the NFB at the same time who have agreed to collaborate on a Script or Scripts, A Team will be deemed to be one Writer for the purposes of this Agreement. Payment will be split equally between or among the members of the team. A Team may consist of a Writer and a NFB employee with the prior consent of the Guild, which shall not be unreasonably withheld. Payment for a Team of two shall be one hundred and twenty percent (**120%**) of the applicable Script Fee and Production Fee and shall be shared equally between or among the members of the Team. No payment shall be made under this Agreement to the NFB employee when a member of a Team.
- A244 Teleplay means a fully written work for a television production in screen terms, embodying individual scenes, full dialogue and/or monologue, Narration (if required) and any other descriptions or details necessary to facilitate production.

A245 Theatrical Use means that distribution of a Production in cinemas or theatres where an admission is charged or money collected, but excluding exhibition in NFB or partner library theatres or offices, in flight, as part of a bona fide film festival, or as a special event. Regular exhibition in a repertory or art-house cinema shall be considered Theatrical Use.

A246 Treatment means the scene-by-scene development and structuring in a mutually agreed form of a story in screen terms to provide a synopsis or schematic of the Script to be written from it, in 20,000 words or less. The Treatment shall be deemed to include a Story or Screen Story.

A247 Writer means a person who writes Script Material.

ARTICLE A3 – NFB RIGHTS AND OBLIGATIONS

A301 The NFB assumes the risk of the professional and artistic competence of the Writer, Story Editor or Story Consultant.

A302 Upon receiving a written request from the Writer, the Producer shall provide the Writer with a VHS copy of the completed Production when available.

A303 Commissioned Productions. If the NFB commissions another Producer to produce a production, the NFB shall require such Producer to become signatory to this Agreement if the said Producer is not signatory to any other WGC agreement. The NFB shall notify the Guild, prior to the commencement of the production, and provide the following information:

- i) Name of Producer
- ii) Address
- iii) Production title(s)

A304 CO-Productions.

When the NFB becomes the CO-producer (as defined by the NFB's Policy on CO-Production With Independent Canadian Producers and the NFB's financial participation is a minimum of forty percent [40%] of the final Budget) of a Production with:

i) a producer who is not already a signatory to the IPA and is not a member of either the CFTPA or APFTQ, the NFB shall require such CO-Producer, when engaging Writers, Story Editors or Story Consultants to adhere to this WGC/NFB Agreement. A copy of the Letter of Adherence (see Appendix A) confirming the adherence of the Producer shall be filed with both the Guild and the NFB;

or

ii) a producer who is not already signatory to the IPA and who is a member of the CFTPA or APFTQ, the NFB shall require such CO-producer, when engaging writers, to adhere to the

current IPA for the Production. A Voluntary Recognition Agreement confirming the producer's adherence shall be filed with the Guild and copied to the NEB.

This Article does not apply to productions under the Filmmaking Assistance Program (FAP) as defined by the NFB policy or productions where the co-producer is already a signatory to the IPA.

ARTICLE A4 – GUILD RIGHTS AND OBLIGATIONS

A401 An accredited representative of the Guild shall be admitted at any reasonable time to the place where the Writer's Script is in production.

A402 During the life of this Agreement, the Guild undertakes to not call or direct a work-stoppage against the NFB or against any Producer, except where the Producer has been declared unfair.

Note: The following Articles A403 and A404 shall apply only to Producers who have separately adhered to this Agreement and not to the NFB:

A403 Producer's Refusal to Abide by or Follow Grievance or Arbitration Procedure or Decision. Where a Producer does not abide by, or declares his or her intent not to abide by the grievance or arbitration procedure, or refuses to comply with a decision rendered pursuant to Article A5 an Arbitrator, the Guild may declare such Producer an "Unfair Producer" upon 10 days notice to the Producer concerned and to the Producer's Association, and instruct the members of the Guild not to work for such Producer.

A404 Writers, Story Editors and Story Consultants shall not be required to work for a Producer declared unfair by the Guild.

ARTICLE A5 - GRIEVANCE PROCEDURES AND RESOLUTION

A501 A party exercising its rights under the provisions of the Agreement does so without prejudice to its relations with the other party.

A502 Where a 'dispute arises out of, or in connection with, this Agreement, or any deal memorandum or contract between a Writer, Story Editor or Story Consultant and the NFB, the dispute shall be resolved in accordance with the procedures set out in this Article.

A503 The parties acknowledge and agree that the timely and prompt settlement of all disputes between the parties should be encouraged and that therefore any dispute may be settled at the time of its occurrence by the Guild and the authorized representative of the NFB, without recourse to the formal Grievance Procedure.

A504 In the event that the dispute is not resolved in the manner described in Article A503 above, the grieving party may initiate a grievance within ninety (90) days of the date on which the grieving party becomes aware of the act or omission giving rise to the grievance.

A505 A grievance shall be considered initiated when the grieving party (the “Grievor”) sets forth in writing (the “Grievance”) the facts giving rise to the dispute, the relevant articles of the Agreement, the individual contract, and the remedy sought and delivers the Grievance to the other party (the “Respondent”) and to the NFB (when the Respondent is an independent CO-Producer). In all cases concerning a Writer, Story Editor or Story Consultant, the Guild will be the Grievor or the Respondent, as the case may be.

A506 A representative of the Guild, the NFB Staff Relations Advisor or a duly authorized representative, and the Writer, Story Editor or Story Consultant if the Guild deems it necessary, shall meet within five (5) business days to attempt to settle the Grievance informally. The persons present at the Grievance Meeting on behalf of the parties to the Grievance shall have the authority to settle the Grievance. Any written settlement, shall be signed by the representatives of the parties to the Grievance, each of whom shall receive a copy of the terms of the settlement. Such settlement shall be binding on all parties to the Grievance and the Writer, Story Editor or Story Consultant.

A507 Those present at the Grievance Meeting shall adduce all relevant facts, documents and evidence available at the time of the grievance meeting in order that the parties may have the clearest understanding of the issues. At the meeting there shall be a full and frank discussion of those issues, in order to achieve a fair and workable settlement.

A508 In the event that attempts to settle the matter have not resulted in a satisfactory settlement of the Grievance, any party to the Grievance may, within fourteen (14) days following the Grievance Meeting, give written notice to the other parties attending the Grievance Meeting to refer the Grievance to Arbitration. The notice shall include the suggested names of two (2) Arbitrators.

A509 Arbitration.

Within two (2) weeks of the receipt of the notice of the intent to refer the grievance described in Article A508, a time and place for arbitration shall be agreed, taking into account the availability of the Arbitrator.

A510 At least seven (7) days prior to the Arbitration hearing, the parties shall exchange all documents, including all correspondence to which they intend to refer during the course of the meeting; moreover, they shall inform the other party of any witnesses they intend to call.

A511 The Arbitrator shall be selected from among the following list proceeding sequentially, based on which person has a date available forty-five (45) days from the date of the referral, or as agreed by the parties:

Louise Davie
Paula Knopf
Kevin Burkett
Michel Picher

Arbitrations shall be held in Toronto or Montreal only.

- A512 The Arbitrator shall not have the power or authority to set aside, amend, modify, delete or add to any provision of this Agreement.
- A513** The costs and expenses of the Arbitrator shall be shared equally by the Grievor and the Respondent.
- A514** The decision of the Arbitrator shall be issued in writing to the parties to the dispute, and shall be final and binding on the parties and the Writer, Story Editor or Story Consultant.
- A515 Any time limitations prescribed herein may be extended by mutual agreement of the parties to the Grievance.
- A516 Notices required to be given or sent pursuant to this Agreement shall be mailed, postage pre-paid, delivered personally or by courier, or sent by or telefax addressed as follows:

To the Guild:
Writers Guild of Canada
123 Edward Street
Suite **1225**
Toronto, Ontario
M5G 1E2
FAX- 416-979-9273
Attention: Director of Industrial Relations

To the NFB:
National Film Board
P.O. Box 6100, Station "Centre-Ville"
3155 Côte de Liesse Road
Montreal, Quebec
H3C 3H5
FAX - (514) 283-5850
Attention: Staff Relations Advisor

ARTICLE A6 - GENERAL PROVISIONS

- A601 The Writer, Story Editor or Story Consultant will act professionally at all times with respect to the meeting of deadlines and the presentation of contracted materials.
- A602 a) Disclosure - The Writer will advise the NFB of any persons to whom, to the best of the Writer's knowledge, the Script Material has been previously submitted.
- b) Shopping - Prior to circulating unlicensed Script Material to persons other than those directly associated with the NFB, the NFB shall obtain the consent of the Writer
- A603 The NFB agrees that the Writer has the right to attend all the work sessions at which production personnel are present in the production based on the Script he or she has

written, provided that he or she obtains permission from the NFB. Such permission shall not be unreasonably withheld. The Writer agrees not to discuss the Script, rehearsal or production with anyone other than the NFB.

A604 At the completion of the fine cut, the Writer may request a copy of the Production, and if so requested, the NFB shall provide the Writer with a copy within twenty-one (21) days of the request.

ARTICLE A7 - COPYRIGHT

A701 All rights negotiated under this Agreement or in any individual contract between a Writer and the NFB shall be in the form of a licence from the Writer to the NFB for a specific use during a specified term of whatever right is in question. The Writer's copyright shall not be assigned. The copyright herein referred to is the copyright in the Writer's material, which is separate and distinct from the copyright in the production.

ARTICLE AS - SPECULATIVE WRITING

A801 There shall be no speculative writing and therefore the NFB may not require a Writer or Story Editor to submit Script Material without a written contract.

A802 A Writer's, Story Editor's or Story Consultant's initial meeting with the NFB concerning engagement in connection with an assignment may only be with:

- i) a person authorized to make a commitment to the Writer, Story Editor or Story Consultant; or
- ii) a person designated by the NFB to interview Writers, Story Editors or Story Consultants with regard to the particular project under consideration.

Unless a commitment was made by the NFB in such initial meeting, a second meeting by the Writer, Story Editor or Story Consultant with the NFB concerning the same assignment may only be with a person authorized to make a commitment to the Writer, Story Editor or Story Consultant. In no event may a third interview between the Writer, Story Editor or Story Consultant and NFB take place concerning such assignment, nor may the NFB request the Writer, Story Editor or Story Consultant to render any writing services, unless a firm agreement has been arrived at between the Writer, Story Editor or Story Consultant and NFB as to terms and conditions of engagement prior to the third meeting or the request to render writing services. As used in this clause, the term "a person authorized to make a commitment to the Writer, Story Editor or Story Consultant" shall mean a person who is empowered to make, subject to the negotiation of mutually acceptable terms and conditions, the final creative decision to engage a Writer, Story Editor or Story Consultant for an assignment.

A803 The NFB and the Guild recognize that there may be an area where the proper and constructive exchange of ideas and criticism between a Writer, Story Editor or Story Consultant and the NFB may be claimed by the Guild to be speculative writing.

- i) That for payment of the Option fee, the NFB is granted the exclusive right to acquire a licence to produce a production based on the optioned Script Material.
- ii) The Option period, including renewals, which shall not exceed three (3) years;
- iii) The minimum fee for each year of the Option, which shall not be less than ten per cent (10%) per year (which amount may be pro rated) of the fee payable on the exercise of the Option;
- iv) The minimum Option fee(s) paid (which with respect to any period following the first eighteen (18) months shall not be applied to the fee payable on exercise of the Option);
- v) The stage of development of the Script Material being optioned and which will be acquired on the exercise of the Option (e.g. Treatment, Draft, Screenplay, etc.); and
- vi) If the Option contract provides for assignment, that the NFB shall give written notice to the Writer immediately upon such assignment.

A1204 An Option contract between the NFB and a Writer of one (1) month or less shall be completely negotiable between the NFB and Writer and shall not necessarily be subject to the provisions of this Article.

ARTICLE A13 - STORY EDITORS AND STORY CONSULTANTS

A1301 When the duties of individuals include the functions of a Story Editor or Story Consultant, they will be contracted separately as Story Editors or Story Consultants under this Agreement.

A1302 Story Editors or Story Consultants shall be contracted on an episodic, daily, weekly or monthly basis.

A1303 Story Editors' and Story Consultants' fees are negotiable between the Story Editor or Story Consultant and the NFB.

A1304 Story Editors' or Story Consultants' fees shall not be deductible from, or reduced by, amounts earned under any other part of this Agreement.

A1305 Story Editors or Story Consultants shall receive on-screen credit, the nature and location of which shall be set out in the Story Editors' or Story Consultants' contracts. Forms of credit are set out in Article A1710.

A1306 A Story Editor shall not be eligible for a writing credit or any portion of the Script Fees, Production Fee or Distribution Royalties for any Rewrite.

A1307 A Story Editor who writes a Story or Screen Story, or complete Script under Articles (insert appropriate Article numbers) shall be separately contracted as a Writer for such Script Material and shall be eligible for a writing credit and that portion of the Production

Fee and Distribution Royalties set out in Article A1903 for any such Story or Screen Story, or complete Script.

A1308 A Story Consultant who writes, re-writes or polishes any Script Material shall be separately contracted as a Writer for such services and shall be eligible for a writing credit and that portion of the Production Fee and Distribution Royalties set out in Article A1903 for the above work.

A1309 Story Editors' and Story Consultants' Gross Fees contracted under Article A1301 shall be subject to the payments and deductions set out in Articles A21, A22 and A23. For the purposes of this Article only, when a Story Editor is contracted in additional capacities, the NFB shall allocate a representative portion of that individual's fees as Story Editor Gross Fees.

ARTICLE A14 – WARRANTY AND INDEMNITY

A1401 A) The Writer warrants that, to the best of his or her knowledge, information and belief the Script Materials to be provided by him or her hereunder:

- 1) are original;
- 2) do not infringe the copyright of another;
- 3) do not defame any person;
- 4) do not invade the privacy of any person.

The foregoing warranty does not apply to material included in the Script Materials supplied to the Writer by the NFB, or in respect to any claim or action that arises from any change made in the Script Materials delivered by the Writer to the NFB after such delivery.

B) The NFB warrants that, to the best of the NFB's knowledge, information and belief, any materials supplied to the Writer by the NFB for Writer to incorporate in the Script Materials to be provided by the Writer hereunder:

- 1) do not infringe the copyright of another;
- 2) do not defame any person;
- 3) do not invade the privacy of any person;

and that no Script Material supplied by the Writer to the NFB shall be used by, or with the approval of, the Producer in such a manner as to defame any person or to invade the privacy of any person or to violate the provisions of the Criminal Code of Canada in respect to pornography or obscenity.

C) The Writer shall indemnify the NFB against all damages and costs (including reasonable legal fees) resulting from any breach of the Writer's warranty, as evidenced by a final decision of a tribunal or a court of competent jurisdiction, or any settlement to which the Writer has consented in writing.

D) The NFB shall indemnify the Writer, his or her heirs, administrators, executors and successors against all damages and costs (including reasonable legal fees) in respect to any action or proceeding to which the Writer is made a party by reason of having created or supplied Script Materials under this contract, including but not limited to any claim arising out of any breach of the NFB's warranty, as set out in paragraph B) above, as evidenced by a final decision of a tribunal or a court of competent jurisdiction or any settlement to which the NFB has consented in writing. This indemnity shall not apply to any action or proceeding arising out of a breach of the Writer's warranty as set out in paragraph A) above.

E) Either party upon receipt of notice of any claim as a result of which the other party's indemnity might be invoked, shall promptly notify the other of such claim giving the other party full details thereof including copies of all documents received in connection therewith. The existence of any such claim shall not relieve the NFB of the obligation to pay the Writer any monies due the Writer pursuant to this contract.

F) Neither party shall be deemed to have waived their respective rights to defend themselves against any claim by the other for costs or damages arising out of a settlement not consented to in writing by the indemnifying party.

ARTICLE A15 - CONTRACTS

A1501 No purely oral agreement shall be binding, nor shall it constitute grounds for an investigation of a complaint by either of the parties concerned. Every contract shall be signed before the work begins on a contracted Script and before any requested revision is begun or before production begins, whichever is sooner, on an unsolicited Script.

A1502 A contract with a Writer shall be in the form of Appendix B. All additional terms must be added as a rider to the form.

A1503 Notwithstanding anything contained in this Agreement, or an individual agreement with a Writer, Story Editor or Story Consultant, the following clauses shall be included, or deemed to be included, in each individual contract between the NFB and a Writer, Story Editor or Story Consultant.

i) All the terms of the current Agreement between the Guild and the NFB shall apply to this contract, except where specific terms more beneficial to the Writer, Story Editor or Story Consultant are included in the contract in place of the relevant minimum terms in this Agreement.

ii) If for any reason any provisions of this contract shall conflict with the minimum terms and conditions of the current Agreement between the Guild and the NFB, then the latter shall prevail, but in such event provisions of this contract shall be modified only to the extent necessary to bring it within such terms and conditions and, as modified, this contract shall continue in full force and effect.

A1504

- a) Nothing in this Agreement or any individual contract to which this Agreement applies shall diminish any otherwise-existing right of the Writer to collect any of the so-called “author’s share” of Secondary Use Payments in connection with any production based on Script Material.
- b) Nothing in this Agreement or any individual contract to which this Agreement applies shall diminish any otherwise-existing right of the Producer to collect any of the so-called “producer’s share” of Secondary Use Payments in connection with any production based on Script Material.
- c) In this Section A1504, “Secondary Use Payments” means the net amounts collected and then distributed by “collective societies” (e.g. SACD, AGICOA) in respect of
 - i) the retransmission outside North America, and/or
 - ii) the performance, communication to the public (including broadcasting worldwide but excluding retransmission in North America), private copying, rental and lending anywhere in the world, of productions based on Script Material. Secondary Use Payments shall not be included in Distributors’ Gross Revenue.
- d) **All** net amounts collected and then distributed by collective societies in respect of the retransmission in North America of productions based on Script Material and any educational rental right monies paid out by ERCC are deemed receivable by the NFB, the Head Distributor and/or sub-distributors and shall be included in Distributors’ Gross Revenue until such time as a decision of a court or tribunal of competent jurisdiction is rendered.
- e) Nothing in this Agreement shall preclude the Guild or the NFB from commencing or participating in proceedings before any court or tribunal and/or lobbying for legislative changes regarding retransmission payments in North America or Secondary Use Payments.

A1505 Any uses of a production not covered by this Agreement shall not be included in a contract between the NFB and a Writer unless mutually acceptable terms and conditions to apply to such uses or rights are negotiated between the parties to this Agreement.

A1506 A copy of every contract between a Writer, Story Editor or Story Consultant and the NFB shall be deposited with the Guild office by the NFB within seven (7) days of the signing of the contract by the Writer, Story Editor or Story Consultant and the NFB representatives. Copies of contracts provided to the Guild are to be strictly confidential between the NFB, the Writer, Story Editor or Story Consultant, and officers of the Guild, and the information contained in these contracts is not to be released by the officers of the Guild to any other person.

ARTICLE A16 - REVERSIONARY RIGHT

A1601 (a) In the event that at any time prior to the start of principal photography of a production based on Script Material, the NFB ceases to exist as a legal entity or is wound up, then all rights in such Script Material shall automatically revert to the Writer.

(b) In the event that at any time subsequent to the start of principal photography of a production based on Script Material, the NFB ceases to exist as a legal entity or is wound up, then the Federal entity named as successor, shall be bound by the terms of this Agreement, including the obligation to make payments due to the Writer.

A1602 (a) In the event that at any time prior to the start of principal photography of a Production based on Script Material, the independent co-Producer is declared bankrupt, insolvent or is wound up, then all rights in such Script Material shall automatically revert to the Writer.

(b) In the event that at any time subsequent to the start of principal photography of a Production based on Script Material, the independent co-Producer is declared bankrupt, insolvent or is wound up, then the independent co-Producer's successor in title (including a Trustee in Bankruptcy or receiver/manager) shall be bound by the terms of this Agreement, including the obligation to make all payments due to Writers.

A1603 In the event that principal photography of a Production based on Script Material has not commenced within seven (7) years from date of signing of the contract with the Writer, then all rights in such Script Material shall automatically revert to the Writer unless otherwise provided in the individual contract. If an Assumption Agreement in the Form set out in Appendix J has been entered into and consented to by the Guild, the party assuming the rights and obligations shall be bound by the original seven-year period, or the provisions of the individual contract.

ARTICLE A17 - CREDITS

OBLIGATION TO GIVE CREDIT

A1701 In each contract with a Writer, Story Editor or Story Consultant for a Production, the NFB shall provide for credits to be given a Writer, Story Editor or Story Consultant in accordance with the terms of this Article. In the absence of such a provision, the terms of this Article shall be deemed to be incorporated into such a contract. In any case in which a Director or a Producer or an Executive Producer or NFB employee who is not the sole Writer claims or is accorded a writing credit, the NFB shall automatically notify the Guild and an arbitration shall follow under the rules of Articles A1726 to Articles A1739 below.

FORMS OF CREDIT

The only writing credits permitted on Productions shall be as follows:

A1702 Where a Writer has written a Documentary film, he or she shall be entitled to the screen credit "WRITTEN BY".

A1703 Where a Writer has written a Documentary script, the credit will be "DOCUMENTARY SCRIPT BY....." Where a Writer has written a Narration script, the credit will be "NARRATION WRITTEN BY....." Alternatively, if all credited writers agree, the combined credit may be "WRITTEN BY".....and....." If a Writer or Writers has written both the Documentary Script and the Narration script, the credit may be "WRITTEN BY....."

A1704 In the case of Feature Films, the only writing credits permitted shall be as follows:

a) Where a Writer has written both the Story (or Screen Story) and the Screenplay for a film, he or she shall be entitled to the screen credit "By" where such screen credit immediately follows the main title credit, or "WRITTEN BY....." where the screen credit appears elsewhere in the film.

b) Where a Writer has made a substantial written contribution to the writing of a Screenplay, he or she shall be entitled to the screen credit "SCREENPLAY BY.....".

A1705 In the case of all Productions except Documentary, subject to Articles A1706 and A1707, the only writing credits permitted shall be as follows:

a) Where a Writer has written both the Story or Screen Story and the Script for a Production, he or she shall be entitled to the credit "BY....." where such credit immediately follows the main title credit, or "WRITTEN BY" where the credit appears elsewhere in the Production.

b) Where a Writer has made a substantial written contribution to the writing of a Script, he or she shall be entitled to the screen credit "TELEPLAY BY".

A1706 The only other writing credits permitted (hereinafter referred to as subsidiary writing credits) shall be as follows:

a) Where a Writer contributes to a Screenplay by providing either the Story or the Screen Story or the Treatment or the Outline upon which the Screenplay is substantially based, he or she shall be entitled to the screen credit "STORY BY" or "SCREEN STORY BY" as the case may be.

b) Where a substantial contribution to a film is in the form of Narration, screen credit shall be given in the form "NARRATION WRITTEN BY".

DUTY OF NFB TO NOTIFY

A1720 No later than fifteen (15) days prior to the first scheduled day of principal photography, or, in the case of Documentaries, no later than the date of the recording of narration or the date of the fine cut if there is no narration recording, the NFB shall send to the Guild and to every person who has been engaged by the NFB (or, with the knowledge of the NFB, to any predecessor of the NFB) to make a written contribution to the Script, a draft of the intended writing and subsidiary writing credits worded in accordance with the provisions of A1702 to A1710 and in the form of the Notice of Intended Writing Credits as in Appendix E. Such notice will indicate the order in which the NFB proposes to announce the names of the Writers, if more than one, accorded credit, and the placement of the writing and subsidiary writing credits in the credit sequence in accordance with Article A1717. If the NFB proposes a Writer who is also a director or Producer or Executive Producer or NFB Employee, the notice shall so indicate.

In the case of Series, the Producer may have the notice of intended credits, described above, delivered by hand not later than seven (7) days prior to the first scheduled day of principal photography.

A1721 If any subsequent alteration to the intended writing or subsidiary writing credit is intended, then the NFB shall notify the Guild and all Writers involved of the intended alteration, but in any case the NFB shall notify any Writer who has been engaged subsequent to the first day of production as to the proposed final credit. This notification should be not later than fourteen (14) days after the completion of filming or taping of the Production.

A1722 All notifications referred to in this Article shall be by registered post or fax or electronically and shall be sent to the last known address of each Writer, Story Editor or Story Consultant or his or her agent or to any other address which the Writer, Story Editor or Story Consultant notifies to the NFB before the dispatch of such Notice.

A1723 Upon the Guild's request, the NFB shall provide a copy of the shooting script, or, at the NFB's discretion, reasonable access to the shooting script, to any Writer, Story Editor or Story Consultant receiving the Notice of Intended Writing Credits.

A1724 Subject to the provisions of A1721 and Article A1725 hereof, if, within fourteen (14) days of the date of dispatch of the Notice of Intended Writing Credits, no objection is received by the NFB and the Guild from any Writer to whom such draft has been sent, the wording of the writing and subsidiary writing credits set out in the Notice of Intended Writing Credits shall become final and binding on all parties.

RIGHT OF WRITER, STORY EDITOR OR STORY CONSULTANT TO FORGO CREDIT

A1725 Every person who has been engaged by the NFB to make a written contribution to a Script shall be entitled to use a reasonable pseudonym in place of their name in any credit to which he or she may be entitled hereunder. A Writer, Story Editor or Story Consultant

who declines a credit shall, nevertheless, retain his or her rights to participate in the Residual fees that may be due on the exploitation of the Production. Where a Writer, Story Editor or Story Consultant declines a credit, he or she shall inform the NFB and the Guild of a pen-name to be substituted for his or her own name on the Production credits. None of the Writer's, Story Editor's or Story Consultant's rights including but not limited to compensation of any kind shall be affected by the use of a pseudonym.

RULES OF ARBITRATION

A1726 If, within the period provided for in A1724, a written objection is received by the NFB and the Guild from any Writer to whom a Notice of Intended Writing Credits has been sent, such objection shall (subject to Article A1740) be dealt with as follows:

A1727 The Guild shall forthwith appoint three Arbitrators to adjudicate on the objection in accordance with the Guild's established guidelines for credit arbitration, a copy of which shall be furnished to the NFB. Arbitrators appointed under this provision are not "arbitrators" within the meaning of any labour relations legislation.

A1728 Within seven (7) days of the objection being received by the NFB, the NFB shall deliver to the Guild four (4) legible copies of all Script Material as available relating to the Production which it may have in its possession and shall notify the Guild of any such material which has previously been submitted to the NFB of which the NFB does not have a copy. The Guild shall make best efforts to obtain such material and will submit such material to the NFB to verify that the NFB actually received such material. Where the Production is based on Source Material, the NFB shall also deliver four (4) copies of the Source Material to the Guild.

A1729 The Guild shall prepare a list of all materials received and shall forward in the next business day the list to the NFB and all participating writers to sign as confirmation that all Script Material has been included. If any writer indicates that additional Script Material is missing, the Guild shall make best efforts to obtain such material and will submit such material to the NFB to verify that the NFB actually received such material. Only Script Material or Source Material submitted to the NFB shall be submitted to the Arbitrators.

For the purposes of credit arbitration, a "participating writer" shall be any person :

- a) engaged by the NFB (or predecessor of the NFB); or
- b) who has had Script Material acquired or purchased by the NFB (or predecessor of the NFB); or
- c) whose Script Material has been provided by the NFB to subsequent Writers engaged on the same Production; or
- d) whose Script Material can be seen to be reasonably connected to the Production

and whose Script Material becomes subject to the credit arbitration process.

If there is any uncertainty or dispute as to whether an individual fits the criteria for “participating writer”, the Guild’s Credit Committee will be consulted for a ruling which shall be final and binding on the parties.

A1730 The credit arbitration shall commence when the Guild receives the signed confirmation referenced in Article A1729 from the NFB and all participating writers. In the absence of signed confirmation from any party, that party (the non-respondent) shall be deemed to have confirmed the list of materials forty-eight (**48**)hours after receipt of such list of materials.

A1731 If there is uncertainty or dispute as to whether the material is Script Material, Source Material or whether or not the material was submitted to the NFB, the Guild’s Credit Committee shall determine whether or not the material shall be submitted to the Arbitrators. The ruling of the Credit Committee shall be final and binding on the parties.

A1732 The NFB shall, if requested by the Arbitrators, co-operate with the Arbitrators to arrive at a just determination by furnishing any available information required by the Arbitrators and shall provide them with a copy of the Production if it is available at the time of arbitration.

A1733 All representations made to the Arbitrators shall be in writing. Both the NFB and the Guild hereby recognize the need for arbitration to be conducted in such a way as to preserve at all times the anonymity of the Arbitrators.

A1734 Participating writers are permitted, but not obligated, to submit a personal or chronological statement or both, within five (5) days of notice from the Guild that a credit arbitration is required. Statements shall accompany the material going to the Arbitrators. Statements shall be copied to all participating writers who have submitted a statement. Participating writers may then prepare a response which is due no later than three (3) days following receipt of the other writers’ statement(s). All responses shall also form part of the list of material submitted to the Arbitrators.

A1735 Within twenty-one (21) days (thirty (30) days in the case of Feature Films, Documentaries and dramatic productions over 90 minutes) of receipt by the Guild of signed confirmation from the NFB and all participating writers as per Article A1729 above or deemed approval as per Article A1730 of all material referred to in Article A1728, the Arbitrators shall deliver their decision in writing to the Guild. The Guild shall immediately convey the decision in writing to the NFB.

A1736 The decision of the Arbitrators, or the majority of them in the case of disagreement, shall be final and binding on all parties and the writers, provided always that if the Arbitrators fail to communicate their decision to the NFB within the period of twenty-one (21) days (thirty (30) days in the case of Feature Films, Documentaries and dramatic productions over 90 minutes) referred to in A1735, the credits set out in the Notice referred to in Article A1720 shall be final and binding on all parties and the writers.

A1737 The Production shall not be commercially exploited until the credit arbitration is complete. However, when the NFB has imminent delivery dates, the Guild will endeavor to expedite the arbitration.

A1738 Where the Guild deems necessary, the Guild and the NFB shall issue a joint announcement of the decision of the Arbitrators in such media as the Guild may determine.

A1739 With respect to this Article A17, the Writers, Guild (on its own behalf and on behalf of Writers contracted under this Agreement), Arbitrators and Credit Committee (the "Releasing Parties") release, hold harmless and forever discharge all of the other Releasing Parties from any and all actions, causes of action, claims and demands for damages which may have been or thereafter may be sustained in connection with any proceeding before the Arbitrators and/or the Credit Committee, the decisions of the Arbitrators and/or the Credit Committee, and/or any publication of the findings and/or decisions of the Arbitrators and/or the Credit Committee. In addition, the Releasing Parties agree to not make any claim or take any proceeding against any third party to the credit arbitration who or which might claim contribution or indemnity from the other Releasing Parties. Nothing in this article shall be construed so as to restrict the parties' right to pursue a grievance in accordance with Article A5.

OTHER AGREEMENTS

A1740 If the work of one or more of the persons who have contributed to the Script of the Production is not subject to the terms of this Article, then in the event of Arbitration the Arbitrators may take into account the provisions of any agreements which the Guild may have with any foreign association of Writers for the determination of credit in such circumstances.

ALTERNATIVE PROCEDURE

A1741 If an objection to proposed credits is received by the NFB within the fourteen (14) day period provided for in Article A1724, as a preliminary alternative to arbitration in accordance with Articles A1726 to A1739, the NFB may dispatch a revised draft of proposed credits and if dispatched within seven (7) days of receipt of such objection, such revised draft shall be dealt with in accordance with Articles A1726 to A1739 hereof as though such revised draft were the original draft.

AGREEMENT BETWEEN WRITERS ON CREDITS

A1742 When more than one Writer has contributed to the writing of a Script and all contributing Writers agree unanimously among themselves as to which of them shall receive credit and to the form of such credit, then provided that:

- a) the number of Writers receiving such credit does not exceed two (where two Writers have collaborated on a Script as a bona fide Team, the credit of these two Writers shall count as one credit);

b) the form of such credit is in accordance with this Article;

c) the agreed form of such credit is notified to the NFB and the Guild prior to final determination of the credits in accordance with the terms of this Article; then

such credit shall be final and binding on all parties.

ASSIGNMENT OF RIGHTS

A1743 In any contract with a third party into which the NFB enters which relates to dealing with any rights in the work of a Writer, the NFB shall obtain an undertaking that such third party will:

a) in the case of an assignment of rights in such work for the purpose of the production of a Production, assume and perform the obligations to the Writer of the Producer herein contained;

b) in the case of a contract for the distribution or sale of any Production in respect of which such Writer is entitled to credit hereunder, accord the Writer such credit on all copies of such Production made or issued by such third party, and in all paid advertising (subject to the exclusion set out in Article A1725) issued by or under the direct control of such third party, in which the name of the director of such film appears, and the size of the credit shall be the same as that of the director.

A1744 The NFB shall be relieved of its obligations to accord Writer credit on all copies of the Production made or issued by a third party as referenced in Article A1743 (b) only if the NFB obtains a signed copy of the undertaking provided in Appendix L and delivers it to the Writer.

Should the NFB fail to obtain such undertaking, the NFB shall remain responsible for all obligations for credit accorded to the Writer, and shall be liable for any breach of the contract with the Writer or this Agreement arising out of any breach of the credit provisions of this Article A17, including breaches by a third party with whom it has signed a contract for distribution or sale.

INADVERTENT BREACH OF ARTICLE A17

A1745 No inadvertent breach of the terms of this Article A17 shall be deemed a breach of Article A17 by the NFB, provided that the NFB will endeavour to prevent any further breach after the receipt of written notice specifying details of the alleged breach.

PRODUCTION CREDITS

A1746 Reference contained herein to the credit accorded to the director of the Production are limited to the director's credit as director and do not extend to any "production" or "presentation" credit accorded to the director.

A1747 The NFB shall use best efforts to include the WGC logo on the credit roll. The Guild shall provide the NFB with the appropriate artwork in adequate time to facilitate the inclusion of the WGC logo.

ARTICLE A18 - SECURITY FOR PAYMENT

Note: Article A18 shall apply only to Producers who have separately adhered to this Agreement and not to the NFB.

A1801 The Guild is entitled to require a Producer to post, no sooner than thirty (30) days prior to the commencement of principal photography, security for payment sufficient to cover: a) the Production Fee and b) insurance and retirement payments required under this Agreement. The said security shall take the form of a cash deposit, to be held in trust by the Guild, in an interest-bearing account, and all the accrued interest shall be the property of the Producer. At the Producer's election, the security for payment may take the form of one or more irrevocable letters of credit in favour of the Guild, drawn on a Canadian chartered bank. The face of the letter of credit shall specify that:

i) the Guild shall be entitled, upon written notice to the Producer, to draw down on the letter of credit. The letter, shall stipulate the amount claimed and that such amount is due to the Guild as a result of default by the Producer of its payment obligations as specified in the Agreement;

ii) the said letter of credit shall have a term commencing not sooner than thirty (30) days prior to the commencement of principal photography and terminating at a mutually agreed date after the completion of principal photography;

iii) in the event of a dispute involving outstanding payments due under the Agreement, the Producer agrees to reissue a letter of credit or to post a bond in an amount equal to those amounts in dispute for as long as those amounts remain in dispute;

iv) when a bona fide dispute arises, all remedies and recourse provided by this Agreement shall be exhausted, or an Arbitrator shall rule in favour of the Writer prior to any disbursement from the Security Payment; and

A1802 The provisions of A1801(iii) and (iv) shall apply equally to a bond.

A1803 Notwithstanding Article A1801, an Established Producer as defined herein shall not be required to post as security a cash deposit, letter of credit or bond, but shall instead be entitled to provide to the Guild a corporate guarantee in the form provided in Appendix M.

A1804 An Established Producer shall mean a Producer:

- i) who has maintained a permanent active production entity with established offices and staff for the previous four years, and has engaged the Guild members for a minimum of eight hours of completed programming; and
- ii) who has had a good track record for payment of the Guild members, excluding minor infractions.

A1805 The Producer shall give the Guild notice within 30 days prior to the start of principal photography of its intention to provide a corporate guarantee.

A1806 Should the option for a corporate guarantee be denied, a timely request having been made, the Producer shall have recourse to the following appeal procedure:

- i) the Guild meet with the Producer within five (5) business days of denial of a request;
- ii) an appeal committee shall be formed which will consist of the Executive Director of the Guild and a representative of the NFB;
- iii) should there be no consensus at this meeting, the Producer shall post the cash bond required by the Guild as a gesture of good faith pending the outcome of presenting his or her case in front of an Arbitrator as set out in Article 5 of this Agreement; and
- iv) should the Arbitrator rule in the Producer's favour, the Guild will immediately return the cash bond, with interest if applicable, and accept the alternative security payment agreed to by the Arbitrator.

ARTICLE A 19 – MORE THAN ONE WRITER ENGAGED ON THE SAME MATERIAL

A1901 The NFB agrees to notify a Writer, before he or she is engaged on any assignment, of the names of all other Writers previously engaged or employed by the NFB who are assigned to work on the same material. The NFB shall also notify the Writers then working on such material of the name of any additional Writer engaged or employed.

A1902 When two or more Writers are involved in the writing of a Script, each Writer shall have an individual contract with the NFB except for NFB employees as per A105 (a).

A1903 Where it is necessary to divide any Production Fee or Distribution Royalty on such payment among the credited Writers, the division shall be as follows:

a) Documentaries

When Writers are contracted for the writing of a Documentary and for the writing of Narration, and more than one Writer is credited, the Production Fee will be divided 60% to the credited Documentary Writer(s) and 40% to the credited Narration Writer(s). In such an event, when more than one Writer is credited for the Documentary or Narration script, the 60% Documentary Production Fee and 40% Narration Production Fee shall be divided equally among the credited Documentary or Narration Writers.

b) All Productions Except Documentaries

i) The credited Writers of the Story or Screen Story contracted under this Agreement shall share equally 20%;

ii) the credited Writers of the Script contracted under this Agreement shall share equally 100% if there is no Story or Screen Story credit, or 80% where there is a Story or Screen Story credit.

iii) when no Story or Screen Story is contracted separately, the Outline shall be deemed to include the Story or Screen Story.

c) When an NFB employee is among the credited writers, the division of the Production Fee and of the Distribution Royalty will be as per Article A1903, but no payment under this Agreement will be made to the NFB employee.

ARTICLE A20 - PAYMENTS

A2001 To the extent it applies, the GST (and/or Provincial and/or harmonized sales tax) shall be paid in addition to all amounts set out in this agreement.

A2002 Upon receipt of materials as scheduled in the Writer's, Story Editor's or Story Consultant's contract, the NFB shall pay all sums due to the Writer, Story Editor or Story Consultant within fifteen (15) calendar days and no payment shall be contingent upon the acceptance or approval by the NFB of the Writer's, Story Editor's or Story Consultant's material.

A2003 No rights in any Script Material covered by this Agreement shall be conveyed by the Writer to the NFB until the total Script Fee has been received by the Writer, or until the Writer receives notice, in terms of B107, B113, or D104, that the NFB does not wish the Writer to proceed with the Script and all amounts due up to or upon such termination have been received by the Writer. If the Production Fee is not paid on or before the first day of principal photography, notice of default shall be given to the NFB. If the NFB does not cure such default within seven (7) days of receipt of notice, the rights conveyed by the Writer shall revert to the Writer, subject to reconveyance of the rights to the NFB upon payment.

A2004 When any payment is late, the NFB shall pay the Writer, Story Editor or Story Consultant interest on the overdue sum at the rate of 24% per annum, computed on a monthly basis.

A2005 Payment shall be made directly to the Writer, Story Editor or Story Consultant unless written authorization has been received by the NFB from the Writer, Story Editor or Story Consultant, authorizing payment to a third party.

A2006 No portion of any minimum fee provided in this Agreement shall be deferred for any reason.

A2007 When making any payment to a Writer, Story Editor or Story Consultant, the NFB shall specify the production and the date of contract and the details of the calculation of the payment.

A2008 In the event that a Writer fails to meet a deadline specified in his or her contract, the NFB may decline to deal further with the Writer, being obliged to pay only for work already completed and delivered on time.

However if a Writer fails to meet a deadline specified in his or her contract by reason only of the Writer's incapacity which adversely affects the progress of production in a material way or unreasonable refusal to deliver the Script Material the NFB may elect, by written notice to the Writer, to terminate the NFB's obligation to accept delivery and pay for any Script Material due on or after the missed deadline (the "Late Material"), notwithstanding that the contract may specifically deny NFB's right to terminate. If the NFB delivers such notice, NFB shall be deemed to have acquired a license in the Script Material delivered prior to the missed deadline and shall be entitled to engage one or more other Writers or to assign one or more employees to write the Late Material. The NFB shall remain obligated to the first Writer for his or her share of any Production Fee and Distribution Royalties which may become due as a consequence of the NFB's use of that first Writer's Script Material.

A2009 Distribution Royalty Payments:

a) Distribution Royalty payments shall be made only to credited Writers contracted under this Agreement. Such payments, if any, shall be made as per the reporting periods below. When payments to any other party entitled to a share of the Distributors' Gross Revenue are made more often, the Writer shall be accorded equal treatment. The NFB may elect to make Distribution Royalty payments more frequently.

b) At least annually and while the production is in distribution, the NFB shall furnish to the Guild, a statement of all Distributors' Gross Revenue certified as correct by the NFB in the form of, and displaying the information required in Appendix G. Each report shall be delivered to the Guild in the same manner and frequency as the NFB reports to government agencies and/or other financiers. The first reporting period ends ninety (90) days following the delivery of the production to the Distributor. The reports shall be accompanied by the aggregate Distribution Royalty payments payable to Writers and an outline of the method of calculation of the Distribution Royalty. The Guild shall be entitled to appoint one or more person(s) to examine the records of the NFB relating to a Production for the purpose of satisfying itself as to the propriety of the statement.

c) Distribution Royalty payments due under the terms of this Agreement shall be paid to the Writers out of Distributors' Gross Revenue in priority to payments due to all other parties entitled to a share of the Distributors' Gross Revenue. The NFB shall be deemed to hold the aggregate Distribution Royalty payments in trust for the Writer(s) from the time that Distributors' Gross Revenue are received (or, in the case of a Distributor that is not at arm's length to the Producer, accrued) until the disbursement of same to the Guild on the due date, i.e. the date that each report is due.

d) At the request of the Guild, the NFB will consent to the release of true copies of the reports dealing with Distributors' Gross Revenue, which have been filed with the government agencies and/or other financiers.

e) When a Production is distributed or otherwise exploited as part of a package of Production, the Distribution Royalty payments arising on account for such distribution shall be paid the Guild in trust for the Writers entitled thereto. The Guild shall determine the allocation of such payments to such Writers, taking into account the NFB's allocation of the revenue among the Productions in any package. The NFB shall report such allocation when remitting the Distribution Royalty payments.

f) Each Distribution Royalty payment to the Guild in the case of royalties arising from the distribution of a Production as part of a package, shall be accompanied by the Distribution Royalty Payment Form which is Appendix G of this Agreement. The NFB shall provide all information specified on the Form. At the time of payment, one copy of the Form shall be sent to the Writer and one copy shall be sent to the Guild.

g) Fair Market Value: The NFB and/or distributor shall meet with the Guild to determine the fair market value of a Production should such Production be distributed for use by means of barter or exchange or other means for which a nominal fee or no fee is charged, or as part of a package of Productions. The Distribution Royalty payments to Writers shall be based on such agreed fair market value.

h) If the NFB acts as a distributor for a production or as a sub-distributor or has any interest in a distribution company that handles the production, this Article shall apply.

AZO10 Purchaser's Assumption Agreement

a) If the NFB sells, assigns, or otherwise disposes of any production produced under this Agreement, or any rights thereto, the NFB 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 Purchaser) assumes the obligations for such, payments by Assumption Agreement in the form contained in Appendix I, and the Guild approves the assumption in writing. Such approval shall not be unreasonably withheld.

b) If the NFB sells, assigns or otherwise disposes of rights licensed under this Agreement in Script Material which has not been produced, the NFB shall not be relieved of any obligations under this Agreement unless the third party to whom the rights licensed have been sold, assigned or otherwise disposed of (the Purchaser) assumes the obligations for such payments by Assumption Agreement in the form contained in Appendix J, and the Guild approves the assumption in writing. Such approval shall not be unreasonably withheld.

c) Upon seeking the approval of the Guild to a sale, assignment or other disposition as provided for herein, the NFB shall provide to the Guild such information and material pertaining to the Purchaser as the Guild may reasonably require, including but not limited

to, the financial status of the Purchaser, the individual principals and/or directors of the Purchaser, and the terms and conditions of the Purchase Agreement.

A2011 Distributor's Assumption Agreement

a) If the NFB, its successors and assigns, licences, sells, disposes or otherwise conveys any distribution rights in a Production produced under this Agreement, the NFB shall use its best efforts to obtain an executed Distributor's Assumption Agreement. In respect of any outright sale or conveyance hereunder, (i.e. a disposition, the terms of which do not include a requirement to report revenue to the NFB) a fully-executed Distributor's Assumption Agreement with the applicable Distributor(s) is a condition precedent to such sale or conveyance. The Distributor's Assumption Agreement shall be in the form attached as Appendix H.

b) Upon seeking the approval of the Guild to an assignment, licence, sale, disposition of conveyance of distribution rights, the NFB 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 which licenses, sells, disposes or otherwise conveys the applicable distribution rights.

c) The NFB shall not be relieved of any of its obligations for payments due under the Agreement, unless the distributor to whom the distribution rights have been licensed, 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 H, and the Guild approves the assumption in writing. The Guild's approval shall not be unreasonably withheld.

A2012 The Writer(s) of a Script and the Guild shall be entitled to appoint one or more persons (the "representative") who, for the purpose of verifying the propriety of payments made under this Agreement, shall have the right to examine and audit, during normal business hours, all books, records, accounts, receipts, disbursements and any other relevant documents related to a production based on the Script. Upon giving reasonable notice to the NFB, the representative(s) shall be entitled to enter at normal place of business at annual intervals or more frequently, if warranted by the circumstances, as determined by the Guild. Such persons shall treat such information as confidential and shall use it only in relation to the matter at issue. The NFB shall forthwith pay to Writer(s) any payments found to be owing as a result of such audit.

If the aggregate payments to which the Writer or Writers are or were entitled exceed the aggregate payments made to the Writer(s) by an amount which is in excess of five percent (5%) of the aggregate payments made, the NFB shall pay to the Guild its audit costs but not less than \$100, nor more than an amount equal to twice the discrepancy.

A2013 If, in addition to the Distribution Royalty, a Writer is entitled to a share of the gross revenues or profits (or net revenues or profit, as the case may be) from a Production produced under this Agreement, then the definition of gross (or net) revenues or profits

used to calculate such Writer's share shall be no less favourable than the definition used to calculate the share of any other person(s) entitled to share in such gross (or net) revenues or profits.

ARTICLE A21 - ADMINISTRATION FEE

A2101 The NFB or Producer who has separately adhered to this Agreement shall assist in defraying the cost of administering the terms of this Agreement by paying as an administration fee the following percentage of the Writer's, Story Editor's or Story Consultant's Gross Fees:

i) the NFB shall pay one percent (1%) to a maximum of \$750 dollars per Production or Episode, to be sent directly to the Guild.

ii) If the Producer is not the NFB, six percent (6%) of the Writer's, Story Editor's or Story Consultant's Gross Fees, with no maximum for any single production or episode, payable to the Guild. All amounts collected under this Article A2101(ii) shall be divided as follows: 50% shall be retained by the Guild and 50% shall be paid to the NFB. The Guild shall remit the respective shares of the administration fees itemized by production to the NFB within thirty (30) days of the end of each calendar quarter. Upon seventy-two (72) hours notice, an authorized representative of the NFB may, during normal business hours, inspect the books and records of the Guild pertaining to the collection and remittance of the administration fee.

A2102 The NFB shall remit the administration fees to the Guild on or before the 15th of the month following the payment of the Writer's, Story Editor's or Story Consultant's fees. The fees shall be payable by cheque to the Guild and mailed to the Guild offices.

A2103 Amounts paid under Article A2101 to the Guild shall be accompanied by completed copies of the WGC Remittance Forms.

ARTICLE A22 - INSURANCE AND RETIREMENT PLAN

A2201 Insurance: The Producer shall contribute an amount equal to four percent (4%) of the Writer's, Story Editor's or Story Consultant's Gross Fees of each Writer, Story Editor or Story Consultant who is a Guild member for insurance benefits.

A2202 Retirement Plan: The NFB shall contribute an amount equal to six percent (6%) of the Writer's, Story Editor's or Story Consultant's Gross Fees of each Writer, Story Editor or Story Consultant who is a Guild member for retirement benefits.

A2203 The NFB shall deduct, for retirement purposes, from the Writer's, Story Editor's or Story Consultant's Gross Fees earned by each Writer, Story Editor or Story Consultant, three percent (3%) of such Writer's, Story Editor's or Story Consultant's Gross Fees.

A2204 Non-member Equalization Payments & Deductions

a) In order to equalize the payments and deductions in respect of Guild members and non-members, the Producer shall:

i) contribute an amount equal to ten percent (10%) of the Gross Fees paid to each Writer, Story Editor or Story Consultant who is not a member of the Guild

b) the Equalization payments and deductions made in respect of Non-members may be used and applied by the Guild and the agent or broker mutually agreed upon by the parties to this Agreement for disposition in such manner and for such Insurance and Retirement purposes as may be determined by the Guild and the broker mutually agreed upon by the parties to this Agreement.

A2205 All contributions and deductions made pursuant to this Article shall be payable by cheque to the agent or broker mutually agreed upon by the parties to this Agreement and mailed to the Guild office, and shall be payable monthly on or before the 15th of the month following the earning of such fees.

ARTICLE A23 - DEDUCTIONS FROM FEES - DUES

A2301 In addition to the deductions made pursuant to Article A2203, the NFB shall deduct two percent (2%) of the Writer's, Story Editor's or Story Consultant's Gross Fees paid to any Writer, Story Editor or Story Consultant who is a member of the Guild and shall deduct five percent (5%) of the Writer's, Story Editor's or Story Consultant's Gross Fees paid to any non-member Writer, Story Editor or Story Consultant or person designated by the Guild as a non-member (except persons excluded under Article A105) and remit these sums to the Guild monthly on or before the 15th of the month following the earning of such fees.

A2302 All deductions required by this Article will be remitted with information on the Writer, Story Editor or Story Consultant, the contract, the services contracted, and such other information as may be agreed upon from time to time by the parties hereto.

ARTICLE A24 - TRAVEL - EXPENSES AND PAID TRAVEL TIME

A2401 When the NFB requires a Writer, Story Editor or Story Consultant to travel more than eighty (80) kilometres from the Writer's, Story Editor's or Story Consultant's home, the Writer, Story Editor or Story Consultant shall, if transportation, accommodation and meals are not provided by the Producer, be paid:

i) Actual transportation expenses on scheduled carriers covering economy air or first class rail fare.

ii) A kilometrage allowance of thirty cents (.30) per kilometre if the Writer, Story Editor or Story Consultant is required to use his or her automobile. Where a Writer, Story Editor or Story Consultant rents or leases an automobile at the direction of the Producer, the Producer shall pay all costs of renting or leasing.

iii) All taxis, limousines or other transportation costs which the Writer, Story Editor or Story Consultant is required to pay.

iv) A per diem rate of one hundred and ninety-five dollars (\$195.00) to cover all expenses when staying at a hotel, motel or similar accommodation in Canada. However, if certain meals or living accommodation are provided at the expense of the Producer, the per diem rate shall be reduced in the following manner:

Breakfast	\$15.00
Lunch	\$25.00
Dinner	\$35.00
Accommodation	\$120.00

v) If a Writer, Story Editor or Story Consultant is required to travel outside of Canada, the NFB shall pay all reasonable actual expenses incurred by the Writer, Story Editor or Story Consultant that are supported by receipts where receipts are obtainable.

ARTICLE A25 - RISK INSURANCE

A2501 A Writer, Story Editor or Story Consultant shall be entitled to reasonable expenses to cover the cost of insurance when required by the Producer to undertake work in a high risk location up to a maximum coverage of five hundred thousand dollars (\$500,000.00) applicable to the number of days spanning the engagement.

B1 - CONDITIONS GOVERNING ENGAGEMENT FOR ALL PRODUCTION TYPES

- B101 Whenever the Producer contracts a Writer, Story Editor or Story Consultant a fee for the work contracted shall be negotiated and a contract signed before the Writer, Story Editor or Story Consultant begins work.
- B102 No contract between a Writer and the NFB shall provide for more than three installments and a Polish to be prepared by the Writer, unless the NFB and the Writer agree on an additional fee for each such additional instalment.
- B103 Subsequent to the delivery of the final Script the NFB may request further revisions for which a fee shall be negotiated between the NFB and the Writer.
- B104 The NFB shall notify the Writer in writing within twenty-one (21) calendar days from the receipt of an Outline, Treatment or Draft Script whether or not it wants the Writer to proceed to the next stage. Should the NFB not notify the Writer in writing of its decision regarding the Outline or Draft Script within twenty-one (21) days, it shall be deemed to have accepted the Outline or Draft Script and the Writer shall at once proceed to the next stage. However, in the case of Animation Productions, the NFB may specify within the twenty-one (2.1) days a delayed start date for proceeding with the next writing stage.
- B105 For Productions that are not Documentary Productions, if the NFB wants the Writer to polish the final Script, it shall notify the Writer within twenty-one (21) calendar days of the delivery of the final Script. Such alterations shall not involve any substantial change in the Story or structure, or the introduction of any major characters not previously included in the Script. One free Polish is included in the Script Fee.

For Documentary Productions, when the NFB has contracted a complete script, the NFB may request one free polish of one of the three Documentary script stages within twenty-one (21) calendar days of delivery of the applicable stage.

If the Writer is an Emerging Writer, the NFB may request one additional free polish at any stage.

If the NFB has not requested the polish within twenty-one (21) calendar days, it shall be deemed to have accepted the final Script.

- B106 The NFB shall pay for all stages contracted (except in the case of termination) even if the NFB waives delivery of a stage.
- B107 Where the Writer has been contracted for more than a single stage in any contract, the NFB may terminate a contract at the end of any instalment except where the Script has been contracted with no right of termination. In the event of such termination no rights shall pass to the Producer except as provided in B113 and subject to B108.

- B108 Should the NFB wish to contract the writing of a Script based on a Story, Treatment or an Outline after termination, or contract a Rewrite of a Script from a Writer other than the original Writer, the original Writer and the NFB shall first negotiate the terms and conditions including payment to the original Writer before contracting another Writer. This contract shall be executed between them prior to the contracting of another Writer or Writers.
- B109 When the NFB contracts for existing Script Material, the Writer shall be paid 100% of the appropriate Script Fee as provided in B110 on signing of the contract.
- B110 If the NFB licences existing Script Material at any stage, the NFB shall pay for all stages up to and including the stage licensed.
- B111 When a Script or Outline is not based on existing Script Material, the Writer of the Script or Outline shall be paid additional compensation for the Story or Outline included in the script.
- B112 Script Changes
- a) The Writer of a Script shall be consulted in regard to all proposed changes, modifications, additions or deletions affecting meaning, intent, theme, characterization or plot development of the Script and all editorial changes of a major nature. Any such changes to which the Writer agrees shall be made by the Writer.
- b) It shall not be a breach of this clause for the NFB to make minor Script changes during the production to meet production needs. Any change that affects the meaning, intent, theme, characterization or plot development of a Script or any editorial change of a major nature shall not under any circumstances be considered “a minor Script change ... to meet production needs”.
- c) If a Writer’s contract has been terminated and an agreement has been entered into pursuant to B108 or if a Writer’s contract has been terminated pursuant to Article B113, B112 (a) shall not apply to that Writer in relation to changes made by a subsequently contracted Writer, unless the original Writer’s contract provides otherwise.
- B113 In the case of a drama Series where a Bible for Series is provided to the Writer by the NFB, the NFB may terminate a contract on delivery of any instalment where the Writer has been contracted for more than a single stage in any contract except where the Script has been contracted with no right of termination. In the event of such termination, the NFB may proceed with the work contracted by contracting another Writer, it being understood that the NFB has acquired a license to use the Script Material upon payment of the appropriate Script Fee. The Writer shall receive the appropriate percentage of the Distribution Royalties (including the Production Fee) according to the credits accorded.
- B114 a) Where a Writer originates in Script Material any Story, concept or format that becomes the basis for or is used in any subsequent Production he or she shall receive payment and

credit but no share of the Distribution Royalty or Production Fee for each such use in each Production or episode of a Series other than in a Script written by himself or herself.

b) Where a Writer originates in Script Material any character that appears in any Production subsequent to the Production for which the material was created he or she shall receive payment for each such use in each Production or episode of a Series except:

i) in a Script written by himself or herself;

ii) in a Production or episode of a Series for which the Writer is receiving a Royalty Payment under B114 (a).

c) The payment the original Writer shall receive for each such use under B114 (a) or B114 (b) shall be subject to individual negotiation between the Writer and the NFB and such negotiation shall take place at a time prior to the commissioning of any Script from any other Writer. The payment shall in no case be less than:

i) in the case of B114 (a), 15% of the minimum Script Fee applicable to that Writer's services and;

ii) in the case of B114 (b), 7.5% of the minimum Script Fee applicable to that Writer's services for each character. This minimum shall apply only to the first two characters on any one Production or episode.

d) These royalties shall not be deductible from the Production Fee or Distribution Royalty.

e) Notwithstanding the foregoing, with respect to Series first produced prior to the commencement of this Agreement, the provisions of the agreement in effect when such Series was first produced shall apply to all episodes in the Series in lieu of the provisions of B114 (c) and (d).

B115 When a Production is contemplated for use after its initial telecast as the basis of a Series, as an alternative to Article B114, the Producer may acquire a licence to use the characters and Script Material of the original Production as the basis for the subsequent Series upon payment of a negotiated fee not less than fifty percent (50%) of the Script Fee. The Writer may also negotiate a Royalty. No payments under this clause shall be applied against the Production Fee or Distribution Royalties of the subsequent Series.

B116 Conversion to Theatrical Use

a) Should the NFB wish to acquire the rights to distribute or license the distribution of a Production produced under this Agreement for theatrical use, it shall first contract the Writer(s) and pay the Writer(s) a sum calculated as follows:

i) for any Production more than sixty (60) minutes in length, not less than the difference between the current minimum Script Fee for a Feature Film stipulated in Article C1 and the then current minimum Script Fee for the program.

ii) for any Production sixty (60) minutes or less in length not less than a sum calculated as follows: one percent (1%) of the current minimum Script Fee for a Feature Film as stipulated in Article C1 for each minute of the Production as originally contracted;

and such payment shall be in addition to any previous payments made to the Writer(s).

b) In any contract for the conversion of such Production to theatrical use, the NFB shall remain liable for the payment of all Distribution Royalties for the converted Production as required under Article C802 of this Agreement.

c) Should the Producer wish to contract a Writer to prepare a Production under this Agreement and include in that contract the right to distribute or license the distribution of the Production for theatrical use, he or she shall first contract for the rights under Article C2, C3, C4 or C5 and subsequently contract for Conversion to theatrical use under B116. This requirement shall apply equally to any Production prepared under any co-production agreement or contract to which the NFB is in any way a party.

d) This Article shall not apply to Animation Productions, except as per Article A217

B117 Excerpts

a) The Writer(s) of the Production in which Excerpts are inserted shall be contracted under Article C101 C201, C301, C401 or C501 of this Agreement and receive the full Script Fee.

b) When Excerpts comprise more than 25% of the Production time, the Writer(s) of the Production which incorporates the Excerpts will receive a share of the Production Fee and Distribution Royalty based on the number of minutes in the Production written by him or her divided by the number of minutes in the Production. The remaining Production Fee and Distribution Royalty will be divided among the Writers of the Excerpts in the same manner.

c) When Excerpts comprise 25% or less of the Production time, the Writer(s) of the Production which incorporates the Excerpts will receive 100% of the Production Fee and Distribution Royalty.

d) When Excerpts comprise 25% or less of the Production time, Writer(s) of the Excerpts shall receive at least \$175 for each minute or portion thereof.

e) Credited Writers of Excerpts shall be listed under the credit "EXCERPTS WRITTEN BY...".

f) An Excerpt of not more than three (3) minutes in length may be used on any media or format for consultation, publicity and promotion, including use in an awards Production, without additional payment. Such Excerpts or clips may also be used within a Series from which the footage was taken for recaps, previews, or teasers without additional payment. An Excerpt from a Production ten (10) minutes or less in length shall not exceed one (1) minute.

SECTION C - ADDITIONAL CONDITIONS AND MINIMUM COMPENSATION BY PRODUCTION TYPE

Article C1 – Feature Film

The Writer(s) of a Feature Film shall be paid at least the minimum compensation set out below:

<u>Script Fees</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
C101 script	45,000	46,350	47,740
C102 Original Treatment	20,225	20,850	21,485
C103 Treatment based on Script Material supplied	13,500	13,900	14,325
C104 Script from Existing Treatment	29,210	30,125	31,030
C105 Rewrite: a) by the original Writer	22,040	22,710	23,390
b) by another Writer	29,210	30,125	31,030
C106 Written Narration other than by the Writer Of a Script or Story and Script	15,730	16,225	16,710
C107 Polish	6,740	6,950	7,160

C108 A Feature Film Script may be contracted:

- i) as an existing Script;
- ii) as a complete Script with or without right of termination;
- iii) as a Script from an existing Treatment, with or without right of termination;
- iv) as the following single element or components of Script: Treatment, Rewrite, Polish, Narration.

C109 When the Producer contracts for a complete Feature Film Script, with or without the right of termination, the Script Fee shall be paid as follows:

- i) on signing of the contract 15%
- ii) on delivery of the Treatment 25%
- iii) on delivery of the First Draft Script 35%
- iv) on delivery of the Second Draft Script 25%

C110 When the Producer contracts for a Feature Film Script based on an existing Treatment, with or without the right of termination, the Script Fee shall be allocated and paid as follows:

- i) on signing of the contract 15%
- ii) on delivery of the First Draft Script 60%
- iii) on delivery of the Second Draft Script 25%

C111 When the Producer contracts for a single element or component of a Feature Film Script, the Script Fee shall be allocated and paid as follows:

- i) on signing of the contract 25%
- ii) on delivery of material 75%

Productions Not for Theatrical Release

C201 Documentary:

	<u>2002</u>	<u>2003</u>	<u>2004</u>
15 minutes or less	2,656	2,736	2,818
30 minutes or less	5,313	5,472	5,636
60 minutes or less	10,625	10,944	11,272
90 minutes or less	15,938	16,416	16,908
120 minutes or less	21,251	21,889	22,546
Over 120 minutes	calculated on the length of the Production and based on the 30 minute rate		

C202 Documentary Script based on an initial proposal or Outline contracted under this Agreement or written by an NFB employee which is provided by the NFB to the Writer and from which the Writer proceeds directly to a Treatment or shooting script without preparing an initial proposal or Outline:

	<u>2002</u>	<u>2003</u>	<u>2004</u>
15 minutes or less	2,260	2,328	2,398
30 minutes or less	4,515	4,650	4,790
60 minutes or less	9,030	9,301	9,580
90 minutes or less	13,550	13,957	14,376
120 minutes or less	18,065	18,607	19,165
Over 120 minutes	calculated on the length of the Production and based on the 30 minute rate		

C203 Narration

	<u>2002</u>	<u>2003</u>	<u>2004</u>
15 minutes or less	1,348	1,388	1,430
30 minutes or less	2,696	2,777	2,860
60 minutes or less	5,391	5,553	5,720
90 minutes or less	8,087	8,330	8,580
120 minutes or less	10,782	11,105	11,438
Over 120 minutes	Calculated on the length of the Production and based on the 30 minute rate		

C204 A Documentary Script may be contracted as provided below:

- a) as an existing Script;
- b) as a complete Script with or without right of termination;
- c) as a complete script in instalments;
- d) as a Script in instalments from an existing initial Proposal or Outline;
- e) as the following single elements or components of a Script: Narration, Polish, Rewrite.

C205 When the NFB contracts for a Documentary Script, the Script Fee shall be paid as follows:

- a) on signing of the contract 15%
- b) on delivery of the Proposal or Outline 25%
- c) on delivery of the Treatment or shooting script 35%
- d) on delivery ~~of~~ the Final Script or Narration 25%

C206 When the NFB contracts for a Documentary Script based on an initial proposal or Outline contracted under this Agreement after termination, the Script Fee shall be paid as follows:

- a) on signing of the contract 15%
- b) on delivery of the Treatment or shooting script 65%
- c) on delivery of the Final Script or Narration 20%

C207 When the NFB contracts for a single element or component, the Script Fee shall be paid as follows:

- a) on signing of contract 25%
- b) on delivery of material 75%

C208 Option for Documentary Productions under \$150,000

The Production Fee as set out in Article C7 and Distribution Royalty as set out in Article C8 do not apply to the following writing services, except to the extent specifically indicated herein:

For Documentary productions with Certified Budgets, as defined herein, under one hundred and fifty thousand dollars (\$150,000.00), the following optional formula may be applied:

In lieu of the Script Fee, the Writer(s) will be paid a sum equal to the Production Fee calculated in accordance with Article C7, and payable in instalments as required under Article C205. No further payment shall be owing on the first day of principal photography. The Distribution Royalty shall be unchanged (i.e. as calculated in Article C8).

C209 Narration Scripts for Documentaries

For Narration Scripts for Documentaries, i.e. Scripts written at rough-cut stage or later, the following formula shall apply:

- i) The amount of the Production Fee, which shall be due at the time of recording of the Narration, shall be fifty percent (50%) of the Production Fee as calculated in accordance with the applicable formula in C704.
- ii) A Rewrite for a Narration Script shall be negotiated and such payment shall in no case be less than fifty percent (50%) of the fee provided in C203.
- iii) The amount of the Distribution Royalty shall, in the case of Narration Scripts only, be fifty percent (50%) of the Distribution Royalty calculated according to the formula contained in C802.

ARTICLE C3 – ANIMATION

C301 Animation Script Fee

	<u>2002</u>	<u>2003</u>	<u>2004</u>
5 minutes or less	1,080	1,112	1,145
10 minutes or less	2,160	2,225	2,292
15 minutes or less	3,235	3,332	3,432
20 minutes or less	4,310	4,439	4,572
25 minutes or less	5,390	5,552	5,719
30 minutes or less	6,470	6,664	6,864

C302 Animation Story

	<u>2002</u>	<u>2003</u>	<u>2004</u>
5 minutes or less	180	185	191
10 minutes or less	260	371	382
15 minutes or less	539	555	572
20 minutes or less	720	742	764
25 minutes or less	900	927	955
30 minutes or less	1,078	1,110	1,143

C303 Animation Rewrite	<u>2002</u>	<u>2003</u>	<u>2004</u>
5 minutes or less	315	324	334
10 minutes or less	629	648	667
15 minutes or less	943	971	1,000
20 minutes or less	1,258	1,296	1,335
25 minutes or less	1,573	1,620	1,669
30 minutes or less	1,887	1,944	2,002

C304 Animation Additional Polish	<u>2002</u>	<u>2003</u>	<u>2004</u>
5 minutes or less	157	162	167
10 minutes or less	315	324	334
15 minutes or less	472	486	501
20 minutes or less	629	648	667
25 minutes or less	786	810	834
30 minutes or less	943	971	1,000

C305 An Animation Script may be contracted as provided below:

- a) as an existing Script;
- b) as a complete Script with or without right of termination;
- c) as a complete Script in instalments;
- d) as a Script from an existing Story or Screen Story, with or without right of termination;
- e) as a Script in instalments from an existing Story or Screen Story;
- f) as the following single elements or components of a Script: Narration, Polish, Rewrite, Story, Screen Story.

C306 When the NFB contracts for a complete Script, with or without the right of termination

(i) not based on a Story or Screen Story contracted under this Agreement; or

(ii) based on a Story or Screen Story contracted under this Agreement which is provided by the NFB to the Writer at the time of contracting and from which the Writer is required to provide an Outline,

the Script Fee shall be paid as follows:

- i) on signing of the contract 20%
- ii) on delivery of the Outline 20%
- iii) on delivery of the First Draft Script 40%
- iv) on delivery of the Second Draft Script 20%

Note: The Second Draft Script may be considered the Final Script.

C307 When the NFB contracts for a Script with or without right of termination

(i) based on a Story or Screen Story contracted under this Agreement which is provided by the NFB to the Writer at the time of contracting and from which the Writer proceeds directly to a first Draft Script without preparing an Outline; or

(ii) based on an Outline after termination

the Script Fee shall be paid as follows:

- i) on signing of the contract 20%
- ii) on delivery of the First Draft Script 60%
- iii) on delivery of the Second Draft Script 20%

Note: The Second Draft Script may be considered the Final Script.

C308 When the NFB contracts for a single element or component, the Script Fee shall be paid as follows:

- a) on signing of contract 25%
- b) on delivery of material 75%

ARTICLE C4 - DRAMA NINETY MINUTES AND OVER

The Writer(s) of a Drama ninety (90) minutes and over shall be paid at least the minimum compensation set out below:

<u>Script Fees</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
C401 Script			
(i) not based on a Story or Screen Story contracted under this Agreement; or			
(ii) based on a Story or Screen Story contracted under this Agreement which is provided by the Producer to the Writer at the time of contracting and from which the Writer is required to provide an Outline:	30,888	31,815	32,770
C402 Script (i) based on a Story or Screen Story contracted under this Agreement which is provided by the Producer to the Writer at the time of contracting and from which the Writer proceeds directly to a First Draft Script without preparing an Outline; or			
(ii) Based on an Outline after termination:	24,710	25,450	26,215

C403	Story or Screen Story	6,178	6,365	6,555
C404	Rewrite:	10,811	11,135	11,470
C405	Polish	5,560	5,725	5,895

N.B.: If the Writer of the Story is not contracted to write the Script, the Producer shall negotiate with the Story Writer in accordance with B108 before commissioning another Writer.

N.B.: No Rewrite may be contracted from another Writer until the original Writer has been paid one hundred percent (100%) of that part of the applicable Script Fee payable to the original Writer, or a grievance has resulted in the matter being referred to a Joint Standing Committee or to an Arbitration.

C406 Mini-Series Script

Mini-Series shall be contracted under Articles C401 to C405 for the first two hours of broadcast time. The Script Fee shall be pro-rated as required.

C407 A drama ninety (90) minutes and over may be contracted:

- i) as an existing Script;
- ii) as a complete Script with or without right of termination;
- iii) as a Script from an existing Story, Screen Story or Outline with or without right of termination;
- iv) as the following single elements or components of a Script: Narration, Polish, Rewrite, Story, Screen Story.

C408 When the Producer contracts for a complete drama ninety (90) minutes and over or Mini-Series Script with or without the right of termination:

- a) not based on a Story or Screen Story contracted under this Agreement; or
- b) based on a Story or Screen Story contracted under this Agreement which is provided by the Producer to the Writer at the time of contracting and from which the Writer is required to provide an Outline,

the Script Fee shall be paid as follows:

- i) on signing of the contract 15%
- ii) on delivery of the Outline 25%
- iii) on delivery of the First Draft Script 35%
- iv) on delivery of the Second Draft Script 25%

C409 When the Producer contracts for a drama ninety (90) minutes and over or Mini-Series Script with or without the right of termination:

- a) based on a Story or Screen Story contracted under this Agreement which is provided by the Producer to the Writer at the time of contracting and from which the Writer proceeds directly to a First Draft Script without preparing an Outline; or

b) based on an Outline after termination the Script Fee shall be allocated and paid as follows:

- i) on signing of the contract 15%
- ii) on delivery of the First Draft Script 60%
- iii) on delivery of the Second Draft Script 25%

C410 When the Producer contracts for a single element or component of a drama ninety (90) minutes and over or Mini-Series Script, the Script Fee shall be allocated and paid as follows:

- i) on signing of the contract 25%
- ii) on delivery of the material 75%

Dramas, Series, dramatizations, drama-documentaries (under 90 minutes):

C501 Dramas, Series, dramatizations, drama-documentaries:

- (i) not based on a Story or Screen Story contracted under this Agreement or written by an NFB employee; or
- (ii) based on a Story or Screen Story contracted under this Agreement or written by an NFB employee which is provided by the NFB to the Writer at the time of contracting and from which the Writer is required to provide an Outline:

	<u>2002</u>	<u>2003</u>	<u>2004</u>
15 minutes or less	3,235	3,332	3,432
30 minutes or less	6,470	6,664	6,864
60 minutes or less	12,939	13,327	13,727
90 minutes or less	19,408	19,990	20,590

C502 Dramas, Series, dramatizations, drama-documentaries (under 90 minutes):

- (i) based on a Story or Screen Story contracted under this Agreement or written by an NFB employee which is provided by the NFB to the Writer at the time of contracting and from which the Writer proceeds directly to a first Draft Script without preparing an Outline; or
- (ii) based on an Outline after termination pursuant to B107 (subject to B 108):

	<u>2002</u>	<u>2003</u>	<u>2004</u>
15 minutes or less	2,696	2,777	2,860
30 minutes or less	5,391	5,553	5,720
60 minutes or less	10,783	11,106	11,439
90 minutes or less	16,174	16,659	17,159

C503 Story or Screen Story only:

	<u>2002</u>	<u>2003</u>	<u>2004</u>
15 minutes or less	539	555	572
30 minutes or less	1,078	1,110	1,143
60 minutes or less	2,157	2,222	2,289
90 minutes or less	3,234	3,331	3,431

N.B.: If the Writer of the Story is not contracted to write the Script, the NFB shall negotiate with the original Story Writer in accordance with B108 before commissioning another Writer.

C504 Rewrite:

	<u>2002</u>	<u>2003</u>	<u>2004</u>
15 minutes or less	943	971	1,000
30 minutes or less	1,887	1,944	2,002
60 minutes or less	3,774	3,887	4,004
90 minutes or less	5,660	5,830	6,005

N.B.: No Rewrite may be contracted from another Writer until the original Writer has been paid one hundred percent (100%) of the applicable Script Fee, or a grievance has resulted in the matter being referred to the Arbitration.

C505 Additional Polish :

	<u>2002</u>	<u>2003</u>	<u>2004</u>
15 minutes or less	472	486	501
30 minutes or less	943	971	1,000
60 minutes or less	1,887	1,944	2,002
90 minutes or less	2,831	2,916	3,003

C506 Narration

	<u>2002</u>	<u>2003</u>	<u>2004</u>
15 minutes or less	1,348	1,388	1,430
30 minutes or less	2,696	2,777	2,860
60 minutes or less	5,391	5,553	5,720
90 minutes or less	8,087	8,330	8,580
120 minutes or less	10,782	11,105	11,438
Over 120 minutes	Calculated on the length of the Production and based on the 30 minute rate		

C507 A Script may be contracted as provided below:

- a) as an existing Script;
- b) as a complete Script with or without right of termination;
- c) as a complete Script in instalments;
- d) as a Script from an existing Story or Screen Story, with or without right of termination;
- e) as a Script in instalments from an existing Story or Screen Story;
- f) as the following single elements or components of a Script: Narration, Polish, Rewrite, Story, Screen Story. '

C508 When the NFB contracts for a complete Script, with or without the right of termination

(i) not based on a Story or Screen Story contracted under this Agreement; or

(ii) based on a Story or Screen Story contracted under this Agreement which is provided by the NFB to the Writer at the time of contracting and from which the Writer is required to provide an Outline,

the Script Fee shall be paid as follows:

- i) on signing of the contract 20%
- ii) on delivery of the Outline 20%
- iii) on delivery of the First Draft Script 40%
- iv) on delivery of the Second Draft Script 20%

Note: The Second Draft Script may be considered the Final Script.

C509 When the NFB contracts for a Script with or without right of termination

i) based on a Story or Screen Story contracted under this Agreement which is provided by the NFB to the Writer at the time of contracting and from which the Writer proceeds directly to a first Draft Script without preparing an Outline; or

ii) based on an Outline after termination pursuant to B107 (subject to B 108)

the Script Fee shall be paid as follows:

- i) on signing of the contract 20%
- ii) on delivery of the First Draft Script 60%
- iii) on delivery of the Second Draft Script 20%

Note: The Second Draft Script may be considered the Final Script.

C510 When the NFB contracts for a single element or component, the Script Fee shall be paid as follows:

- a) on signing of contract 25%
- b) on delivery of material 75%

ARTICLE C6 - CONTINUITY

C601	Continuity	<u>2002</u>	<u>2003</u>	<u>2004</u>
	Minimum two (2) minutes of Script	\$253	\$260	\$270
	Each additional minute of Script	\$ 34	\$ 35	\$36

Note: Continuity Writing does not attract Distribution Royalties but rather Residuals,

C602 Distribution Rights and Residuals - Continuity

The payment of at least one hundred and fifty percent (150%) of the compensation under C601 in addition to the Continuity Script Fee shall entitle the NFB to unlimited worldwide use of the Production made from the Continuity Writer's Script Material.

ARTICLE C7 - PRODUCTION FEE

C701 The NFB shall advise the Guild in writing:

- i) when Production has been approved for completion, and provide the date of commencement of principal photography as soon as such date is set;
- ii) when the title of the Production has changed;
- iii) of the date of initial release whether it be broadcast, theatrical or video release.

C702 a) At least fifteen (15) days prior to the first scheduled day of principal photography or, in the case of a Documentary, on recording of final narration or at the fine cut if no narration recording, the Producer shall deliver to the Guild:

- i) a copy of the Certified Budget
- ii) the name(s) of the credited Writer(s), Story Editor(s) or Story Consultant(s);
- iii) a copy of the Non-Certified Master Budget (in the case of productions with no completion guarantor or CO-Productions whose budgets are not subject to NFB certification).

C703 Productions With Non-Certified Master Budgets

Note: This Article C703 shall apply only to Producers who have separately adhered to this Agreement and shall not apply to the NFB.

In the case of productions with Non-Certified Master Budgets, in addition to the provisions of Article C702, Producers shall provide the following to the Guild:

i) Within sixty (60) days from completion of the video master, broadcast ready tape or release print, a statement of production costs prepared by a licensed public accountant. If the production costs exceed the Non-Certified Master Budget, the Producer shall pay any additional sums due to the Writer(s) calculated in accordance with Article C704. If the production costs are less than the Non-Certified Master Budget, there shall be no refund of monies paid or payable.

ii) Within one year of the first day of principal photography, an audited statement of production costs prepared by a licensed public accountant. If the audited production costs exceed the statement of production costs provided in Article C703 (i), the Producer shall pay any additional sums due to the Writer(s) calculated in accordance with Article C704.

If the audited production costs are less than the Non-Certified Master Budget or the statement of production costs provided in Article C703 (i), there shall be no refund of monies paid or payable.

C704 Production Fee

a) For all Productions except Animation Productions:

On the first day of principal photography the NFB shall pay each credited Writer contracted under this Agreement his or her share of the Production Fee. In the case of a Documentary, on recording of final Narration, or at the fine cut if no Narration recording, the NFB shall pay to each credited Writer contracted under this Agreement his or her share of the Production Fee.

This Production Fee shall be calculated on the basis of the Budget pursuant to Article A204, as follows:

<u>If the Budget is:</u>	<u>The Production Fee is:</u>
0 - \$100,000	\$3,575 plus 3.3% of the Budget
\$100,000 - \$300,000	\$6,875 plus 2.75% of the Budget in excess of \$100,000
\$300,000 - \$500,000	\$12,375 plus 1.1% of the Budget in excess of \$300,000
\$500,000 - \$2,000,000	\$14,575 plus 2.75% of the Budget in excess of \$500,000
\$2,000,000 - \$10,000,000	\$55,825 plus 2.2% of the Budget in excess of \$2,000,000

For a Budget in excess of \$10 million the Production Fee is negotiable, but the floor for such negotiation is \$231,825.

Following is a table setting out examples of these payments:

PRODUCTION FEE

The following table illustrates the formula provided in Article C704 and gives examples. For the purpose of calculating the actual Production Fee, the total Budget figure must be used.

Budget	Calculations per Article C704	Production Fee
\$ 50,000	\$3,575 plus 3.3% of \$50,000	\$5,225
\$100,000	\$3,575 plus 3.3% of \$100,000	\$6,875
\$200,000	\$6,875 plus 2.75% of \$100,000	\$9,625
\$300,000	\$6,875 plus 2.75% of \$200,000	\$12,375
\$400,000	\$12,375 plus 1.1% of \$100,000	\$13,475
\$500,000	\$12,375 plus 1.1% of \$200,000	\$14,575
\$600,000	\$14,575 plus 2.75% of \$100,000	\$17,325
\$700,000	\$14,575 plus 2.75% of \$200,000	\$20,075

\$800,000	\$14,575 plus 2.75% of \$300,000	\$22,825
\$900,000	\$14,575 plus 2.75% of \$400,000	\$25,575
\$1,000,000	\$14,575 plus 2.75% of \$500,000	\$28,325
\$1,500,000	\$14,575 plus 2.75% of \$1,000,000	\$42,075
\$2,000,000	\$14,575 plus 2.75% of \$1,500,000	\$55,825
\$2,500,000	\$55,825 plus 2.2% of \$500,000	\$66,825
\$3,000,000	\$55,825 plus 2.2% of \$1,000,000	\$77,825
\$3,500,000	\$55,825 plus 2.2% of \$1,500,000	\$88,825
\$4,000,000	\$55,825 plus 2.2% of \$2,000,000	\$99,825
\$4,500,000	\$55,825 plus 2.2% of \$2,500,000	\$110,825
\$5,000,000	\$55,825 plus 2.2% of \$3,000,000	\$121,825
\$5,500,000	\$55,825 plus 2.2% of \$3,500,000	\$132,825
\$6,000,000	\$55,825 plus 2.2% of \$4,000,000	\$143,825
\$6,500,000	\$55,825 plus 2.2% of \$4,500,000	\$154,825
\$7,000,000	\$55,825 plus 2.2% of \$5,000,000	\$165,825
\$7,500,000	\$55,825 plus 2.2% of \$5,500,000	\$176,825
\$8,000,000	\$55,825 plus 2.2% of \$6,000,000	\$187,825
\$8,500,000	\$55,825 plus 2.2% of \$6,500,000	\$198,825
\$9,000,000	\$55,825 plus 2.2% of \$7,000,000	\$209,825
\$9,500,000	\$55,825 plus 2.2% of \$7,500,000	\$220,825
\$10,000,000	\$55,825 plus 2.2% of \$8,000,000	\$231,825
less than \$231,825.		

C705 Production Fee for Animation Productions Twenty (20) Minutes or Less.

In the case of an Animation Production, on recording of principal cast recording, or at the fine cut if no cast recording, the NFB shall pay to each credited Writer contracted under this Agreement his or her share of the Production Fee calculated on the basis of the Budget pursuant to Article A204, as follows:

On the first \$10,000 \$1,251
 \$10,001 - \$50,000 \$1,251 plus 4.8% of the Budget
 Over \$50,000 70% of the formula provided in Article C704

For all Animation Productions over twenty (20) minutes, the Production Fee calculated as per Article C704 is payable.

C706 In the case of a Series, the Budget for an episode shall be the Budget for that episode, or the total Budget for the Series, including amortized items, divided by the number of episodes in the Series. The option chosen by the NFB shall apply to the entire Series.

C707 Script Fees paid to a Credited Writer contracted under this Agreement may be deducted from his or her share of the Production Fee to a maximum of the Writer's share of the Production Fee but no other deductions of any kind may be made.

C708 In the event of a dispute as to the credits, the NFB shall on the first day of principal photography pay the maximum amount of the Production Fee due the Writer(s) (i.e. the maximum amount payable to any and all Writer(s) based on any potential credit arbitration decision) to the Guild to be held in trust for such Writer(s) until a credit arbitration has been concluded.

C709 If there are credited Writers contracted under other guild agreements and not under this Agreement, or if there are credited Writers who are employees of the NFB who are excluded from this Agreement under the terms of Article A105, the Writer(s) contracted under this Agreement shall be paid a share of the Production Fee and Distribution Royalty calculated as if all Writers were contracted under this Agreement. When writers are contracted under another guild agreement, the above shall apply provided that the other guild agreement has been negotiated by a member of the International Affiliation of Writers Guilds (“IAWG”). Where the other credited Writer(s) engaged are not contracted under an IAWG Guild, then the credited Writer(s) contracted under this Agreement shall receive the following share of the Production Fee and Distribution Royalty:

- | | |
|---|------|
| i) when the Writer has written 1 element
(e.g. Story, Treatment) | 25% |
| ii) when the Writer has written 2 elements
(e.g. Story and Rewrite, 2 Rewrites). | 50% |
| iii) when the Writer has written 3 elements | 75% |
| iv) when the Writer has written 4 elements | 100% |

Should the Production Fee share based on writing credit as per Article A1903 exceed the above amounts the Writer shall receive the greater share of the Production Fee.

Writers not contracted under this Agreement shall be paid in accordance with their own guild agreement and/or individual contract.

ARTICLE C8 – DISTRIBUTION ROYALTY

C801 The following provisions shall apply to all Scripts contracted under Section C except Continuity (C601 to C602) and Narration Scripts (C203).

C802 The NFB shall pay to the credited Writer(s) contracted under this Agreement (subject to Article C709) a Distribution Royalty of three point two percent (3.2%) of the total amount of the Distributors’ Gross Revenue (DGR) less one hundred and thirty percent (130%) of the Budget in accordance with the provisions herein. i.e. $3.2\% \times (DGR - 130\% \text{ of Budget})$.

C803 Distribution Royalty payments shall be made at least annually.

C804 Distributors’ Gross Revenue shall mean all monies derived by the NFB, the Head Distributor and/or sub-distributors, as provided below, in any manner whatsoever from 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. 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 Distributors' Gross Revenue.

b) Distributors' Gross Revenue shall also mean all monies received by those Distributors with which the NFB has entered into a distribution agreement (the "Head Distributor") in respect of the production.

The Distributors' Gross Revenue shall also include all monies received by sub-distributors which:

i) are Related Persons to, or which do not have an arm's length relationship with, the NFB or the Head Distributor, or,
ii) have an obligation to report and remit Revenue directly to the NFB or Head Distributor.

c) Sale revenues (including pre-sale revenues, i.e. sales made prior to production) shall be included in Distributors' Gross Revenue. A sale means the grant, to an end user, of a licence or rights to utilize a Production, for consideration. Distribution Advances, i.e. advances received by the NFB from a Distributor, shall not be included in Distributors' Gross Revenue for the purpose of triggering the payment of Distribution Royalties to Writers; however, a Distributor shall not be entitled to deduct the amount of the Distribution Advance from the Distributors' Gross Revenue for the purpose of calculating the Distribution Royalty. Monies received by Distributors pursuant to Article C803b) above shall be considered Distributors' Gross Revenue whether or not the Distributor has recouped its Distribution Advance.

d) Notwithstanding the foregoing, Distributors' Gross Revenue derived from the sale or rental of Compact Devices (excluding any secondary use) shall be deemed to be equal to twenty percent (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 Revenue shall be ten percent (10%).

e) 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 the Guild to refer any difference to Arbitration under Article A5.

f) Official Treaty CO-Productions

i) While Distributors' Gross Revenue includes revenue from all sources on a world wide basis, in respect of Official Treaty CO-productions certified by Telefilm Canada or by any successor organization, the Distributors' Gross Revenue shall be:

- a) 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;
 - 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 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 NFB shall disclose the production's status or intended status as an Official Treaty CO-production to the Guild and will provide the following information to the Guild:
- 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; and
 - c) evidence, satisfactory to the Guild that the Production has been approved by Telefilm Canada and the competent foreign authorities as an Official Treaty CO-Production.
- g) If the NFB negotiates a definition of Distributors' 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.

ARTICLE C9 - RIGHTS LICENSED

- C901 On payment of the Script Fees as provided herein the NFB shall acquire, subject to A16, an exclusive licence to produce a single production made from the Script.
- C902 On payment of the Production Fee stipulated in C704 and subject to the timely payment of continuing Distribution Royalties as required by Article C8 or other payments as set out in C6, the Producer shall acquire the exclusive licence for unlimited world distribution of a Feature Film, and unlimited world distribution, except theatrical distribution, of a production licenced under Articles C2 through C6.

ARTICLE C10 - ACQUISITION OF FURTHER RIGHTS

C1001 The NFB may acquire rights to Script Material in addition to those previously contracted under this Agreement upon terms and conditions to be mutually agreed between the NFB and the Writer, provided that:

- i) all such agreements for further rights shall be by written contract;
- ii) when such rights are governed by this Agreement, the terms and conditions shall be not less than those stipulated in this Agreement; and
- iii) when such rights are not governed by this Agreement, the fee negotiated shall be in addition to the fees paid for the rights governed by this Agreement and shall be conveyed in a contract separate and distinct from contracts entered into under the terms of this Agreement.

SECTION D Sponsored Production

ARTICLE D1 - CONDITIONS GOVERNING ENGAGEMENT

- D101 Whenever the NFB contracts a Writer, Story Editor or Story Consultant, a fee for the work contracted shall be negotiated and a contract signed before the Writer, Story Editor or Story Consultant begins work.
- D102 A Script may be contracted, written and paid for either a) as a whole, or b) in separate instalments as provided below.
- D103 When the NFB contracts for a complete Script by instalments the Script Fee shall be allocated to each instalment and paid as follows:
- a) on delivery of the Outline 25%
 - b) on delivery of the Draft Script 50%
 - c) on delivery of the final Script 25%
- D104 The NFB may terminate the process at the end of any instalment outlined in D103.
- D105 The NFB shall notify the Writer within twenty-eight (28) days of delivery of an Outline or Draft Script whether or not it wants the Writer to proceed to the next stage. The NFB may extend the period during which such notice is to be given for **up** to six (6) months on written notice to the Writer. Should the NFB not notify the Writer in writing of its decision regarding an Outline or Draft Script or not exercise the right of extension within twenty-eight (28) calendar days, it shall be deemed to have accepted the Outline or Draft Script and the Writer shall at once proceed to the next stage.
- D106 If the NFB elects to contract for Script Material at a stage beyond the Outline, it shall pay for the appropriate percentage of the contract fee for each stage up to and including the stage contracted.
- D107 No contract between a Writer and the NFB shall provide for more than three installments and a Polish to be prepared by the Writer, unless the NFB and the Writer agree on an additional fee for each such additional installment.
- D108 Subsequent to the delivery of the final Script the NFB may request further revisions for which a fee shall be negotiated between the NFB and the Writer.
- D109 If a Script based on an Outline, Draft Script or final Script is subsequently commissioned from another Writer, the original Writer of the Outline, Draft Script or final Script shall receive payment which shall be subject to negotiation between the NFB and the original Writer, and a contract shall be executed between them prior to the commissioning of the writing of such Script by another Writer.

D110 Where a Writer originates an Outline, Treatment, Draft Script, final Script or pilot Script a sub-plot for any Production or for a character who subsequently appears on any Production, the payments and credits he or she shall receive for any use made of such sub-plot other than in a Script written by himself or herself shall be subject to individual negotiations between the Writer and the NFB. Such negotiations for the use of the character(s) or sub-plot shall take place at the time of original contracting of the Writer, or at a time prior to the commissioning of Script(s) from other Writers. Such payments shall in no case be less than fifteen percent (15%) of the Writer's original contract fee, that Script Fee being understood to be the fee for a complete Script, Rewrite or Story, whichever is applicable.

ARTICLE D2 - MINIMUM COMPENSATION – SPONSORED PRODUCTION

D201 The minimum compensation to be paid a Writer for preparing a Script in the category of Sponsored Production shall be as follows:

Script Fee	2002	2003	2004
15 minutes or less	\$1,511	\$1,555	\$1,603
30 minutes or less	\$3,021	\$3,112	\$3,205
60 minutes or less	\$6,042	\$6,223	\$6,410
90 minutes or less	\$8,896	\$9,163	\$9,438
Over 90 minutes	*Negotiable	*Negotiable	*Negotiable

Note: While rates for “over 90 minutes” are negotiable, such negotiable rates shall in no case be less than a pro rata minimum calculated on the length of the Production and based on the 30 minute rate in the relevant category.

D202 The minimum compensation to be paid a Writer for preparing a written Narration for Productions in this category shall be not less than fifty percent (50%) of the fees provided in D201.

ARTICLE D3 - DISTRIBUTION AND USE RIGHTS

D301 The payment of at least the minimum rates set forth in D2 shall entitle the NFB to:

- a) make a production based on the Script
- b) the right to acquire the exclusive right to use the film as detailed in Article D302 of this Agreement.

D302	<u>Territory</u>	<u>Term</u>	<u>Percentage of Script Fee</u>
	All markets, world	unlimited uses	150%

D303 If credits are given to Writer(s) in Sponsored Production, the Writer(s) credits shall be no less in duration and size than the Producer's credit.

SECTION E Productions for New Media, Multimedia and the Internet

The parties recognize that this section provides interim conditions for New Media. It is understood by the parties that these conditions do not necessarily constitute a precedent for future negotiations.

ARTICLE E1 - CONDITIONS GOVERNING ENGAGEMENT

The provisions of Section A and C apply to this Section except as specifically modified herein:

E101 Application. This Section shall apply to audio-visual productions of the type that have traditionally been covered under the IPA written by Writers who are not employees of the NFB for initial use in New Media, Multimedia and on the Internet.

This Section shall not apply when the NFB contracts a person to write non-Script Material which includes instructional or promotional material or text for which the NFB has acquired rights.

E102 The NFB may contract writing services under this Section for which a fee shall be negotiated between the NFB and the Writer.

E103 A Writer may be contracted based on the number of days work required and paid a daily rate or by length of production or by stages.

E104 Rights Licensed. For the fee negotiated under Article E102, the NFB shall receive a license to use the Production made from the script on the Internet, on CD-ROM, multimedia, or any other new media for two (2) years from date of first use in any of these media.

An additional two-year license period may be acquired by the NFB upon negotiation with the Guild and the Writer.

E105 Re-use of Previously Produced Material on the Internet.

When the NFB distributes in new media a Production (in whole or in part) previously contracted under Section D of any agreement to which the NFB has been signatory, it shall contract and pay the Writer(s) ten percent (10%) of the current applicable rate in Section D of this Agreement for five (5) years' use.

Such compensation shall be shared between the credited Writer(s) of the Production in the manner of A1903.

E106 The NFB may use, with the Writer's consent, part of the Script text or the entire Script text, on the Internet, on CD-ROM, multimedia or any other new media.

E107 This Section does not apply to non-Script Material posted by participants visiting the Internet site.

E108 Where credits appear on a New Media production, credit shall be provided to the Writer.

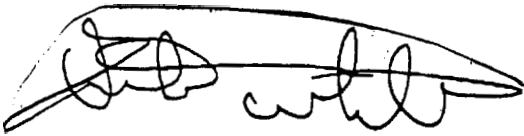
SECTION F Signature and Duration

- F101 This Agreement shall become effective upon signature by the Guild and the NFB and terminate on **January 31, 2005**.
- F102 Either party desiring to renegotiate shall give notice to the other party in writing at least ninety (90) days prior to the termination date.
- F103 It is agreed that subject to Sections 32 and 46 of the Status of the Artist Act, during the period of negotiations for the renewal of this Agreement, the provisions of this Agreement shall remain in full force and effect or until such time as either party gives not less than ten (10) days written notice to the other party of its intention to terminate the Agreement.

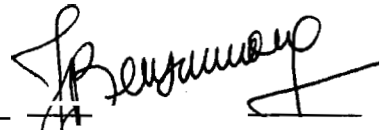
In witness whereof the parties have caused this Agreement to be executed this 1st day of February, 2002.

WRITERS GUILD OF CANADA

NATIONAL FILM BOARD OF CANADA



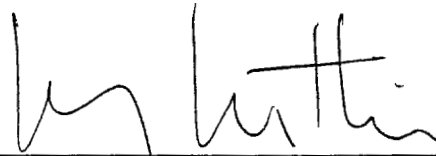
Pete White
President



Jacques Bensimon
Government Film Commissioner and Chairperson



Maureen Parker
Executive Director



Guy Gauthier
Director of Human Resources

Members of the bargaining teams:
Maureen Parker
Laurie Channer
Penny Wheelwright
Sugith Varughese

Guy Gauthier
Silva Basmajian
Linda Smith
David Verrall

APPENDIX A

(See Article A304 (i))

Prior to contracting a Writer, Story Editor or Story Consultant, Producers who are co-producing productions with the NFB (as defined by the NFB's Policy on CO-Production With Independent Canadian Producers) shall sign a Letter of Adherence as follows on their own letterhead and forward it to the Writers Guild of Canada in accordance with Article A304 (i). This Letter of Adherence shall constitute a binding obligation by the Producer to the terms and conditions of this Agreement and to all obligations of the NFB contained therein, except where specific provisions are provided for independent producers in which case those provisions shall apply in place of the relevant NFB provision:

LETTER OF ADHERENCE FOR CO-PRODUCTIONS

_____ (Insert name of Producer) hereby acknowledges receipt of the WGC/NFB Agreement dated February 1, 2002 to January 31, 2005 covering Freelance Writers of Script Material between the National Film Board of Canada (NFB), and the Writers Guild of Canada (the Guild). We hereby become signatory to said Agreement and agree to abide by and conform to all the terms and conditions contained therein.

We hereby certify that we are not a member in good standing of the CFTPA or APFTQ and are not signatory to the current Writers Independent Production Agreement.

Dated this day of , 20__.

_____ (Name of Signatory company)

_____ (Signature)

_____ (Print or type name)

Receipt of the above letter of Adherence is hereby confirmed by the Writers Guild of Canada. An executed copy of this Letter of Adherence will be forwarded to the NFB by the Writers Guild of Canada.

Per: _____ Date: _____



WGC/ NFB AGREEMENT 2002-2005
STANDARD WGC WRITER'S AGREEMENT
 Appendix B (see Article A1 502)



Contract N° Amendment Oracle P.O.#

Effective as of: _____
 Producer: _____
 Address: _____

Writer's Loan-out Company (if applicable): _____

Writer: _____
 Address: _____

Non-Member

WGC Number: _____

GST Number: _____

Tel. Res: _____ Tel. Off.: _____

Provincial tax #: _____

Fax: _____

Corp. No.: _____

Reg. No.: _____

If writing as a team:

Writer: _____

Project No. / Activity Code

Name of Production: _____

Name of Episode (if applicable): _____

Type of Production: _____ Program Length: _____

Contracted Under Article: _____

Tentative Credit: _____

Script Material contracted for: _____

Script Fee \$: _____ (which Script Fee is an advance against any Production Fee)

Based on material supplied by Producer: yes no Specify: _____

Writers or NFB Employees previously engaged on the Production: _____

Overscale amounts payable when: _____

Cheques shall be made payable to: _____

Delivery dates - on or before:

STAGE	DESCRIPTION/ DELIVERY DATE	AMOUNT \$
Total of Script Fee:		
Production Fee (when required) :		

To be agreed upon:

1. This agreement is subject to the terms of the current WGC/NFB Agreement ("Agreement"). All the terms of the Agreement shall be deemed to be included herein, except where specific terms more beneficial to the Writer are included in this agreement in place of the relevant minimum terms in the Agreement. If in any other respect any provisions of this agreement conflict with the terms and conditions of the Agreement, then the Agreement shall prevail, and in such event the conflicting provisions of this agreement shall be deemed to be modified to the extent necessary to cause it to conform to the terms and conditions of the Agreement and, as modified, this agreement shall continue in full force and effect.

2. All additional terms must be attached as a rider hereto. Rider attached: yes no

Producer

Per

Date

Writer (if no Loan-out Company)

Per

Date

Writer's Loan-out Company

Per

Date

Writer

Date



**WGC/NFB AGREEMENT 2002-2005
STANDARD WRITERS GUILD OF CANADA STORY
CONSULTANT'S OR STORY EDITOR'S AGREEMENT
APPENDIX C (See Article A i 3)**



Contract N° _____ Amendment _____ Oracle P.O.# _____

Effective as of: _____

Producer: _____

Address: _____

Story Editor's/Story Consultant's Loan-out Company (if applicable): _____

Story Editor/Story Consultant: _____

Address: _____

Non-Member

WGC Number: _____

Tel. Res.: _____ Tel. Off.: _____

GST Number: _____

Fax: _____

Provincial tax #: _____

Corp. No.: _____

Reg. No.: _____

if working as a team:

Story Editor/Story Consultant: _____

Type of Production: _____ Contracted Under Article: **A13**

Program Length: _____ Project No. / Activity Code _____

Name of Production: _____

Name of Episode (if applicable): _____

Tentative Credit: _____

Service Provided: _____

Fee*: please indicate if this is daily fee / per week / per month or per episode

* Article A1304: Story Editors' fees shall not be deductible from the Production Fee or Distribution Royalties.

Based on material supplied by Producer: yes no Specify: _____

Cheques shall be made payable to: _____

Term of work engagement: _____ Start date _____

_____ Completion date _____

1. This agreement is subject to the terms of the current WGC/NFB Agreement ("Agreement"). All the terms of the Agreement shall be deemed to be included herein, except where specific terms more beneficial to the Writer are included in this agreement in place of the relevant minimum terms in the Agreement. If in any other respect any provisions of this agreement conflict with the terms and conditions of the Agreement, then the Agreement shall prevail, and in such event the conflicting provisions of this agreement shall be deemed to be modified to the extent necessary to cause it to conform to the terms and conditions of the Agreement and, as modified, this agreement shall continue in full force and effect.

2. All additional terms must be attached as a rider hereto.

Producer	Story Editor/Story Consultant (if no loan-out company)	Story Editor/ Story Consultant Loan-out Company
_____	_____	_____
Per	Per	Per
_____	_____	_____
Date	Date	Date

		Story Editor/Consultant

		Date

Option to extend services: yes no

Terms: _____

APPENDIX D
(See Article A105 (a))

NOTICE OF EMPLOYEE(S) ASSIGNED TO WRITE
(to be faxed to the WGC)

Name of Production:

Producer:

NFB Location and Address:

<u>Name of Employee</u> (indicate if Team)	<u>Employee's Title</u>	<u>Bargaining Unit</u>	<u>Assignment</u> (specify, i.e. Full Script, Narration, Rewrite)	<u>Date of</u> <u>Commencement</u>	<u>Delivery Date(s)</u>

Authorized Signature

Date

(print name)

APPENDIX E

(See Article A1720)

NOTICE OF WRITING CREDITS

The Writers Guild of Canada/National Film Board Agreement states that **at least 15 days prior to the first scheduled day of principal photography or, in the case of a Documentary, on recording of the final narration or at the fine cut if there is no narration recording**, the NFB shall deliver concurrently to the WGC and all Writers, Story Editors and Story Consultants who have been engaged on the project, a draft of the intended writing credits.

Please complete the following and submit copies to all concerned. If within 14 days of the date of dispatch of this notice, no objection is received by the NFB and the Guild from any Writer, the writing and subsidiary writing credits set out in this notice shall become final and binding on all parties.

Production Title: _____

Episode Title: _____

Type of Production: _____
(i.e. Feature, Documentary, Animation)

NFB Office/Production Company: _____

Producer(s): _____

WRITERS: _____

A) The proposed writing credits on screen are:

(As per the Credits Section of the WGC/NFB Agreement, **Articles A1702 – A1709**, the acceptable list of writer credits includes only these wordings: By, Written By, Screenplay by*, Teleplay by*, Story by**, Screen Story by**, Documentary Script by, Narration Written by, Contributing Writer, Continuity Writer. Any variation from these terms must be approved by the WGC.)

* Used **only** in conjunction with a “Story by” or “Screen Story by” credit

** Used **only** in conjunction with a “Screenplay by” or “Teleplay by” credit

continued on page 2

B) Production personnel sharing credit

If an individual proposed for writing credit is a director, or a Producer or Executive Producer of the program, please indicate here, in accordance with Article A1701:

Name	Position
------	----------

Name	Position
------	----------

C) Placement of writer credits (Per Article A1717 – for Animation see Appendix F):

The title card with the Writer’s credit shall appear next to the title card with the credit to the individual Producer(s), when the Producer(s) credit is next to the Director’s; in all other cases, the card with the Writer’s credit shall appear next to the card with the Director’s credit.

The proposed placement of the writing credit is:

(in head credits)
 (any other credit), Writer, Director
 Producer, Writer, Director
 Writer, Producer, Director

(in tail credits)
 Director, Writer, (any other credit)
 Director, Writer, Producer
 Director, Producer, Writer

D) Story Editors/Story Consultants

The proposed credits for Story Editors/Story Consultants on screen are:

Please copy this form to all Writers, Story Editors or Story Consultants who have been engaged on the project.

Authorized Signature _____

Date: _____

APPENDIX F

Credits in Animation Productions

The following conditions are agreed for the period of this Agreement only, and shall be reviewed by the parties at the expiry of this Agreement:

With regard to Articles A1715, A1717 and A1719 of the Credits Section, the size, placement and duration of the Writer's credit shall be linked to the size, placement and duration of the individual producer's credit, instead of the director's.

APPENDIX G

Article A2009

I

OF RECEIPTS AND DIS

TION ROYALTY

IS

The WGC/NFB Agreement requires the payment of a Distribution Royalty based upon Distributors' Gross Revenue to all credited Writers as provided in Article C8 of the WGC/NFB Agreement ("Agreement"). Such Royalty payments are made at least annually and as per the required reporting period and must be accompanied by a statement of all Distributors' Gross Revenue in accordance with the following Distribution Royalty Payment Form. Insurance and Retirement contributions and Writer deductions must be remitted in relation to Distribution Royalty payments. In the case of a limited company, certification must be by an officer or director of the company.

*The Distribution Royalty Payment Form contains separate first pages **for** single productions and series. **All** subsequent pages are to be included **for** all projects.*

In accordance with the terms of the Distributor's Assumption Agreement:

a) a Distributor shall be under no obligation to pay Distribution Royalties pursuant to the Agreement and this Distributor's Assumption Agreement until such time as the aggregate Distributors' Gross Revenue exceeds one hundred and thirty percent (130%) of the Budget, and

b) if more than one party (i.e. the NFB and one or more Distributors, or more than one Distributor) reports Distributors' Gross Revenue for a project, for the reporting period that coincides with the point where Distributors' Gross Revenue exceeds one hundred and thirty percent (130%) of the total Budget the Guild shall notify the Producer and all Distributors who have signed a Distributor's Assumption Agreement of the pro-rata portion of Distributors' Gross Revenue to be reported by the Producer and/or each Distributor for inclusion on the Distribution Royalty Payment form.

DISTRIBUTION ROYALTY PAYMENT FORM
(see following)

WGC/NFB AGREEMENT 2002-2005 (Article A2009)

STATEMENT OF DISTRIBUTORS' GROSS REVENUE

SINGLE PRODUCTION

WGC PROJECT ID

Section 1 Filed By: _____

Company _____ Producer Distributor Rights Holder
Address _____
Contact _____ Phone _____ Fax _____

Section 2 Production Information: _____

Final Title _____ Previous Title _____
Production Company _____ Year Produced _____
Included in a Distribution Package (Article A2009 (v))? YES NO
Official Treaty Co-Production? YES NO
Head Distributor: _____ Delivered to Distributor on m in / d d / y y y y

Section 3 Report Summary: _____

Cumulative, **All** Periods of Distribution to: m m / d d / v v v y Due Date m m / d d / y y y y
(Article A2009 ii)

Distributors' Gross Revenue (From Section 5, Page 2)	\$ _____	A
If reporting in a period where the Aggregate Distributor's Gross Revenue exceeds the project budget x 130%, (as confirmed by the WGC), complete lines B to J		
WGC confirmed pro-rata portion of Aggregate Distributor's Gross	\$ _____	B
Royalty Base (Line A - Line B) (If greater than \$0.00 proceed to Line D)	\$ _____	C
Royalty Payable (Line C X 3.2 %)	\$ _____	D
Less: Prior Royalty Payments (If applicable)	\$ _____	E
Royalty Payable With This Report (Line D - Line E)	\$ _____	F
Administration Fee (If applicable) (Line D X 1%)	\$ _____	
GST	\$ _____ \$ _____	G
Total Payable to WGC for Credited Writers (Line F + Line G)	\$ _____	H
Total Payable to AFBS (Line D X 10%)	\$ _____	I

Section 4 **Interest Payable:**

Date Filed mm/dd/yyyy Due Date mm/dd/yyyy

Number of months late _____ **Interest Payable (Article A2004)\$** _____ **J**

Certification

Certified correct: _____
Signature _____

Date: _____

Authorized Official (Print or Type)

Title: _____

WGC/NFB AGREEMENT 2002-2005 (Article A2009)
STATEMENT OF DISTRIBUTORS' GROSS REVENUE

SERIES PRODUCTION

WGC PROJECT ID _____

Section 1 Filed By: _____
 Company _____ Producer Distributor Rights Holder
 Address: _____
 Contact: _____ Phone: _____ Fax: _____

Section 2 Production Information: _____
 Final Title _____ Previous Title _____
 Production Company _____ Year Produced _____
 Included in Distribution Package (Article A2009) ? YES NO
 Official Treaty CO-Production? YES NO
 Head Distributor: _____ Delivered to Distributor on mm/dd/yyyy _____

Section 3 Report Summary: _____
 Cumulative, All Periods of Distribution to: mm/dd/yyyy Due Date mm/dd/yyyy
 (Article A2009 ii)
 Distributors' Gross Revenue (Section 5, Page 2) Total \$ _____ Per Episode \$ _____ A
 If reporting in a period where the aggregate Distributor's Gross Revenue exceeds
 the project budget +130%, (as confirmed by the WGC) complete lines B to K
 Per episode WGC confirmed pro-rata portion of Aggregate Distributor's Gross \$ _____ B
 Per Episode Royalty Base (Line A - Line B)
 (If greater than \$0.00 proceed to Line D) \$ _____ C
 Per Episode Royalty Payable (Line C X 3.2%) \$ _____ D
 Total Royalty Payable
 (Episodes to which WGC Royalties apply _____ X Line D) \$ _____ E
 Prior Royalty Payments (If Applicable) \$ _____ F
 Royalty Payable With This Report (Line E - Line F) \$ _____ G
 Administration Fee (If applicable) (Line G X 1%) \$ _____
 GST \$ _____ \$ _____ H
 Total Payable to WGC for Credited Writers (Line G + Line H) \$ _____ I
 Total Payable to AFBS (Line G X 10%) \$ _____ J

Section 4 Interest Payable: _____
 Date Filed mm/dd/yyyy Due Date mm/dd/yyyy
 Number of months late _____ Interest Payable (Article A2004) \$ _____ K

Certification
 Certified correct: _____ Date: _____
 Signature _____ Title: _____
 Authorized Official (Print or Type) _____

WGC/NFB AGREEMENT 2002-2005 (Article A2009)

STATEMENT OF DISTRIBUTORS' GROSS REVENUE

ALL PRODUCTIONS

Section 5 Distributors' Gross Revenue

Pre-Sales: (Article C804(c))

Specify Source _____ \$ _____
Specify Source _____ \$ _____
Specify Source _____ \$ _____
\$ _____ (1)

Distribution Revenue:

Received by the Producer: (Specify Name) _____
From Regular Distribution (From List of Distribution Territories, Section 6) \$ _____
From Package Exploitation (Article A2009 (f)) (Section 7) \$ _____
From Treaty Co - Production (Section 8) \$ _____
From Collective Societies and Similar Agencies \$ _____
\$ _____ (2)

Received by the Head Distributor: (Specify Name) _____
From Regular Distribution (From List of Distribution Territories, Section 6) \$ _____
From Package Exploitation (Article A2009 (f)) (Section 7) \$ _____
From Treaty Co - Production (Section 8) \$ _____
\$ _____ (3)

Received by Sub Distributors: (Specify Name) _____
(Specify Name) _____
(Specify Name) _____
From Regular Distribution (From List of Distribution Territories, Section 6) \$ _____
From Package Exploitation (Article A2009 (f)) (Section 7) \$ _____
From Treaty Co - Production (Section 8) \$ _____
\$ _____ (4)

Other Revenue:

Compact Devices (Article C804(d)):
Typical Sell-Through \$ _____ X 20% \$ _____
Less than Typical Sell-Through \$ _____ X 10% \$ _____
\$ _____ (5)

Other Revenue Streams:

Specify _____ \$ _____
Specify _____ \$ _____
Specify _____ \$ _____
\$ _____ (6)

Total Distributors' Gross Revenue (To Line A, Section 3, Page 1) \$ _____

**APPENDIX G
WGC/NFB AGREEMENT 2002-2005 (Article A2009)
STATEMENT OF DISTRIBUTORS' GROSS REVENUE**

ALL PRODUCTIONS

Section 7 Package Distribution

Title	Production Company	Allocation of Revenue	
		%	Dollars
Total Package Value			
Total This Project (To Section 5, Page 2)			
IF INSUFFICIENT SPACE, PLEASE ATTACH A LIST.			

Section 8 Official Treaty Co-Productions

Canadian CO-Producer _____

Exclusive Territories	Revenue

Other CO-Producers _____

Territories	Revenue		
	Gross	%	CDN Prod'r
Total Co-Production Revenue – Transfer to Section 5, Page 2			

APPENDIX H

Distributor's Assumption Agreement

(See Article A2011)

The Distributor shall sign the following Distribution Assumption Agreement on its own letterhead and forward it to the Guild office.

Whereas

_____ (Company Name)

_____ (Address)

(the "Distributor")

has acquired from

_____ (Company Name)

_____ (Address)

(the "Producer")

certain rights in the Production entitled

_____ (the "Production");

And Whereas the Production was produced pursuant to the WGC/NFB Agreement, covering Writers in NFB Productions between the Writers Guild of Canada (Guild) and the National Film Board of Canada, in effect from February 1, 2002 to January 31, 2005 (the "Agreement");

The parties hereto agree as follows:

1. In consideration of the Guild agreeing to the licence, conveyance, sale, disposition or other transfer of the rights described herein in the Production to the Distributor, the Distributor agrees that it, its successors, assigns, and related companies that are not dealing at arm's length (collectively the Distributor), are bound by all continuing obligations contained in the Agreement to report and remit Distribution Royalties to the Writer(s) of the Production payable under Parts A and C of the IPA. The Distributor acknowledges receipt of the Agreement and warrants that all Distribution Royalty payments that shall become due and payable pursuant to the Agreement shall be paid under the terms and conditions contained in the Agreement.

For greater certainty, the Distributor shall be under no obligation to pay Distribution Royalties pursuant to the Agreement and this Distributor's Assumption Agreement until such time as the aggregate Distributors' Gross Revenue exceeds one hundred and thirty percent (130%) of the Budget.

Only for the reporting period that coincides with the point where Distributors' Gross Revenue exceeds one hundred and thirty percent (130%) of the total Budget the amount of Distribution Royalty to be paid by the Distributor, if more than one Distributor reports Distributors' Gross Revenue for such period, shall be calculated on a pro-rata basis in accordance with the Distributors' Gross Revenue reported by that Distributor for this period for its territories listed in Paragraph 2 (b) below as compared to total Distributors' Gross Revenues reported for such reporting period.

For each successive reporting period, the Distribution Royalty shall be payable by each Distributor on all of its further Distributor's Gross Revenues for its territories listed in Paragraph 2 (b) below.

2. The Distributor is distributing or licensing the Production:

a) (i) in perpetuity (i.e. for the period of copyright and any renewals thereof), or
(ii) for a limited term of _____ years, subject to renewal rights as follows: _____

b) Territories: (please provide list)

i) _____

ii) _____

iii) _____

iv) _____

v) _____

3. The Distributor acknowledges and agrees that its right to distribute or license the Production or to in any way exploit the rights in the Production that it is licensing, shall be subject to and conditioned upon the prompt payment of Distribution Royalty payments to the Guild, in respect of the Writers of the Production. It is agreed that the Guild shall be entitled to pursue all remedies available at law, in the event that such payments are not made when due, in addition to the remedies provided for in the Agreement.

4. The Distributor acknowledges that in accordance with Article A2009, the aggregate Distribution Royalty payments are due at least annually while the production is in distribution, which payments are to be sent along with the reports showing Gross Revenue during the preceding time period. The Distributor shall also make available for inspection by the Guild all statements delivered to the NFB or to government funding agencies or financiers regarding Gross Revenue. Any payments received after the due date shall be subject to interest as per Article A2004.

5. The Distributor acknowledges its obligation under Article A2009 that while it is holding the aggregate Distributor's Gross Revenue, prior to its disbursement, such revenue is deemed to be held in trust for the Writers until disbursement to the Guild. In the enforcement of this Article, the Guild, subject to its rights as a creditor, shall agree to not hold any employee of the Producer (or the Distributor) liable for negligence, provided that such employee acts in a bona fide fashion.

6. The Distributor will only be relieved of its obligations to the Guild or the Writer(s) hereunder upon any sale or other disposition of the Production or any rights in the Production to a third party, if the third party which acquires the Production or any such rights signs an Assumption Agreement in this form with Distributor and the Guild.

7. The Guild hereby relieves the Producer of its obligations under the Agreement with respect to the Production to the extent that the obligations are assumed by the Distributor hereunder pursuant to this Assumption Agreement.

8. The parties hereto acknowledge that any dispute arising from the interpretation, administration or enforcement of this Agreement and the relevant Articles of the Agreement shall be submitted to final and binding arbitration under Article A5.

9. The parties undersigned agree that Ontario law governs this agreement and agree in advance to the jurisdiction of Ontario courts over any dispute arising out of breach or default of this agreement.

Dated this _____ day of _____

Distributor

Per: _____ / _____
(print name / title)

Writers Guild of Canada

Per: _____ / _____
(print name / title)

National Film Board of Canada

Per: _____ / _____
(print name / title)

APPENDIX I

(See Article A202 and Article A2010(a))

PURCHASER'S ASSUMPTION AGREEMENT ON TRANSFER OF RIGHTS IN A PRODUCTION MADE FROM SCRIPT MATERIAL

Whereas _____ (“Purchaser”) has acquired from _____ (“Producer”) certain rights in the production entitled _____ (“Production”) which was made from _____ (the “Script Material”) written by _____ (“Writer”);

And whereas the rights to the Script Material were acquired by Producer pursuant to the WGC/NFB Agreement covering Freelance Writers of Script Material between the National Film Board of Canada (NFB) and the Writers Guild of Canada (the Guild) dated February 1, 2002 to January 31, 2005 (the “Agreement”);

The parties hereto agree as follows:

1. The Purchaser is hereby bound by all continuing obligations contained in the Agreement with respect to the Script Material and the Production; and, without limiting the generality of the foregoing, the Purchaser will pay when due all payments required by the Agreement to be paid by the Producer to or for the Writer in respect of the Script Material and the Production, including Use Fee Royalties.
2. The Purchaser will be relieved of its obligations to the Guild upon any sale or other disposition of the Production or any rights in the Production only if the party which acquires the Production or any such rights signs an Assumption Agreement with Purchaser and the Guild.
3. The Guild hereby relieves the Producer of its obligations under the Agreement with respect to the Script Material and the Production.

Dated this _____ day of _____, 20__.

Purchaser Per: _____

Writers Guild of Canada Per: _____

Producer Per: _____

APPENDIX J

(See Article A202 and A2010(b))

**PURCHASER'S ASSUMPTION AGREEMENT ON SALE OR OTHER
DISPOSITION OF RIGHTS LICENCED IN SCRIPT MATERIAL**

Whereas _____ (“Purchaser”) has acquired from _____ (“Producer”) certain rights in _____ (the “Script Material”) written by _____ (“Writer”);

And whereas the rights to the Script Material were acquired by Producer pursuant to the WGC/NFB Agreement covering Freelance Writers of Script Material between the National Film Board of Canada (NFB), and the Writers Guild of Canada (the Guild) dated February 1, 2002 to January 31, 2005 (the “Agreement”);

The parties hereto agree as follows:

1. The Purchaser is hereby bound by the Agreement with respect to the Script Material and any production based on the Script Material as if the Purchaser had been an original party thereto; and without limiting the generality of the foregoing, the Purchaser will pay when due all payments required by the Agreement to be paid by the Producer to or for the Writer in respect of the Script Material, including the Production Fee and Distribution Royalties.
2. The Purchaser will be relieved of its obligations to the Guild upon any sale or other disposition of the rights in the Script Material or in any production made from the Script Material, only if the party which acquires such rights or production signs an Assumption Agreement with Purchaser and the Guild.
3. The Guild hereby relieves the Producer of its obligations under the Agreement with respect to the Script Material and any Production made from the Script Material.

Dated this _____ day of _____, 20__

Purchaser Per: _____

Writers Guild of Canada Per: _____

Producer Per: _____

APPENDIX K
BLENDED PRODUCTION

Blended Production means a Production which combines live action and animation techniques.

1. a) In the case of a Blended Production where fifty-one percent (**51%**) or more of the longest initial version of the Production consists of live-action content, the **Writer(s)** shall be contracted under the applicable provisions of the Agreement.

b) In the case of a Blended Production where fifty-one percent (51%) or more of the longest initial version of the Production consists of animation content, the **Writer(s)** shall be contracted under the applicable Animation provisions.

2. Where a Production does not clearly fall into 1a) or b) above, the Guild, the Producer and the relevant Association shall discuss the appropriate contracting for the Production. Where the parties above are unable to agree, the matter shall be referred to at the request of any of the parties, to Arbitration.

APPENDIX L

**STANDARD LETTER TO BE SENT TO A WRITER
FOR CREDIT ASSIGNMENT TO A THIRD PARTY**

Dear:

This is to advise you that a contract has been concluded with the National Film Board of Canada.....for rights in the use of (name of Production)..... and in consideration of the sum of One Dollar (\$1.00) paid by you, the receipt of which is hereby acknowledged, we hereby undertake to comply with the provisions of Article 1743 (a) or (b) (delete whichever is not applicable) of Article A17 of the Agreement between the Writers Guild of Canada and the National Film Board, for Freelance Writers of Script Material, dated February 1, 2002 to January 31, 2005.

APPENDIX M

(See Article A1803)

CORPORATE GUARANTEE

MEMORANDUM OF AGREEMENT dated this day of , 20__

BETWEEN: Writers Guild of Canada
123 Edward Street
Suite 1225
Toronto, Ontario
M5G 1E2
(hereinafter referred to as the "Guild")

AND (insert name and address of Established Producer)
(hereinafter referred to as "Guarantor")

WHEREAS _____ ("Producer") has acquired certain rights in _____
(the "Script Material") written by _____ ("Writer"), and intends to
produce a production made from the Script Material (the "Production");

AND WHEREAS the Producer has signed a Letter of Adherence to the WGC/NFB Agreement covering Freelance Writers of Script Material between the National Film Board of Canada (NFB) and the Writers Guild of Canada (the Guild) dated February 1, 2002 to January 31, 2005 (the "Agreement");

AND WHEREAS pursuant to Article A18 of the Agreement, the Guild is entitled to require that a Producer place security in the form of a cash deposit or letter(s) of credit, at the time, in an amount, and in the manner set out in the Agreement unless a Corporate Guarantee in this form signed by an Established Producer is accepted by the Guild;

AND WHEREAS the Guild has accepted Guarantor as an Established Producer;

NOW THEREFORE the parties hereby agree as follows:

1. In consideration of the Guild forgoing the requirement that the Producer put up a cash bond Guarantor hereby guarantees the payment of all monies which would otherwise be secured by a cash bond pursuant to Article A18 of the Agreement, including the Production Fee, Insurance, Retirement and Administration payments related to the Production.

2. If at any time, payment of any amount guaranteed herein is in default for more than fourteen (14) days, then the Guild shall be entitled to deliver to Guarantor a formal demand in writing outlining the specific sum involved and particulars of the default. On receipt of such demand, Guarantor will forthwith pay to the Guild the sum set out in

such notice. If there is any dispute as to the amount owing by the Producer, or whether any amount is owing at all, Guarantor will nevertheless pay the sum set out in such notice to the Guild in trust, and the Guild will hold such sum in trust in an interest-bearing account. Immediately upon such dispute being resolved, the Guild will refund to Guarantor any sums determined to be in excess of what was owing by the Producer, along with accrued interest.

3. The Guild shall have the unilateral right to terminate this Agreement and revert to the requirements of Article A18 of the Agreement if the payment of any amount guaranteed herein be in default for more than fourteen (14) days after Guarantor has been served with the demand provided in paragraph 2 herein.

4. Guarantor shall be released from the guarantee given herein and all obligations resulting therefrom on the sooner of
(i) the full payment of all amounts guaranteed herein; or
(ii) the full execution and approval by the Guild of any Assumption Agreement or Rights Assumption Agreement entered into pursuant to Article A2010 of the Agreement.

5. The termination of this Agreement by the Guild pursuant to paragraph 3 herein shall in no way annul, terminate or otherwise affect the obligations of Guarantor with respect to any amounts accruing prior to the date of such termination by the Guild, subject to paragraph 4 herein.

6. If the Guild terminates this Agreement pursuant to paragraph 3 herein, Producer shall, within forty-eight (48) hours of receipt of written notice of such termination, post security in the form of a cash deposit or letter(s) of credit in accordance with Article A18 of the **IPA**. If there is any dispute as to the amount owing by the Producer, or whether any amount is owing at all, Producer will nevertheless pay the sum set out in such notice to the Guild in trust, and the Guild will hold such sum in trust in an interest bearing account. Immediately upon such dispute being resolved, the Guild will refund to Producer any sums determined to be in excess of what was owing by the Producer, along with accrued interest.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date hereinabove firstly mentioned.

(Producer)(Guarantor)

Per: _____ Per: _____

Writers Guild of Canada

Per: _____

WRITERS GUILD OF CANADA

123 Edward Street
Suite 1225
Toronto, Ontario
M5G 1E2

Tel: (416) 979-7907
or Toll Free in Canada: 1-800-567-9974
Fax: (416) 979-9273

National Film Board of Canada

National Film Board
P.O. **Box** 6100, Station "Centre-Ville"
3155 Côte de Liesse Road
Montreal, Quebec
H3C 3H5

Tel: (514) 283-9000
Fax: (514) 283-5850

EDMONTON (English Program: Western Production Centre):
10815 104th Avenue, Suite 100
Edmonton, Alberta
T5J 4N6

HALIFAX (English Program: Atlantic Production Centre):
Cornwallis House
5475 Spring Garden Road, suite 201
Halifax, Nova Scotia
B3J 3T2

MONCTON (French Program: Documentaire Acadie):
Place Héritage
95, rue Foundry, bureau 100
Moncton, N.B.
E1C 5H7

MONTREAL:
(English Program: Quebec Production Centre & Animation Production Centre)
P.O. Box 6100
Station Centre-ville
Montreal, Quebec
H3C 3H5

OTTAWA (French Program: Documentaire Ontario-Ouest):
Studio documentaire Ontario-Ouest
325, rue Dalhousie, bureau 800
Ottawa, Ontario
K1N 7G2

TORONTO (Ontario Production Centre):
150 John Street
Toronto, Ontario
M5V 3C3

VANCOUVER (B.C. Production Centre):
200 - 1385 West 8th Avenue
Vancouver, B.C.
V6H 3V9

WINNIPEG (Western Production Centre):
300 - 136 Market Avenue
Winnipeg, Manitoba
R3B 0P4

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