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AGREEMENT

between

**THE ONTARIO EDUCATIONAL
COMMUNICATIONS AUTHORITY**

and

AMERICAN FEDERATION OF MUSICIANS

May 1, 1998 to April 30, 2000

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AGREEMENT

between

THE ONTARIO EDUCATIONAL COMMUNICATIONS AUTHORITY

and

AMERICAN FEDERATION OF MUSICIANS

May 1, 1998 through April 30, 2000

Mr. David Jandrisch, Vice-president from Canada
The American Federation of Musicians
75 The Donway West Suite 1010
Don Mills, Ontario

Dear Mr. Jandrisch:

1. In consideration of the mutual covenants herein contained and of other good and valuable considerations, the American Federation of Musicians of the United States and Canada (herein called the "Federation") agrees with the Ontario Educational Communications Authority (herein called the "Authority") upon terms, conditions, provisions and covenants in the paragraphs below and in the annexed Exhibits A and B. This Agreement relates only to the engagement of persons in the classifications covered by this Agreement in connection with the production, broadcast and distribution of videotape, film and radio programs by the Authority and the audio-visual transmission and exhibition thereof including the Authority's VIPS service. Excluded from this Agreement is the performance of services by teachers and students as amateurs, by other persons in similar non-professional capacities, and services performed by staff members of the Authority or other persons who have the equivalent status of staff members. AFM members appearing with an amateur group may appear or perform without fee, provided they are bona fide members of the amateur group.

2. (a) The Federation shall exercise full authority in order that its locals and members shall do nothing in derogation of the terms and intent of this Agreement.

(b) The Authority shall engage persons **only** in the classifications listed in this Agreement when contracting for the rendition of musical services for programs using live music which are made in Canada or in the United States.

(c) The Authority represents that there does not exist against it any claim of any kind arising out of musical services, and that if any valid claim is found to exist the Authority shall satisfy the same.

3. (a) The Authority shall not require, request, induce or in any manner attempt to influence any person in a classification covered by this Agreement to play, perform or render services in a manner contrary to this Agreement.

(b) No conduct or failure to act (with or without knowledge) by the Federation other than a statement in writing signed by a duly authorized officer thereof shall constitute a waiver by it of any provision of this Agreement.

4. (a) For services rendered under this Agreement, the Authority shall pay at least the minimum rates of pay and shall fully and faithfully perform and observe all other terms and conditions set forth in Exhibit A and B, and in its individual contracts with the persons performing such services.

(b) The provisions contained in this Agreement shall be deemed to be part of all individual contracts between the Authority and such persons, whether or not written into such individual contracts.

(c) The Authority shall enter into individual contracts with persons in classifications covered by this Agreement and such contracts shall be on the blank forms not in conflict with this Agreement authorized from time to time by the Federation.

5. (a) Following the execution of this Agreement, the Authority shall furnish to the Federation, upon its reasonable request, a list of programs containing music made hereunder.

(b) The Authority shall respond directly to requests by the Federation for information relating to the Authority's performance of the terms, conditions and covenants of this Agreement and of any individual contract with a person covered by this Agreement. Upon request by the Federation, the Authority shall promptly exhibit to it a copy of any program owned, produced, distributed, used, or the use of which has been permitted by the Authority, and if the right to do so has been purchased or otherwise acquired by the Authority, a copy of the contract under which such right was acquired. The Authority shall also furnish upon request by the Federation copies of any contract of sale, rental or other distribution covering any of such programs except for contracts relating to classroom and similar exhibition. The provisions of this paragraph shall survive this Agreement.

6. The Authority shall not make or otherwise give aid and assistance in the making of any programs which shall embody or be accompanied by pictures of musicians or instrumental music, and which is the subject of this Agreement solely for or on account of any other person, firm or corporation, unless authorized in writing by the Federation.

7. Commissioned Productions. In the event of the Authority commissioning an independent producer to produce a program or series within the geographic jurisdiction of the Federation, the Authority shall require such producer to adhere to the terms, rates and conditions of this Agreement in respect of musicians. The Authority shall notify the Federation, prior to commencement of production, and provide the following information:

- a) name of independent producer;
- b) address;
- c) production title(s)

8. CO-Productions: In the event the Authority enters into an arrangement for a co-production to produce a program or series, the Authority shall warrant that all musicians shall be contracted under the Authority/Federation Agreement should the Federation have geographic jurisdiction in the area in which the program or series is being produced.

For the purposes of this Article, co-production shall be defined as a financial and creative partnership between the Authority and another producer in which the Authority has:

- i) joint control over the production budget expenditures; and
- ii) joint control over the creative process.

9. The Authority hereby recognizes the Federation, in respect of the work covered by this Agreement, as the exclusive bargaining representative of persons engaged by the Authority who perform as musicians, orchestrators, music proofreaders and librarians, copyists and arrangers in connection with the making and broadcasting of programs.

10. The following provision contained in this paragraph shall apply to services to be rendered hereunder in Canada and in the United States where not prohibited by applicable law. Such provision shall also be included in, and whether or not so included, shall be deemed part of all contracts calling for such services, at places or under circumstances as aforesaid, between the Authority and persons engaged in classifications covered by this Agreement: "Only the services of members in good standing of the American Federation of Musicians of the United States and Canada shall be used for the performance of any work within a classification covered by this agreement."

11. The Authority and the Federation recognize that the term "employee" as used in this Agreement means a person engaged on a temporary basis under the terms of this Agreement as an independent contractor.

12. (a) As to employees covered by this Agreement who are members of the American Federation of Musicians of the United States and Canada, and to the extent to which the inclusion and enforcement of this paragraph is not prohibited by any applicable law, nothing in this Agreement shall ever be construed so as to interfere with any obligation which they may owe to the American Federation of Musicians of the United States and Canada as members thereof.

(b) Any employees covered by this Agreement shall be free to suspend or terminate their services by reason of any strike, ban or unfair list of the Federation and shall be free to accept and engage in other employment of the same or similar character or otherwise, for other employers or persons, firms or corporations without any restraint, hindrance, penalty, obligation or liability whatever, any other provisions of this Agreement to the contrary notwithstanding.

The Authority shall not request or require any employee to work in the premises of any person, firm or corporation who is not in good standing with the Federation according to lists published by the Federation in the "International Musician" or to specific notice to the Authority. Nothing in this paragraph shall require the Authority to do or refrain from doing any act unless and until permitted by applicable law.

(c) All present provisions of the constitution, by-laws, rules and regulations of the Federation are made part of this Agreement as though fully set forth herein to the extent to which their inclusion and enforcement as part of this Agreement are not prohibited by any applicable law. No changes in the Federation's constitution and by-laws, rules and regulations which may be made during the term of this Agreement shall be effective to contravene any of the provisions hereof. The Authority acknowledges its responsibility to be fully acquainted, now and for the duration of this Agreement, with the present contents of the Federation's constitution, by-laws, rules and regulations.

13. (a) The following provision shall be included in, and whether or not so included, shall be deemed part of all contracts calling for recording (whether sound or visual) services between the Authority and persons engaged under this Agreement:

”This contract shall not become effective unless and until it shall be approved by the International Executive Board of the American Federation of Musicians of the United States and Canada or by a duly authorized agent thereof.”

The above provision shall not relate to contracts on official forms prescribed by the Federation which have been entered into in conformity with the provisions of this Agreement.

(b) Any contract in existence at the termination of this Agreement (whether such termination is caused by expiration, breach or otherwise), made and entered into by the Authority for the engagement of and rendition of services by members of the Federation, or other persons engaged in a classification covered by this Agreement, shall not impose any obligation on the part of members of the Federation to render further musical services for the Authority on work covered by this Agreement unless this Agreement is renewed or a new one entered into permitting the same. In the event this contract is not renewed or a new one is not entered into prior to or immediately upon the expiration of this Agreement, such members may, at their option, render services to any other without obligation or liability to the Authority.

14. This Agreement shall be personal to the Authority and shall not be transferable or assignable by operation of law or otherwise, without the consent in writing of the Federation. Without such consent, the Authority shall not transfer or assign any individual contract (or part thereof) for the performance of services of any member of the Federation or any other person engaged in a classification covered by this Agreement or give anyone else control over such contract or such services. Nevertheless, if the foregoing is violated and services are thereafter performed by such members of the Federation, or other person, or if the transferee or assignee does any acts which the Authority is permitted to do under this Agreement, the obligations and duties imposed by this Agreement shall be binding upon the transferee or assignee.

15. In the event that the Authority shall sell, transfer, assign, or otherwise dispose of television rights in programs made under this Agreement, it shall continue responsible for all the obligations and commitments undertaken in this Agreement with respect to such programs unless the Federation consents to the assumption of those obligations and commitments by the assignee or

transferee. The Authority agrees to give notice to the Federation within thirty (30) days after each such sale, assignment or transfer.

16. The parties mutually affirm their policy of non-discrimination. The Authority affirms its policy that no employee shall be discriminated against in engagement hereunder, because of race, color, creed, sex, national origin, age or handicap, provided the employee is qualified and has the physical ability to perform the work required hereunder by the Authority. The Federation affirms its policy of non-discrimination with respect to admission to membership and rights of membership.

17. Grievance Procedure: The following procedures apply in the event that any musician, group of musicians or the American Federation of Musicians of the United States and Canada have a dispute or difference relating to the interpretation, application, administration or alleged violation of this Agreement. The Authority shall have the right to file a written grievance with the Federation at Step 2 of the grievance procedure.

i) Any complaint of a minor nature should be discussed, and settled if possible, at the time of its occurrence by the Federation's authorized representative and the authorized representative of the Authority. The Authority's representative shall be the Producer or designate.

ii) Step 1 - Any complaint which cannot be settled as provided in i) may be reduced to writing and filed through the Federation with the Authority within sixteen (16) calendar days of the occurrence giving rise to the grievance. To be considered a grievance the complaint shall indicate the Article(s) of the agreement allegedly violated, misapplied or misinterpreted and the relief or remedy sought. The Manager of Industrial Relations or designate will provide a written reply to the grievance within ten (10) business days of its receipt.

iii) Step 2 - If the grievance is not considered settled by both parties on the basis of the Step 1 reply, the grievance shall within ten (10) business days of the date of the reply, be referred to a grievance meeting of representatives of the Authority and the Federation. The grievance meeting shall be held within ten (10) business days of the referral date. At the conclusion of the meeting the parties shall provide a joint written statement outlining settlement reached or within ten (10) business days after the meeting each party shall provide a written statement of its position.

iv) Step 3 - In the event that a grievance is not considered settled by both parties as a result of the grievance meeting or by subsequent correspondence, either party may take the grievance to arbitration upon notice by registered mail to the Manager, Industrial Relations of the Authority or to the Vice President from Canada of the Federation. Notice of

referral to arbitration shall be given within ten (10) business days of Step 2 correspondence issued by the parties.

v) Where the parties resort to arbitration to settle a grievance the arbitrator shall be any person who is mutually acceptable to the Manager, Industrial Relations of the Authority and the Vice President from Canada of the Federation. If agreement cannot be reached on the appointment of an arbitrator within ten (10) business days after notice of referral to arbitration has been given, either party may request that the Chief Justice of Ontario Court (General Division), or a Judge of that Court, appoint an arbitrator, pursuant to the Arbitration Act, 1991.

vi) At any step of the grievance procedure, time limits may be extended by mutual agreement, in writing, between the parties.

vii) The arbitrator shall hear and determine the grievance and shall issue a decision, and the decision shall be final and binding upon the parties and upon all persons affected by it. Such decision shall be implemented forthwith upon its receipt unless some other time for its implementation is provided for in the award.

viii) The arbitrator is not authorized to make a decision inconsistent with the provisions of this Agreement, nor to alter, modify, amend, add or delete any part of this Agreement.

ix) The expenses of the arbitrator shall be borne equally by the Authority and the Federation.

18. If the production of a program is prevented by governmental regulation or order in a national emergency, or by failure of production facilities because of war or other calamity such as fire, earthquake, hurricane or flood, or because of the breakdown of said production facilities due to causes beyond the reasonable control of the Authority, the Authority shall be relieved of any financial responsibility for the payment of compensation for the program so prevented, provided that in such case the Authority shall reimburse the musician for all out-of-pocket costs necessarily incurred in connection with such program.

19. The Authority agrees to deduct local work dues on a percentage rate basis as certified in writing to the Authority by the American Federation of Musicians of the United States and Canada and the locals. The said deductions will be remitted by cheque made payable to the local and sent to the local on a monthly basis. Should any claim be made or action brought against the Authority as the result of such deductions, the Federation shall indemnify the Authority against all costs arising from the defense or settlement of such claim or action.

20. The Authority's rights to engage persons under the terms of this Agreement shall commence as of May 1, 1998 and shall terminate at midnight on April 30, 2000. Either party must give six (6) months notice to renegotiate this Agreement. Should such notice not be issued, this Agreement will be automatically extended a further six (6) months to midnight on October 31, 2000.

21. No later than thirty (30) days prior to the first anniversary date of this Agreement, the parties hereto agree to meet to discuss the financial components contained herein, and may, by mutual agreement, amend the fees set forth herein. Should such discussion not result in any mutually agreeable amendments, the fees set forth herein shall continue to be in effect until the expiry date of this Agreement.

Your signature in the space provided below will constitute this a binding Agreement between the Authority and the Federation.

Yours very truly,

THE ONTARIO EDUCATIONAL
COMMUNICATIONS AUTHORITY

Manager, Employee & Industrial Relations

Agreed to:

THE AMERICAN FEDERATION OF MUSICIANS
OF THE UNITED STATES AND CANADA

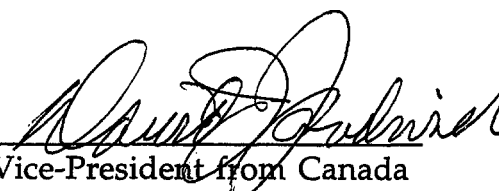
By:  Date: Sept. 9, 1998
Vice-President from Canada

EXHIBIT A

MINIMUM WAGES AND OTHER WORKING CONDITIONS

I. INSTRUMENTALISTS, LEADERS AND CONTRACTORS

A. Instrumentalists, leaders and contractors shall be paid at not less than the rates set forth below and the conditions therein set forth shall apply to their engagement:

(1) For the wage payments set forth in Column 1 below, the Authority is granted the right:

- a) to make unlimited broadcast use of the program in Canada and in the United States for a single national release of seven (7) consecutive days over each station (herein called "Initial Release"); and
- b) to make unlimited audio-visual transmission and exhibition use of the program.

(2) For the wage payments set forth in Column 2 below, the Authority is granted the right:

- a) to make unlimited public and educational broadcast use of the program in Canada and in the United States during the period of four (4) years over each station immediately following the first broadcast of the program (herein called "Initial Broadcast Cycle"); and
- b) to make unlimited audio-visual transmission, exhibition and distribution use of the program.

(3) Provision regarding the broadcast use of the program after the Initial Release and/or Initial Broadcast Cycle in Canada and in the United States and abroad, is covered in II (A) and (B) below.

B. Basic Rates

(1) Air time without rehearsal:

	Column 1	Column 2
One half-hour program	\$99.25	\$131.50
One hour program	\$127.50	\$170.50
One and one-half hour program	\$191.00	\$255.00
Programs in excess of one and one-half hours for each 15 minutes of such excess	\$31.75	\$42.75
Rehearsals: Each 15 minutes or fraction thereof	\$10.00	\$13.25
Minimum call on any day, not less than	\$99.25	\$131.50
Make-up and costuming for one-hour session	\$39.50	\$39.50

LEADERS—DOUBLE INSTRUMENTALISTS RATE

(2) Concerts, festivals, etc. The parties will negotiate special rehearsal arrangements and reduced minimum calls in the case of concerts, festivals and similar programs where the large size of the orchestra, the large number of instrumental performers or similar circumstances warrant.

(3) Theme music. Payment will be \$283.00 per three (3) hour recording session during which a maximum of three (3) minutes of theme music may be produced. If required, extra work time shall be computed at the rate of \$13.25 for each quarter hour or less. Such payment will cover continued use of theme music on programs and series irrespective of program length or number of programs. It is understood that the use of theme music in a program or series shall not preclude the use of commercially recorded music in such a program or series.

(4) i) Promos-Programs. No further payment is required for use of an excerpt of up to two (2) minutes of any program solely for on-air promotional purposes.

(4) ii) Promos - Live Performances No payment is required to any member who performs live for two (2) minutes or less for self-promotional purposes on current affairs or topical programs.

(5) Pick-up of Performance The Authority shall be entitled to pick-up the performance of musicians in venues other than the Authority's premises where two (2) minutes or less of said performance shall be incorporated into current affairs or topical programs for self promotional purposes, and that no more than three (3) such pick-ups or recordings of different performances be broadcast in any thirty (30) minute period. In such circumstances, the terms of this Agreement shall not apply.

C. Contractor. If ten (10) or more sidemen and leaders are engaged for any session, a contractor shall be engaged in respect of said session. The contractor may be one of the sidemen, but in any event the scale for any contractor shall not exceed double sideman's scale.

D. Doubling. 25% extra of the basic scale for the first double, and ten per cent (10%) extra for each additional double. The following are NOT construed as doubling:

Piano and Cellist—when latter is furnished,
Drummer's regulation outfit (consisting of Bass
drum, Snare drum, Pedal, Cymbals, Gongs, Wood
Blocks and Small traps)

E. Cartage. Actual cartage will be paid at the following rates, except the submitted bills of any public carrier shall be paid when any of these instruments are delivered by such carrier:

Harp, String Bass, Tuba, Drums, Timpani, Vibraphone, Harpsichord, Electric Guitar, Amplifiers, Baritone Saxophone, Bass Saxophone, Cello, Contra Bass clarinet, Contra Bassoon and Electronic Keyboard.
\$8.00 each.

F. Time Spread. The "Time Spread" in any day, for rehearsal and/or recording, shall not exceed eight (8) hours from time called between the hours of 7:00 a.m. and 12:00 midnight. For all time worked in excess of the respective "Time Spread" in any day (provided such excess time is between the hours of 7:00 a.m. and 12:00 midnight), the pro rata rate plus fifty per cent (50%) must be paid for each one-half hour or fraction thereof.

For all time worked between the hours of 12:00 midnight and 7:00 a.m., the pro rata rate plus 100% must be paid for each one-half hour or fraction thereof.

G. Meal Period. Any instrumentalist who is required to work more than five (5) consecutive hours without a break of at least one (1) hour shall be paid a penalty of one (1) hour's pay at the applicable rehearsal rate for the first such hour plus one-half hour's pay at the straight time rehearsal rate for each additional hour or fraction thereof until the meal break of one hour is given or the musician is dismissed.

H. Rest Period. Rest period of not less than ten (10) minutes per hour away from the stand shall be permitted.

I. Pre-Recordings and Phonograph Records.

(1) If pre-recordings which are made by instrumentalists and leaders engaged hereunder are used at rehearsals of a program, such instrumentalists and leaders shall be deemed present at such rehearsals and shall be paid in accordance with the applicable scale wage and conditions prescribed by this Agreement during such rehearsals while such pre-recordings are in use, without being required to perform other services during such period.

(2) If a commercial phonograph record is used in the studio at rehearsals of a program, the instrumentalists and leaders engaged hereunder for such program shall be deemed present at such rehearsals and shall be paid in accordance with the applicable scale and conditions prescribed by this Agreement during such rehearsals while such phonograph records are in use, without being required to perform other services during such period.

J. Sound Track Regulations.

- (1) The Authority will not use or deal with any sound track made hereunder for any purpose whatsoever except to accompany the program or series for which such sound track was originally produced.
- (2) The Authority will not record and use any sound track in any program which is the subject of this Agreement unless such sound track is recorded under the terms of this Agreement. No sound track recorded under the terms of this Agreement may be augmented by sound tracks which are not recorded under the terms of this Agreement.
- (3) Without regard to the duration of this Agreement, the Authority shall not dub nor give permission to others to dub and shall use its best efforts to prevent others from dubbing, any sound track containing performances by this Agreement for the purposes of producing phonograph records or similar devices unless prior notice of intention to dub has been given to the office of the Vice-president from Canada. In the event of dubbing by the Authority or by any person or corporation to whom the Authority has given permission to dub or by any other person over whom the Authority has control, the Authority shall pay to all persons covered by this Agreement, as additional compensation for the rendition of such original performances, an amount equal to the scale for such new use and shall also make any and all additional payments applicable to such new use. It is understood and agreed that the provisions of this paragraph do not relate to off-air dubbing.
- (4) The Authority shall not use any program or sound track made hereunder (nor give permission to others to use and shall use its best effort to prevent others from using) for purposes other than those specifically mentioned in paragraph 1 of this Agreement, except as agreed to by the parties to this Agreement.
- (5) The substance and intent of (1)through (4)above shall be incorporated into all Agreements made by the Authority relating to the selling, licensing, lending, giving, exhibiting, utilizing, or otherwise disposing or using the programs and/or sound tracks which are the subject of this Agreement.

K. Electronic Music Devices (EMD's).

DEFINITIONS

Electronic Music Device (EMD): an analog, digital or hybrid electronic device that produces or reproduces musical and non-musical sounds. This includes all synthesizers, digital sampling devices, etc., whose sound is generated solely by electronic means.

This Article shall deal with the musical application of said devices.

Sequencer: an electronic device which can be programmed to trigger EMD's to perform the musical information stored on the sequencer.

Musical Instrument Digital Interface (MIDI):the process (and language) by which EMD's and/or sequencers communicate - this enables, among other things, one EMD and/or sequencer to simultaneously "trigger" the performance of one or more additional EMD's/sequencers.

Arranging and Copying: When traditional arranging and copying are required, such work shall be separately contracted under the applicable provisions of this Agreement.

Composing: When composing is required, such work shall be separately contracted under the applicable provisions of this Agreement.

Members may be engaged by the Authority to perform on, or program, EMD's and/or sequencers on a "real-time" and/or "EMD tracking" basis.

PRE-PRODUCTION PROGRAMMING

The Authority may engage a pre-production programmer at the rate of \$57.25 per hour of programming work time as previously agreed to by the Authority and the programmer. Such programming will be done in advance of a real time or EMD-tracking session and will include such duties as sampling or editing sounds, entering sequencer programming data, synthesizer "patch" information, etc.

Such work must be contracted separately.

If the pre-production programmer is required to perform in a session, the applicable fee (real time or EMD-tracking time) shall be paid at musician rates in addition to any pre-production programming time.

Re-use fees will apply.

"REAL-TIME" ENGAGEMENTS"

- i) "Real-time" applies to an engagement where:
 - a) the musician is hired to perform on an EMD, and
 - b) such performance is live or pre-recorded in accordance with the conditions set out elsewhere in the Agreement, and
 - c) the EMD is used in the same manner as traditional musical instruments or for the purpose of creating musical effects.
- ii) EMD's may be MIDI-ed in "real-time" performances but each such EMD used over two (2) in number shall be paid in accordance with doubling fees set forth herein to a maximum of forty-five percent (45%) regardless of the number of EMD's which are MIDI-ed.
- iii) **Any** MIDI-ed EMD which is triggered by a sequencer to create separate and distinct musical parts shall be construed as a double to a maximum of forty-five percent (45%).
- iv) All applicable conditions and fees set forth elsewhere in this agreement shall apply to real-time performances except as herein provided.

EMD TRACKING SESSIONS

An EMD tracking session is one in which a musician records a series of tracks using EMD's, or a combination of EMD's and traditional musical instruments, the end result of which is a complete recorded musical product. Such tracks may be recorded on multi-track tape machines or on sequencers and/or computers for playback. Tracking sessions may take place in any facility designated by the Authority.

The following rates apply to sessions performed by a single musician engaged under the "EMD tracking" designation and includes all EMD and traditional instrument doubles, overdubs, and leader's fee.

i) Minimum Call

There shall be a minimum call session of three (3) hours during which up to a maximum of nine (9) minutes of product may be recorded. The minimum session fee shall be \$687.00.

ii) Additional Work Time during which a maximum of an additional three (3) minutes of product may be recorded per hour. Such additional work time fee shall be \$229.00 per hour.

iii) If the recorded product of an EMD tracking session is used during the rehearsal or recording of other elements of the program, Articles I. (1) and B. (1) shall apply.

iv) Upon payment of the rates specified in Section K, the musical product recorded in an EMD tracking session may be used as a program, portion of a program, theme, promo or any other use permitted herein. Such use shall be specified on the original contract and applicable conditions of use and re-use shall apply.

v) Any additional musician engaged to supplement an EMD tracking session shall be paid the applicable fees set forth elsewhere in this Agreement such as, themes, promos, broadcast recordings etc. When the engagement is for a program, the rates of Article B.(1) will apply.

L. Radio Simulcasts. The Authority shall have the right to simulcast the audio portion of a program on radio stations for educational purposes provided that all of the instrumentalists, arrangers, orchestrators, and copyists covered by the terms of this Agreement are paid the following amount over and above applicable wage scales: \$32.50.

M. Radio Programs. The Authority shall have the right to contract for services provided under the terms of this Agreement for use in programs produced for radio broadcast. The terms of this Agreement shall govern to the extent that they are applicable except that the scale wage rates shall be seventy-five percent (75%) of the corresponding rates for television programs.

N. Excerpts. The Authority may take excerpts from the musical elements of a program in which a musician has participated, for use in another program, upon payment to the musician of a fee equal to the scale rate payable for the same service as in the original program, but applicable to the length of the new program in which it is to be used. Such payment shall entitle the Authority to use rights which would apply if the musician had actually performed for the new program.

O. Rehearsal Musician. The Authority shall have the right to engage a single musician for the purpose of non-recorded rehearsal singers or actors upon payment of the following fee:

First hour	\$71.75
For each half-hour or fraction thereof	\$35.25

P. Festivals and Competitions. The Authority may enter its programs in festivals and/or competitions and authorize all uses ancillary and incidental thereto, without additional payment. However, if, as a result, the programs are broadcast, residual fees shall be paid in accordance with the applicable conditions of this Agreement.

Q. Short Subjects. The Authority shall have the right to recording sessions according to the following schedule:

- (1) a one-hour session during which there may be recorded not more than five (5) minutes of music for which the fee shall be **\$192.75.**
- (2) a three-hour session during which there may be recorded not more than fifteen (15) minutes of music for which the fee shall be **\$577.75.**

The music recorded during such sessions may be used in short programs for a period of four (4) years, commencing with the date of first broadcast. Leader, single musician or contractor, double the musician's basic fee.

R. Drama and Documentary The Authority shall have the right to engage musicians for the production of drama or documentary series and the following rates and conditions shall apply:

- (1) For each three (3) hour session per musician: **\$183.25**.
- (2) A series of thirteen (13) one-half hour programs shall require twenty-one (21) scoring hours (7 sessions).
- (3) A series of thirteen (13) one-hour programs shall require forty (40) scoring hours (13 sessions plus one (1) hour).
- (4) Scoring requirements of fewer than thirteen (13) programs shall be pro rata, and shall be scheduled in not less than three (3) hour sessions.
- (5) Additional work time shall be calculated on the basis of half-hours or part thereof and shall be paid at the following rate per half-hour: **\$30.50**.
- (6) The scoring for any episode or episodes of any series or number of series, or individual pictures, including pilot programs, may be intermixed and may be made in or added to any three (3) hours sessions.
- (7) Recording hereunder for any program which is part of a series may be re-used in scoring for any one or more programs of such series which are produced for broadcasting during the same broadcasting season for which such first program was produced, it being understood, however, that no such recording may be re-used in programs of any other series, or in programs for broadcasting during a subsequent broadcasting season. The term broadcasting season as used herein refers to periods of not more than fifty-two (52) weeks and shall have the same meaning as that generally understood in the television industry. Recording hereunder for a so-called pilot program may be re-used in other episodes of the series of which the pilot program becomes a part, but such re-use shall be limited to the first broadcast season of such series.

S1 Engagement of Alien Non-members The Authority shall have the right to engage alien non-member professional musicians for the performance of services covered by this Agreement. However, such engagement shall not result in the engagement of fewer AFM members than would have been engaged otherwise.

S2 Engagement of Non-Members The Authority will endeavor to engage members of the Federation in accordance with the provisions of this Agreement. However, professional musicians who have never been members of the Federation may be engaged by the Authority under the following conditions:

- i) for appearances on current affairs or topical programming to a maximum of five (5) non members for the English network annually and five (5) non-members for the French network annually; and
- ii) the Authority shall notify the local Federation office when it intends to engage a non-member; and
- iii) the Authority shall pay to the Federation a \$50.00 fee for each non-member engaged; and
- iv) the Authority shall have the right to engage a musician as a non-member provided that the musician resides outside of the jurisdiction of the Toronto Local; and
- v) the Authority shall not retain a non-member as a scoring musician, composer, orchestrator, copyist, or synthesist engaged as a scoring musician.

T. French Language Version. The Authority shall have the right to produce and use a French language version of an English language program upon payment of an additional fifteen per cent (15%) of the original basic rate provided that the French language version is a dub of the English language program.

U. Pay for Travel Time. Should the Authority require a musician to travel for more than one (1) hour to reach the engagement location, the Authority will pay for the travel time beyond one (1) hour in units of one half-hour at the basic rate for rehearsal contained in Exhibit A, I (B), Column 1.

EXHIBIT A

II. ALL CLASSIFICATIONS

A. Re-use of Programs

- i) Following the expiration of the Initial Release of any program made under Exhibit A I (1), (B) (1) above, unlimited broadcast, exhibition and distribution use of the program in Canada and the United States may be made upon the following payment:

For a Broadcast Cycle of four (4) years from the date of original broadcast the difference between the compensation payable under Column 2 of I(B) and that initially paid under Column 1 of I (B) above.

- ii) For educational broadcast and distribution rights within Canada & The United States after the initial (four) 4 year period:
1. the Authority shall on payment of one hundred percent (100%) of the compensation paid under Column 2 of I(B) or I(K), have rights to broadcast and distribute in Canada & the United States for an additional four (4) year period and a four year cycle will not be paid one year at a time; or
 2. (a) the Authority shall have the option to renew rights to broadcast and distribute in Canada & the United States for a one (1) or two (2) year period upon payment of twenty-five percent (25%) of the compensation paid under Column 2 of I(B) or I(K) above for each year of use; and

(b) should the Authority wish to extend rights to broadcast and distribute within Canada & the United States beyond the one (1) or two (2) year renewal period, the Authority shall, on payment of one hundred percent (100%) of the compensation paid under Column 2 of I(B) or I(K) have rights to broadcast and distribute in Canada & the United States for an additional four (4) year period; or
 3. if the Authority does not renew rights to broadcast and distribute according to 1. or 2. above, it shall provide a royalty payment of five percent (5%) of gross revenue to TVOntario on each educational broadcast sale of a program in Canada & the United States.

For the purposes of this royalty system, gross revenue to TVOntario shall be defined as all gross revenue received by TVOntario from the distribution of programs less ten percent (10%) to cover withholding

taxes, rebates and bad debts. Further, this royalty payment will be shared among all musicians involved on the following unit basis:

- a) a single musician will receive all units; or
- b) in the event a group of musicians is involved:
 - a side person will receive one (1)unit;
 - a leader will receive two (2) units;
 - a copyist will receive one (1)unit;
 - an arranger will receive two (2) units.

The Authority will contribute an amount equal to nine percent (9%) on the above noted units for pension purposes.

- iii) For the purposes of A i), A ii) 1. and A ii) 2. above, (reuse or reclearance), arrangers and orchestrators shall receive similar re-use payments based upon actual scale compensation but not in excess of the re-use payment made to the leader computed at the leader's scale. Copyists shall receive similar re-use payments based upon actual scale compensation, but not in excess of the re-use payment made to the instrumentalists computed at basic scale.

B. International Markets - Foreign Use

For educational broadcast distribution outside Canada & the United States the Authority shall provide a royalty payment of five percent (5%)of gross revenue to TVOntario on each educational broadcast sale of a program.

For the purposes of this royalty system, gross revenue to TVOntario shall be defined as all gross revenue received by TVOntario from the distribution of programs less ten percent (10%) to cover withholding taxes, rebates and bad debts. Further, this royalty payment will be shared among all musicians involved on the following unit basis:

- a) a single musician will receive all units;-or
- b) in the event a group of musicians is involved:
 - a side person will receive one (1)unit;
 - a leader will receive two (2) units;
 - a copyist will receive one (1)unit;
 - an arranger will receive **two** (2) units.

The Authority will contribute an amount equal to nine percent (9%) on the above noted units for pension purposes.

C. Non Educational Broadcast Distribution

For non-educational broadcast distribution world wide the Authority shall provide a royalty payment of five percent (5%) of gross revenue to TVOntario on each non-educational broadcast sale of a program.

For the purposes of this royalty system, gross revenue to TVOntario shall be defined as all gross revenue received by TVOntario from the distribution of programs less ten percent (10%) to cover withholding taxes, rebates and bad debts. Further, this royalty payment will be shared among all musicians involved on the following unit basis:

- a) a single musician will receive all units; or
- b) in the event a group of musicians is involved:
 - a side person will receive one (1) unit;
 - a leader will receive two (2) units;
 - a copyist will receive one (1) unit;
 - an arranger will receive two (2) units.

The Authority will contribute an amount equal to nine percent (9%) on the above noted units for pension purposes.

D. Supplemental Markets

(1) The provisions of this Article shall apply to all programs initially produced by the Authority, either prior to or during the term of this Agreement, which are actually distributed in supplemental markets during the term of this Agreement.

(2) Definition of Supplemental Markets. The term "Supplemental Markets" as used in this Agreement means only the exhibition of television programs by means of cassettes, Pay Television, or Free Television as those terms are hereafter defined and the exhibition of television programs on any commercial carrier such as commercial airlines, trains, ships and buses (referred to herein as "In-Flight"). It is understood that sound track recordings or Television and Theatrical Motion Picture Films are not covered by supplemental markets.

(a) Cassettes: For the purpose of this Agreement, a cassette is any audiovisual device, including without limitations, cassette, cartridge, phonogram or other similar audio-visual device now known or hereafter devised, containing a television program (recorded on film, disc, tapes or other material) and designed for replay on a home-type

television screen. The sale or rental of cassettes for replay on a home-type television screen in the home, or in other closed circuit use such as hotel rooms, constitutes the "Supplemental Market" for the purposes of this Agreement.

The foregoing definition does not permit the use of cassettes purchased under this provision to be used for exhibition over a public broadcast station unless appropriate broadcast rights are secured.

(b) Pay Television: Exhibition of television programs on a home-type television screen by means of telecast, cable or closed circuit in which the viewing audience pays to receive the program by making a separate payment for such specific programs.

(c) Free Television: Exhibition of television programs on home-type television screens by means of transmission by a Community Antenna Television System (CATV) for which the subscriber pays an obligatory general cable charge for the CATV service.

- (3) Payment: The Authority shall have the right to distribute programs in supplemental markets upon payment of a royalty of five percent (5%) of gross revenue to TVOntario on each sale.

For the purposes of this royalty system, gross revenue to TVOntario shall be defined as all gross revenue received by TVOntario from the distribution of programs less ten percent (10%) to cover withholding taxes, rebates and bad debts. Further, this royalty payment will be shared among all musicians involved on the following unit basis:

- a) a single musician will receive all units; or
- b) in the event a group of musicians is involved:
 - a side person will receive one (1) unit;
 - a leader will receive two (2) units;
 - a copyist will receive one (1) unit;
 - an arranger will receive two (2) units.

The Authority will contribute an amount equal to nine percent (9%) on the above noted units for pension purposes.

- (4) Symphony, Opera **and** Ballet Programs are specifically excluded from all of the provisions of this Article.

E. If, during the term hereof, the Federation shall enter into an agreement with any other producer upon terms more favorable than or different from those contained in this Agreement, the Authority shall have the right at its option to cause this Agreement to be conformed therewith.

F. Most Favored Nations Clause

In the event that the President's Office of the Federation enters into a collective bargaining agreement with any other public broadcasting station or agency which provides for rates or conditions more advantageous to the latter than those provided therein, such other rates or conditions shall be automatically substituted for those herein effective as of the beginning date hereof.

G. Payment

- (1) Each and every payment to be made pursuant to this Agreement including but not limited to payments of contributions to the American Federation of Musicians and Employees Pension Welfare Fund (Canada), shall be made through the local union of the Federation in the jurisdiction of which the original services were performed unless other arrangements are made by such local union. Each such payment shall become due and payable within fifteen (15) days (excluding intervening Saturdays, Sundays and holidays) following the "accrual date" of such payments.

The "accrual date" for payments for original performances shall be the date of such original performance. The "accrual date" for payment for pre-produced musical product shall be the date on which the finished musical product is delivered to the Authority. The "accrual date" for payment of additional payments based on broadcasts following the first period of seven (7) days of broadcast shall be the date of first broadcast in each such subsequent permitted cycle. The "accrual date" for payments of contributions to the said pension funds shall be the same date as the "accrual date" of the payment on which such contribution is based, provided that the trustees of such pension funds may agree with contributors with respect to single monthly payments of such pension contributions.

- (2) Late Payment Penalty. Failure to make payment on the due dates prescribed in G (1) above, shall require payment of an additional amount equal to five per cent (5%) of the initial amount payable if such payment is made between the 16th and 30th business days (excluding intervening Saturdays, Sundays and holidays) following the due date. Payments made between the 31st and 60th business days shall require, in lieu of the said additional five per cent (5%) payment, the payment of an additional

amount equal to ten per cent (10%) of the initial amount payable. Payments made after such 60th business day shall require, in lieu of the said additional ten per cent (10%) payment, the payment of an additional amount equal to fifty per cent (50%) of the initial amount payable. Such penalty payments shall not be required when the Authority's failure or delay in paying results from (a) leader's or contractor's failure or delay in furnishing a Form B contract, invoice or time report, or (b) the existence of a bona fide dispute as to the amount due and payable.

- (3) Notwithstanding G (1) and G (2) above, royalty payments to a musician under eighty dollars (\$80.00) will be accumulated and paid out when such payments total eighty dollars (\$80.00). Any outstanding royalty payments accumulated shall be paid out on one cheque thirty (30) days following the end of the Authority's fiscal year regardless of the total amount outstanding.

H. REPORTS:

i) ANNUAL RECLEARANCE REPORT:

The Authority will provide an annual reclearance report to the Vice-President from Canada of the Federation thirty (30) days following the end of the Authority's fiscal year. This report will provide reclearance information for the previous fiscal period.

ii) QUARTERLY ROYALTY REPORTS:

The Authority will provide a quarterly royalty report to the Vice-President from Canada of the Federation thirty (30) days following the end of each of the following quarters:

First Quarter Ending June 30;

Second Quarter Ending September 30;

Third Quarter Ending December 31;

Fourth Quarter Ending March 31.

EXHIBIT A

III. ARRANGERS, ORCHESTRATORS AND COPYISTS

The compensation and other conditions relating to arrangers, orchestrators and copyists shall be as set out below in Schedule C, except that if any program is not broadcast or exhibited after the initial release referred to in A I (1), the compensation shall be 75% of such rates.

SCHEDULE C

ARRANGERS, ORCHESTRATORS, COPYISTS

Arrangers, orchestrators and copyists shall be paid not less than the rates set forth below and the conditions set forth shall apply:

A. Arrangers

(1) Definition. Arranging is the art of preparing and adapting an already written composition for presentation in other than its original form. An arrangement shall include reharmonization, paraphrasing and/or development of a composition so that it fully represents the melodic, harmonic and rhythmic structure and requires no changes or additions.

(2) Minimum Rates. Since arranging represents highly individual skills, the wages paid for arranging are left to the discretion of the person doing the work, provided, however, that the wages shall never be less than provided for in Paragraph B.

(3) Credits. On any program where the leader receives name credit, arrangers and orchestrators performing services on said show shall receive similar name credit.

B. Orchestrators

(1) Definition. Orchestrating is the labour of scoring the various voices and/or instruments of an arrangement without changing or adding to the melodies, counter-melodies, harmonies and rhythms.

(2) Time Rates for Orchestrators. May be used only on adjustments, work at rehearsals, alterations, additions, and in other situations where page rates are impractical.

The hourly rates for time worked shall be \$38.00.

- (3) Page rates for orchestrators (subject to the rules of paragraph B (4):
- (a) For not more than ten (10) parts per score page:
 - (i) Orchestrating an arrangement when incomplete material is furnished: \$25.50 per page.
 - (ii) When complete material is furnished (COMPLETE MATERIAL shall represent the melodic, harmonic, and rhythmic structure, and shall require no changes or additions): \$12.75 per page.
 - (b) For each additional single line part in excess of ten (10) parts per score page: \$1.20.
 - (c) For adding parts to a score already orchestrated (regardless of who the orchestrator was): \$1.20 per score page, per instrument.
 - (d) For adding piano part: \$2.60 per score page.
 - (e) Orchestrating the parts (without score), the combined rate for orchestrating and copying.
 - (f) For taking down a lead from voice, instrument or mechanical device, including symbols: text (one line) not to exceed one hour (with overtime units of half-hours): \$27.25.
 - (g) For scoring a piano part from a lead of melody sheet: \$25.50 per piano page.
 - (h) For scoring a two-line or three-line full piano part from an orchestra score (or parts) or for scoring for solo piano, accordion, harp, etc., for individual performances: \$46.75 per piano page.
 - (i) For scoring page for (choral) voices (a page consisting of four (4) voices, including piano part, four (4) measures per page, with some sopras being paid for): \$10.75 per page with payment for additional voices being additional instruments.
- (4) (a) A score page consists of four (4) measures and shall be computed on the basis of a minimum of ten (10) parts.
- (b) Double staff and divisi parts shall count as two (2) parts.
 - (c) A pick-up shall be computed as a full measure.

(4) (d) Come sopras shall be paid for.

(e) Repeats shall not be used within a chorus to reduce the wage paid (but repeats, del segno and the like, which appear in the composition are permissible).

(f) The last page may be paid for on a half-page basis.

(g) The page rates do not include proofreading service.

(h) Voice and conductor parts written into a score shall be treated as instrumental parts.

(i) The word "piano" shall be deemed to include organ, harp, cellist, harpsichord, accordion, cimbalom, etc., when written on two (2) staves.

C. copyists

(1) Applicability. The minimum rates set forth in this section (C) shall apply as follows:

Time Rates for Copyists. May be used only on pasting, cutting, production lines, and in other situations where page rates are impractical. The hourly rate for time work shall be \$22.25.

Page Rates for Copying. Page rates for copyists shall be as follows (subject to the rules set forth in paragraph C (4)):

INSTRUMENTAL PARTS:

1. a.	Single stave parts (single notation)	\$4.25
1. b.	Single stage parts—chorded	\$8.25
2. a.	Double stave parts—chorded (Piano, harp, organ, cellist, etc.)	\$8.25
2. b.	+ vocal cue	\$10.25
3. a.	Rhythm piano parts (chord symbols) + bass line	\$6.75
3. b.	+ vocal cue	\$9.00
4.	Piano-vocal (3 staves with lyrics)	\$12.25
5.	Lead sheet (melody + chord symbols + lyrics, one set)	\$20.25

VOCAL PARTS:

6. a.	Single voice line + lyrics (one set)	\$8.25
6. b.	Foreign language lyrics, extra per page	\$1.80
7. a.	Choir parts with lyrics (one set)	\$17.75
7. b.	Foreign language lyrics, extra per page	\$3.00

CONDUCTOR PARTS:

8. a.	Conductor, piano-conductor, production, control, etc. (two staves only)	\$22.50
8. b.	Constructing chorded piano or conductor part (when no piano in score)	\$41.25
8. c.	Conductor's lead sheet (single stave) no words or lyrics	\$16.25

ADDING LYRICS OR WORDS (per set, per page)

9. a.	Single stave parts	\$1.80
9. b.	Multiple stave parts	\$1.80
9. c.	Foreign language	Double above rates

NUMBERING BARS (per page)

10. a.	B & W (per page)	\$1.15
10. b.	Repro	\$1.15

CHORD SYMBOLS (when added, per page)

11. a.	Single stave parts: B & W	\$1.80
	Repro	\$4.00
11. b.	Multiple stave parts: B & W	\$1.20
	Repro	\$1.20
12.	Any part for solo performance:	+ 50%
13.	Special routines:	+ 50%
14.	Symphony rate:	+ 50%
15.	Transposition:	+ 50%
16.	Master copy for reproduction (all parts not listed):	Double part price

TIME WORK

17. a.	from 9:00 a.m. to 6:00 p.m. (straight time)	\$22.25
17. b.	from 6:00 p.m. to 9:00 a.m. (time and one-half)	\$33.25
17. c.	Sundays and holidays (double time)	\$46.00
18.	Adding symbols (other than chord symbols) for Electronic Instruments or Devices:	
18. a.	Single stave parts	\$1.80
18. b.	Multiple stave parts	\$1.30

(4) The following shall apply to page rates:

(a) For duplicating orchestra and scores (note for note), the minimum rate shall be one-half of the orchestrating rate for scoring same.

- (b) For remaking a score for regular parts, the minimum rate shall be one-third of the orchestrating rate for scoring same.
- (c) Modulations, new introductions, endings and interpolation from piano shall be paid for at orchestrating rates.
- (d) Symphony, opera, cantata, oratorio, ballet or any other standard or classical music (copies, transcriptions, extraction's) shall be paid for at one-half more than the rates listed.
- (e) Special routine work (writing only) where **two** or more scores or orchestral parts must be used or referred to in extracting the parts shall be paid for at fifty per cent (50%) more than the rates listed, provided, however, that no extra charge shall be made for transposition.
- (f) The contracting copyist shall be designated as a supervisor copyist and he shall be paid for his services twenty-five per cent (25%) more than the listed rates for the work with respect to which he acts (including copying done by him) when the services of more than one copyist are necessary to complete the work assignment.
- (g) When two (2) or more copyists are required to split scores for the convenience of the Authority, each copyist shall be paid at page and half-page rates for the section copied by him, but not less than the applicable hourly rate.
- (h) Rates for copying do not include any proofreading services. Proofreading, if required by the Authority shall be paid for at the following rate per hour, with no minimum call to be applicable to such rate: \$32.25.
- (i) Divisi parts shall be paid for on a pro rata basis.
- (j) Editing shall be paid for at the copying rate plus fifty per cent (50%).
- (k) Rates shall be computed on the basis of ten (10) stave paper except that parts requiring three (3) or more braced staves shall be written on twelve (12) stave paper, unless impractical.
- (l) Rates shall be computed on page and half-page rates except that the first page shall be paid in full rather than pro-rated.
- (m) **An** average of four (4) measures per stave shall be secured, if possible and two (2) staves of the first page (or any following pages, if necessary) shall be used for titles or other written items.

(n) The copyist who prepared the original part shall be paid the listed rate for any reproductions thereof by any mechanical means whatsoever except where a master copy was previously paid for at the rate listed.

(o) All paper and necessary working material shall be supplied by the Authority or furnished by the copyist

(p) Transposition of all parts shall be paid for at fifty per cent (50%) more than the listed rates.

(q) Use of rehearsal letters every two (2), three (3) or four (4) measure or to circumvent payment for numbering shall not be deemed normal use.

D. Librarians

Librarians required to do arranging, orchestrating and/or copying music shall be paid page rate respectively for such arranging, orchestrating and/or copying, in addition to their regular salary.

For all hours worked between 12:00 midnight and 7:00 a.m., fifty per cent (50%) additional to the classified rate shall be paid.

Playing librarians shall receive for their services as librarians, the following rate or fraction thereof, minimum time, two (2) hours: \$35.75

Non-playing librarians shall receive for their services as librarians a minimum for two (2) hours service or less: \$116.00

Overtime, above the minimum two (2) hour call, shall be paid for at rate per hour or fraction thereof \$39.00

Non-playing librarians required to work on a day other than day of broadcast, per hour: \$39.00

E. General Rules Applicable to Arrangers, Orchestrators and Copyists

- (1) The arranger or orchestrator shall deliver to the copyist a full score. A full score is a visual representation of parts to be performed by instruments and/ or voice of a musical ensemble systematically placed on a series of staves, one above the other, and in which no other than

two (2) instruments are combined on a single staff. Abbreviations by come sopra and/or col indications within the same score may be used.

- (2) Arrangements, orchestrations and parts previously made for a use other than in educational programs shall be paid for hereunder when first used in an educational program. Arrangements, orchestrations and parts made initially for an educational program shall not be used in any other field either by the Authority or with its authorization unless the rate applicable to such other purposes is paid.
- (3) Arrangers, orchestrators and copyists shall stamp the first and last pages of all arrangements and scores and the first page of all parts with their official union stamp. Card number, local and year must be written on deshon master copy.
- (4) Minimum pay for any job assignment shall be no less than the equivalent of a four (4) hour call at the applicable hourly rate.
- (5) Orchestrators and copyists shall receive the following premium rates:
 - (a) For work from 6:00 p.m. to 9:00 a.m., the listed rate plus one-half.
 - (b) For work performed on the same job at any time following a call back less than eight (8) hours after prior dismissal during premium pay hours, the listed rate plus one-half.
 - (c) For work in excess of eight (8) hours in one day, the listed rate plus one-half.
 - (d) For work in the U.S.A. on Sundays and on the following holidays: New Year's Day, Lincoln's Birthday, Washington's Birthday, Memorial day, Independence Day, Labour Day, Thanksgiving Day, Remembrance Day and Christmas Day, double the listed rate.
 - (e) For work in Canada on Sundays and on the following holidays: New Year's Day, Canada Day, Labour Day, Thanksgiving Day, Remembrance Day and Christmas Day, double the listed rate.

- (6) (a) If the Authority requests an orchestrator or copyist to work in a city other than the one in which he is customarily engaged, such work shall be paid for at the listed rate plus twenty-five per cent (25%). In case of an orchestrator or copyist, the Authority shall guarantee the following per day:

Orchestrator (minimum)	\$200.75
Personal expenses	\$111.50
Copyist (minimum)	\$188.00
Personal expenses	\$111.50

- (b) Round-trip first class transportation, with sleeper for overnight travel, shall be furnished by the Authority. Airplane coach is considered first-class transportation.

- (7) Payments for music preparation are due not later than twenty-one working days following submission of time reports or invoices for services rendered. If payment is made more than twenty-one (21) but not more than sixty (60) working days after it is due, a five per cent (5%) penalty must be paid. If payment is made more than sixty (60) working days after it is due, a ten per cent (10%) penalty, in lieu of the five per cent (5%) penalty, must be paid. The foregoing penalties are inapplicable if the failure to make payment within the periods set forth above is as a result of a bona fide dispute as to the right to or amount of compensation.

EXHIBIT B

PENSION WELFARE FUNDS

1. The Authority shall contribute an amount equal to nine per cent (9%) of all earnings of whatever nature covered by this Agreement, computed at scale:
 - (a) with respect to services rendered in the Dominion of Canada, to the American Federation of Musicians and Employers Pension Welfare Fund (Canada), created pursuant to agreement and Declaration of Trust, dated April 9, 1962; and
 - (b) with respect to services rendered in the United States, to the American Federation of Musicians and Employers Pension Fund, created pursuant to Trust Indenture, dated October 2, 1959.

It is understood that under the terms of said trust agreements the employees (in addition to musicians as therein defined) on behalf of whom contributions to the aforesaid funds be made by other employers include the following:

- a. Full-time employees of the Funds themselves,
 - b. Full-time office and clerical employees of the Federation and any of its affiliated Locals, and
 - c. Duly elected officers and representatives of the Federation and any of its affiliated Locals.
2. The Authority shall submit such reports in such form as the trustees may reasonably require and the Authority records shall be subject to such reasonable audit by the trustees as the trustees may require. Such audit to be at no cost to the Authority.
 3. (a) The Authority agrees that it shall furnish to the Federation, simultaneously with its delivery thereof to the Trustees, copies of any and all statements submitted to such Trustees under said trust indenture.
 - (b) The Authority agrees that the Federation shall have the right from time to time, upon reasonable notice to the Authority, without limitations to the duration of this Agreement, and at all reasonable times during business hours, to have the Federation's duly authorized agents examine and audit the Authority's records and accounts concerning all transactions which are subject to payments pursuant to the Exhibit "B"; such examination and audit to be made for the purpose of ascertaining what sums, if any, may be due and of verifying any statements made by the Authority pursuant to this Exhibit "B". The

Authority agrees to afford all necessary facilities to such authorized agents to make such examination and audit and to make extracts and excerpts from said records during normal business hours upon receipt of written request.

4. The Federation and said trustees, or either of them, may enforce the provisions contained in this Exhibit "B".
5. It is understood that payments made for cartage, personal expenses, travel and all similar payments are not to be considered earnings when calculating the Authority's contribution to the Pension and Welfare Fund(s).

COMPOSING

Composing of instrumental or vocal music commissioned by the Authority, its employees or agents, done by members, shall be paid for at the rate of the minimum basic fee set out in the following schedule. An AFM contract for Pension Purposes Only, will be filed with the local.

Members are to sign all work coming within this Section, giving their name, their local, and the date on which the work was done.

SCHEDULE OF MINIMUM BASIC FEE FOR COMPOSING

1. Composing incidental music, for each different instrumental part computed from the total number of bars in the score:
per bar \$0.40
2. Minimum for each sixteen (16) bars or less: \$78.00
3. Vocal composition for from two (2) to four (4) voices:
per bar \$1.80

Extra voice:
per bar \$0.30
4. Timing fee for advance recording (TV).
For timing visual portion of an advance recording for the purpose of composing the musical portion thereof
per hour \$50.50

Box 200, Station Q
Toronto, Ontario, Canada M4T 2T1
Telephone: 416.484.2600 Fax: 416.484.4234

TVOntario

C.P. 200, Succursale Q
Toronto (Ontario) Canada M4T 2T1
Téléphone : 416.484.2600 Télécopieur : 416.484.4234

DATE:

Sept 9, 1998

**LETTER OF UNDERSTANDING
RE: MULTI-MEDIA APPLICATIONS AND RIGHTS**

The parties agree to establish a joint working committee to discuss new technologies including original production specifically for CD-ROM or Internet.

It is understood that if existing programs are to be distributed in their entirety by CD-ROM, Internet or other new technologies, the signing parties recognize the principle of the royalty payment established for supplemental markets as a basis for discussion.

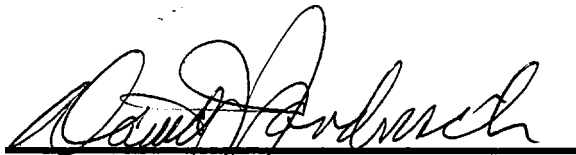
This Letter of Understanding will expire at midnight on April 30, 2000.

FOR THE AUTHORITY:

FOR THE AFM:



Teresa Matheson
Manager, Industrial and Employee
Relations



David Jandrisch
Vice-President from Canada

tvo tfo