

*The League of Off-Broadway
Theatres and Producers
and the
Society of Stage Directors
and Choreographers, Inc.*

COLLECTIVE BARGAINING AGREEMENT

July 1, 2005–June 30, 2010

Table of Contents

I.	RECOGNITION	1
II.	OFF-BROADWAY AREA	1
III.	MEMBERSHIP, FEES AND UNION SECURITY	2
IV.	NON-APPLICABILITY	3
V.	GENERAL PROVISIONS	3
VI.	FEES AND ROYALTY ADVANCES	5
VII.	ROYALTIES	9
VIII.	ROYALTY REDUCTIONS	12
IX.	INSTITUTIONAL NOT-FOR-PROFIT THEATRES	12
X.	PER DIEM AND OTHER EXPENSES	13
XI.	PENSION AND HEALTH	13
XII.	ELECTRONIC RIGHTS	15
XIII.	PARTICIPATION IN SUBSIDIARY INCOME OF THE PRODUCER	16
XIV.	PROPERTY RIGHTS	17
XV.	PRIOR PRODUCTIONS	18
XVI.	ADDITIONAL COMPANIES, TRANSFERS AND TOURS	19
XVII.	PRODUCER'S REPORTING REQUIREMENTS	25
XVIII.	NO STRIKE, NO LOCKOUT	27
XIX.	ARBITRATION OF DISPUTES	27
XX.	MAINTAINING THE QUALITY OF A PRODUCTION	29
XXI.	ARTISTIC APPROVAL	29
XXII.	BILLING	30
XXIII.	HOUSE SEATS	30
XXIV.	SECURITY DEPOSIT	30
XXV.	SOCIAL SECURITY/UNEMPLOYMENT INSURANCE	32
XXVI.	SEPARABILITY	33
XXVII.	CANCELLATION OF EXISTING RECOGNITION AGREEMENTS	34
XXVIII.	TERM	34
	SCHEDULE A—FORM CONTRACT	35
	SCHEDULE B—MINIMUM FEES FOR DIRECTORS	36
	SCHEDULE C—MINIMUM FEES FOR CHOREOGRAPHERS	37
	SCHEDULE D—MINIMUM FEES FOR DIRECTOR- CHOREOGRAPHERS	37
	SCHEDULE E—FEES FOR TOURS	38
	SCHEDULE F—SHORT TERM OR SPECIALTY CHOREOGRAPHY EXTENDED ACTIVITY FORM	40

THIS AGREEMENT is made as of July 1, 2005, between the Society of Stage Directors and Choreographers, Inc. (hereinafter referred to as the “SSDC”) and the League of Off-Broadway Theatres and Producers, Inc. (hereinafter referred to as the “League”).

In consideration of the mutual covenants and conditions herein contained, the parties agree as follows:

I. RECOGNITION

The League and the Producers agree to recognize the SSDC as the exclusive representative of all of the Directors and Choreographers employed by them in the Off-Broadway arena for the purpose of collective bargaining and the administration of matters within the scope of this Agreement.

Any producer, general partner, corporate officer or other principal who subscribes to this Agreement shall be bound by this Agreement for all subsequent Off-Broadway productions produced by him/her or any producing entity in which he/she participates as a producer, general partner, corporate officer, or other principal during the term of this Agreement, except as set forth in Article II below.

II. OFF-BROADWAY AREA

- (A) Unless otherwise agreed, this Agreement is applicable to productions under the jurisdiction of Actors’ Equity Association or to non-Equity productions where a SSDC member is engaged, presented in any theatre having a seating capacity of 100 to 499 in the five (5) boroughs of the City of New York or in such other locations to which Producer and SSDC may agree.
- (B) “Performance Art” shall be defined for the purposes of this Agreement only as “a work in which all performers are authors and where a director’s and/or choreographer’s services are required for no more than two (2) weeks over a four (4) week period.” In the event the Director and/or Choreographer was engaged in a prior production of the work or for a prior developmental project of the work, the prior engagement shall be included in the calculation of the aforementioned two (2) weeks. The terms of the engagement of a

Director and/or a Choreographer for a work of “Performance Art” shall be negotiated on a case-by-case basis, subject to the agreement of the Producer, the Director and/or Choreographer and the SSDC.

III. MEMBERSHIP, FEES AND UNION SECURITY

- (A) The Producers agree that, as a condition of employment, any Director or Choreographer hired after the execution date of this Agreement will be required to join the SSDC after the 30th day following his/her employment or the effective date of this Agreement, whichever is later. This 30-day grace period applies to the initial engagement of a Director or Choreographer, contracted for after the effective date of this Agreement. Thereafter, with respect to succeeding engagements, Directors and Choreographers, as a condition of employment, shall be or become members in good standing of the SSDC when hired by a Producer; provided, however, that nothing in this paragraph shall be construed to require the Producer to cease employing or refrain from employing any such person if the Producer has reasonable grounds for believing that:
- (1) Membership in the SSDC was not available to him/her on the same terms and conditions generally applicable to other members, or
 - (2) Membership in the SSDC was denied or terminated for reasons other than his/her failure to tender periodic dues, assessments and the initiation fee uniformly required by the SSDC as a condition of acquiring or retaining membership.
- (B) The SSDC agrees to admit to membership on non-discriminatory terms any present or future employee of the Producers. Moreover, the SSDC will not invoke any Federal statute or other laws or take any other action to bar alien Directors or Choreographers from the United States and will admit alien Directors and Choreographers to membership on a non-discriminatory basis.
- (C) The SSDC agrees that any initiation fee, dues, assessments, or similar charges, shall be reasonable and shall be uniformly required of all applicants and members.
- (D) The Producer shall deduct dues and assessments and remit same to the SSDC, provided the Director and/or Choreographer has executed a lawful dues deduction authorization.

- (E) The SSDC will establish such by-laws as will provide for honorable withdrawal and re-entry upon reasonable conditions. In no event will honorable withdrawal be conditioned on the payment by any individual of more than arrearages in dues, fines and assessments, and in no event will honorable re-entry be conditioned on the payment by any individual of a sum in excess of the initiation fee set forth in paragraph III(C) of this Agreement.

IV. NON-APPLICABILITY

It is agreed that this Agreement does not cover the Producer not previously a member of the SSDC, when such Producer is acting as a Producer-Director or Producer-Choreographer. No such Producer-Director or Producer-Choreographer will be induced, coerced or otherwise required to become a member of the SSDC. This paragraph shall not apply to any Producer-Director or Producer-Choreographer previously a member of the SSDC, and such person shall remain a member of the SSDC pursuant to this Agreement.

V. GENERAL PROVISIONS

- (A) No Producer may make any representation regarding the engagement of a Director and/or Choreographer unless negotiations for an agreement for his/her services have been completed.
- (B) The SSDC and the League have approved a Form Contract, attached hereto as Schedule A. The SSDC shall provide copies to the Producers, and the Form Contract shall be used by the Producers for the employment of any Director and/or Choreographer under this Agreement. The Producer shall file a copy of the fully executed contract of every Director and/or Choreographer with the SSDC prior to the first rehearsal.
 - (1) No Director and/or Choreographer shall be permitted to commence rehearsals until the signed Individual Employment Agreement (“Form Contract”) is filed with the SSDC. Producer shall inform the SSDC of the date, time and place of the first rehearsal, and a representative of the SSDC shall have the right to attend such rehearsal.
 - (2) Should the Producer have delivered a signed Form Contract, including appropriate Riders, to the Director and/or Choreographer, which completely and

accurately reflects all understandings between the parties, prior to said first rehearsal, the SSDC shall not prevent the commencement of rehearsals.

- (3) The filing of Form Contracts containing at least minimum terms is required for any Director and/or Choreographer engaged, including any who may also be engaged as a staff director and/or choreographer on an annual salary at a SSDC-approved Institutional Not-for-Profit Theatre (see Article IX below). It is understood that minimum fees and royalties, as agreed herein, may be included within any such individual's annual salary.
- (C) The applicable provisions of this Agreement shall be deemed incorporated into the individual contract of employment between each Producer and each Director and/or Choreographer. The Producer, SSDC, and the individual Director and/or Choreographer shall each be bound thereby.
- (D) Nothing contained in this Agreement shall be construed to prevent any Director and/or Choreographer from negotiating with and obtaining from any Producer any better terms and conditions than are provided for in this Agreement without limitation.
- (E) The Producer agrees that reduction by any Director and/or Choreographer of any of the terms of this Agreement shall not be effective unless the written consent of the SSDC is first obtained, except as provided in Articles VII and VIII below.
- (F) No Director and/or Choreographer may be dismissed, unless guilty of breach of contract, without the full payment of all compensation due under the contract as same accrues.
- (G) No later than the execution of the Form Contract by the Director and/or Choreographer or seven (7) days after the Producer has executed a theatre lease or license agreement, the Producer shall notify the SSDC in writing of the name and number of seats of the theatre in which the production shall be presented. In the event of any change of theatre, the Producer shall promptly notify the SSDC of such change, including the number of seats.
- (H) The League shall provide the SSDC a current list of League members and shall notify the SSDC as changes to such list occur, upon request of the SSDC.

VI. FEES AND ROYALTY ADVANCES

- (A) The minimum fee and advance for:
- (1) Directors shall be based on the seating capacity of the theatre according to Schedule B hereto.
 - (2) Choreographers shall receive no less than eighty (80%) percent of the amounts listed in Schedule B, as set forth on Schedule C hereto; except as otherwise provided in Article VI (G), Short Term or Specialty Choreography.
 - (3) Director-Choreographers shall receive no less than one hundred eighty (180%) percent of the amounts listed in Schedule B, as set forth on Schedule D hereto.
 - (4) "Cost of Living Increase," as referred to in this Agreement and its Schedules, shall be based on the percentage increase in the Consumer Price Index for all Urban Consumers, New York - Northeastern New Jersey, as published by the United States Department of Labor, Bureau of Labor Statistics (the "Index" or a similar index if this Index is discontinued) for the period stated. In no event, however, shall the Cost of Living Increase set forth in Schedules B, C and D be less than two (2%) percent or more than five (5%) percent in any year.
 - (5) The applicable fee in all cases shall be determined as of the date of contract signing or date of the first rehearsal, whichever is later.
- (B) One-third (1/3) of the fee is to be paid to the Director and/or Choreographer on signing of the contract or the first day of auditions, whichever first occurs. One-third (1/3) is to be paid on the first (1st) day of rehearsal, and one-third (1/3) is to be paid on the first (1st) day of the third (3rd) week of rehearsal, or the first (1st) day of the final week of rehearsal, whichever first occurs. All of the aforesaid payments are non-returnable.
- (C) If the Category changes due to the addition of seats at the same theatre, the Director and/or Choreographer shall receive the difference between the fee paid and the minimum fee payable under the larger Category.
- (D) The advance against royalties shall be considered part of the fee for all purposes under this Agreement and is non-returnable; however (except where the Director and/or Choreographer is receiving less than full contractual royalty payments pursuant to Article

VII (D) below), no royalties shall be paid to a Director and/or Choreographer until the royalties due exceed the advance. Where the individual contract provides for a fee in excess of the minimum fee set forth above, the advance against royalties set forth above may be reduced by the amount of such excess, as specifically provided in a Rider to said individual contract.

(E) If a production is abandoned, the Producer shall have no further obligation to the Director and/or Choreographer for payments due after the date of the abandonment. Any compensation due to or paid to the Director and/or Choreographer prior to the abandonment shall be unaffected by the abandonment.

(F) If a Director and/or Choreographer directed and/or choreographed a production uncovered by this Agreement and he or she is subsequently engaged to direct and/or choreograph such production under this Agreement, the Producer will receive a credit of one-half of the applicable fee and advance due hereunder, provided that each of the following conditions is met:

- (1) The prior fee and advance was at least equal to the fee and advance due hereunder:
- (2) There is no more than one week of rehearsal prior to the first paid public performance under this Agreement; and
- (3) There are no cast changes, except for understudies replacing cast members or new understudies.

(G) Short-Term Or Specialty Choreography

(1) Musicals

In the case of a Musical, a Producer may employ one or more Choreographers and compensate each Choreographer as follows, according to the number of days or parts of any days (which days shall be consecutive) in which the Choreographer shall be required to render any choreographic services (“Choreographic Work Days”):

<u>Choreographic Work Days</u>	<u>Fee & Advance at Schedule C</u>	<u>Weekly Royalties at Article VII</u>
1-6	25%	25%
7-12	50%	50%
13 or more	100%	100%

(2) Non-Musicals

In the case of Non-Musicals the Producer may employ one or more Choreographers and compensate each Choreographer as follows, according to the number of days or parts of any days (which need not be consecutive) in which the Choreographer shall be required to render any choreographic services (“Choreographic Work Days”). The schedule for the Choreographer’s employment shall be mutually agreed upon between the Choreographer and the Producer, with written notice to SSDC of such schedule.

<u>Choreographic Work Days</u>	<u>Fee & Advances at Schedule C</u>	<u>Weekly Royalties</u>
1-2	10%	0
3-6	30%	30% of minimum Royalties due under Article VII.
7-12	50%	50% of minimum Royalties due under Article VII.
13-18	75%	75% of minimum Royalties due under Article VII.
19 or more	100%	100% of minimum Royalties due under Article VII.

(3) In all instances under this Section (G) a Producer shall make initial contributions to the SSDC’s Pension and Health Funds in an amount equal to eight (8%) percent of the applicable Fee and Advance payable to the Choreographer. In addition, the Producer shall make the following weekly payments to the SSDC’s Pension and Health Funds for each week or part thereof of rehearsal and/or performance for a Choreographer covered under this Section (G):

Musical:

<u>Choreographic Work Days</u>	<u>Percentage of Weekly Payments Set Forth At Article XI Section (B)</u>
1-6	25%
7-12	50%
13 or more	100%

Non-Musical

1-2	0
3-6	30%
7-12	50%
13-18	75%
19 or more	100%

- (4) All fees and advances and pension and health fund payments due under this Section (G) shall be paid at such times as such payments are payable pursuant of Article VI Section (B) and Article XI Sections (A) and (B), respectively.
- (5) Work performed on any day prior to the official press opening (including the preview period) shall be included in determining the total number of days of employment. [No work may be required after the official press opening unless the Choreographer is receiving a weekly royalty.]
- (6) In the event a Choreographer employed under this provision was the Choreographer for a Prior Production of the Play, as set forth in Article XV below, the Choreographer will receive six (6) days credit under this provision for the Prior Production (i.e., the Choreographer will receive compensation under this Section based on the first day of service counting as the seventh day).
- (7) The individual contract for a Choreographer employed under this Section (G) shall state the date of the Choreographer's first rehearsal and the initial period of engagement, and shall provide a payment schedule in conformity with this Section. In the event the Choreographer renders service beyond the stated initial period of engagement, the Producer shall pay to the Choreographer any additional fee due on the first day of such continued employment, file an Extended Activity Form (annexed hereto as Schedule "F") and any additional initial pension and

health contributions which may be due will be paid within fourteen (14) days. In no event, however, shall a Producer be required to pay cumulatively more than one hundred (100%) percent of the minimum fee and advance, weekly royalties and/or the pension and health contributions otherwise payable to a choreographer under this Agreement, unless otherwise specifically agreed in a rider to the individual agreement.

VII. ROYALTIES

- (A) The Director shall receive a minimum guaranteed royalty payment of two (2%) percent on all Gross Weekly Box Office Receipts; the Choreographer shall receive a minimum guaranteed royalty payment of one and one-half (1-1/2%) percent on all Gross Weekly Box Office Receipts; and the Director-Choreographer shall receive two and three-quarters (2-3/4%) percent on all Gross Weekly Box Office Receipts.
- (B) At the option of the Director and/or Choreographer, the aforesaid guaranteed payments shall be paid to him/her as salary. The payments are to be made to the Director and/or Choreographer no later than seven (7) days after the end of each performance week, and must be accompanied by a box office statement.
- (C) For purposes of calculating royalties, Gross Weekly Box Office Receipts shall be the gross box office receipts as evidenced by box office statements prepared and signed by the theatre and the Producer or his/her representative after the following deductions:
 - (1) Any Federal or other admission taxes.
 - (2) Commissions paid in connection with theatre parties, group sales, benefits, automated ticket distribution or remote box offices, e.g. Telecharge, TicketMaster (but not ticket brokers) and credit cards.
 - (3) Sums paid to the Pension and Health/Welfare and Annuity Funds of theatrical unions.
 - (4) Subscription fees.
 - (5) Receipts from Actors' Fund benefit performances.
 - (6) Payments made re New York City Occupancy Tax Law.
 - (7) Payments made pursuant to New York City Business Tax (Gross Receipts Tax).

(8) Other deductions and payments similar to those aforesaid.

(D) Royalty Pool

- (1) The Producer may implement a Royalty Pool for a twelve (12) week cycle (the "Cycle"). The weekly operating profits and/or losses shall be averaged over a four (4) week period (except for such period which includes the closing week), commencing with the first week of the Cycle. The Royalty Pool shall be in effect unless Producer provides notice to SSDC. Timely submission of Royalty reports (as required under Article XVII (A)) will be deemed notice of whether or not the pool will be implemented. No reductions in royalties, other than the six (6) weeks of reductions provided for in Article VIII below and the reduced payments provided for in this Section (D), if applicable, shall be permitted under this Agreement.
- (2) Only the amount above the guaranteed minimum may be recouped against the advance.
- (3) Notwithstanding the foregoing, after a production has recouped one hundred (100%) percent of production costs, if the Producer elects to activate the Royalty Pool, the Royalty Pool will remain in effect for the remainder of the run of the production. In the event the Royalty Pool has not concluded a Cycle (in compliance with subparagraph (D) (1), above) at such time as recoupment occurs, recoupment will be deemed to occur at the end of that Cycle.
- (4) In order for the Royalty Pool to apply, all percentage royalty participants must participate pro rata in the profit pool. With regard to the amount of dollars per point, the percentage of weekly operating profits devoted to the pool, and the number of weeks the pool is implemented and used for averaging, the terms of the Royalty Pool shall be identical for all the participants.
- (5) (a) the percentage of weekly operating profits devoted to the pool shall not be less than forty (40%) percent of weekly operating profits. After the production has recouped two hundred (200%) percent of its capitalization, the percentage of weekly operating profits devoted to the pool shall not be less than fifty (50%) percent of the weekly operating profits.

- (b) Notwithstanding the terms of subsection (a) above, in the case of one-person shows, the percentage of weekly operating profits devoted to the pool shall be no less than thirty (30%) percent of weekly operating profits. After the production has recouped its capitalization, the percentage of weekly operating profits devoted to the pool shall be not less than forty-five (45%) percent of the weekly operating profits, and after the production has recouped one hundred twenty-five (125%) percent of its capitalization, the percentage of weekly operating profits devoted to the pool shall be not less than fifty (50%) percent of the weekly operating profits.
- (6) (a) Royalty Pool participants shall receive not less than the following guaranteed minimum weekly payment against their pro rata share of weekly operating profits:

	7/1/05–6/30/06
Category A & B Theatres	\$205 per point
Category C & D Theatres	\$169 per point

Effective July 1, 2006, July 1, 2007, July 1, 2008 and July 1, 2009, the rates set forth above shall be subject to a Cost of Living Increase, as defined at Article VI, Section (A)(4), based on the percentage increase in the Index in the preceding twelve-month period commencing June 1 and ending May 31. In no event, however, shall the Cost of Living Increase each year be less than two (2%) percent or more than five (5%) percent.

- (7) The profit pool royalty payments shall not exceed one hundred ten (110%) percent of the amounts which would otherwise have been paid as full contractual percentage royalties until the recoupment of one hundred twenty-five (125%) percent of capitalization, shall not exceed one hundred twenty-five (125%) percent until recoupment of one hundred fifty (150%) percent of capitalization, and shall not exceed one hundred fifty (150%) percent thereafter.
- (8) See Article XVII(A)(1), Producer's Reporting Requirements.

VIII. ROYALTY REDUCTIONS

Notwithstanding the foregoing, a reduction of royalties of not more than six (6) weeks' duration, which need not be consecutive, may be made without consent of the SSDC, if an agreement, in writing, for such reduction is signed by the Producer and the Director and/or Choreographer and filed with the SSDC within one (1) week after the reduction is agreed upon.

IX. INSTITUTIONAL NOT-FOR-PROFIT THEATRES

Notwithstanding Articles VI, VII and VIII above, SSDC-approved Institutional Not-for-Profit Theatres shall be afforded the following minimum Fee and Royalty structure:

- (A) Advance against royalty payments, as provided for in Article VI of this Agreement, shall not be required. The minimum fees for Directors, Choreographers and Director-Choreographers shall be based upon the seating capacity of the theatre according to Schedules B, C and D, attached hereto.
- (B) Weekly royalty payments shall be made to Directors at a minimum rate of two (2%) percent of the Gross Weekly Box Office Receipts, to Choreographers at a minimum rate of one and one-half (1-1/2%) percent of the Gross Weekly Box Office Receipts, and to Director-Choreographers at a minimum rate of two and three-quarters (2-3/4%) percent of the Gross Weekly Box Office Receipts, commencing with the seventh (7th) week of performance, and the provisions of Article VIII above shall not apply.

Following a run of twelve (12) weeks, the Not-for-Profit Producer shall have the right to apply the Royalty Reduction provision of Article VIII upon proving financial hardship to the satisfaction of the SSDC. Following a run of twelve (12) weeks, the Not-for-Profit Producer shall have the right to implement the Royalty Pool, pursuant to Article VII (D).

- (C) If a Director and/or Choreographer provides services (other than normal maintenance services) for any period of time beyond the six (6) weeks following the first paid public performance, then he/she shall be entitled to no less than twenty-five (25%) percent of his/her original contractual fee.
- (D) Approval of qualified Institutional Not-for-Profit Theatres shall be made at the sole determination of the SSDC, with consent of the League, such consent not to be unreasonably withheld.

X. PER DIEM AND OTHER EXPENSES

- (A) Tourist-class transportation and out-of-town expenses under all contracts, whenever executed, are to be paid to the Director and/or Choreographer. Per diem payments shall be required when the Director and/or Choreographer is required by the Producer to be seventy-five (75) miles from home or more than one and one-half (1-1/2) hours traveling time from home.
- (B) The minimum per diem rate shall be as follows:

7/1/05–6/30/06
\$237

Effective July 1, 2006, July 1, 2007, July 1, 2008 and July 1, 2009, the rates set forth above shall be subject to a Cost of Living Increase, as defined at Article VI, Section (A)(4), based on the percentage increase in the Index in the preceding twelve-month period commencing June 1 and ending May 31. In no event, however, shall the Cost of Living Increase each year be less than two (2%) percent or more than five (5%) percent.

- (C) All out-of-pocket expenses related to the production, approved by the Producer, shall be reimbursed within seven (7) business days of receipt of the written request from the Director and/or Choreographer.
- (D) If there is agreement between the Producer and the Choreographer that pre-production work is necessary and that a dance studio, accompanist and/or an assistant are required, the Producer shall assume all expenses therefore.

XI. PENSION AND HEALTH

- (A) Initial Contributions. Producers shall contribute to the SSDC's Pension and Health Funds an amount equal to eight (8%) percent of the Fee and Advance due to a Director and/or Choreographer under this Agreement. Such payment shall be due no later than

fourteen (14) days after the last payment of the Fee and Advance payable to the Director and/or Choreographer.

(B) Weekly Contributions.

(1) In addition, the Producers shall contribute to the SSDC's Pension and Health Funds the following amounts for each employed Director and/or Choreographer for each week or part thereof of rehearsal and/or performance, which payment shall be due no later than fourteen (14) days after the end of each performance week:

7/1/05– 6/30/06	7/1/06– 6/30/07	7/1/07– 6/30/08	7/1/08– 6/30/09	7/1/09– 6/30/10
\$195	\$205	\$215	\$220	\$225

(2) Notwithstanding the foregoing, SSDC-approved Institutional Not-for-Profit Theatres covered under this Agreement shall contribute to the SSDC's Pension and Health Funds the following amounts for each employed Director and/or Choreographer for each week or part thereof of rehearsal and/or performance, which payment shall be due no later than fourteen (14) days after the end of each performance week.

7/1/05– 6/30/06	7/1/06– 6/30/07	7/1/07– 6/30/08	7/1/08– 6/30/09	7/1/09– 6/30/10
\$175	\$185	\$195	\$195	\$205

(C) Producers shall also pay an amount equal to eight (8%) percent of the contractual fee/advance for any additional companies, but shall make weekly payments for only one (1) company, regardless of the number of companies of the Producer presenting the production under this Agreement. Notwithstanding the foregoing, if an additional company is directed by a Restager [see Article XVI (A)(4)], Producer shall make weekly payments for such company in addition to any weekly payments the Producer is making on behalf of the original Director and/or Choreographer for another company.

- (D) The SSDC shall decide what portion of the initial eight (8%) percent payment and of the weekly payments shall be payable to each Fund.
- (E) Notwithstanding the foregoing, in the event a Director and/or Choreographer is covered by a SSDC-approved Institutional Not-for-Profit Theatre's pension or health plan through his/her full-time employment at the Institutional Not-for-Profit Theatre, the Institutional Not-for-Profit Theatre shall be relieved of its obligations to make duplicate contributions to the SSDC/League Funds. However, if a Director and/or Choreographer is covered by the Institutional Not-for-Profit Theatre's pension plan but is not vested in such plan at the termination of his/her full-time employment by the Institutional Not-for-Profit Theatre, then the Institutional Not-for-Profit Theatre shall contribute to the SSDC/League Pension Fund an amount equal to the contribution which would have been due under the SSDC/League Off-Broadway Agreement for each production he/she directed and/or choreographed during his/her tenure as a staff Director and/or Choreographer at the Institutional Not-for-Profit Theatre under this Agreement.

XII. ELECTRONIC RIGHTS

- (A) When a production is visually reproduced from the stage or from a studio, in substantially the same form as originally directed and/or choreographed, by means of video tape or any other electronic device, or is presented live on television, in theatres, or by any other means of remote visual reproduction, in substantially the same form as originally directed and/or choreographed,
 - (1) the Director shall receive one and one-half (1-1/2%) percent, the Choreographer shall receive one and one-eighth (1-1/8%) percent and the Director-Choreographer shall receive two and three-eighths (2 3/8%) percent of all payments to the Producer for each such reproduction or presentation within seven (7) days of its receipt by the Producer, and
 - (2) within seven (7) days of the conclusion of the reproduction or presentation the Producer shall pay to the Director and/or Choreographer a fee in an amount equal to no less than the difference between that amount which is two (2) times the original contractual fee and any amounts previously paid under this Article,

- (3) contributions due for short-term choreography shall be as set-forth under Article VI(G) herein, and
 - (4) in the event the Producer receives payments subsequent to the reproduction or presentation, the Director and/or Choreographer shall receive their respective percentage participation of such payments to the extent that the percentage participation of all payments in the aggregate exceeds the fee paid pursuant to (2), above.
- (B) The Director and/or Choreographer of the production shall receive billing as follows:
Originally directed and/or choreographed for the stage by
_____.
- (C) See Article XVII (C), Producer's Reporting Requirements.

XIII. PARTICIPATION IN SUBSIDIARY INCOME OF THE PRODUCER

- (A) The Director will share in a sum equal to one and one-half (1-1/2%) percent, the Choreographer will share in a sum equal to one and one-eighth (1-1/8%) percent and the Director-Choreographer shall share in a sum equal to two and three-eighths (2 3/8%) percent, of all subsidiary rights income payments received by the production company herein in connection with the production. It is understood that this shall include, without limitation, all amateur and stock rights; any payment received by the Producer for lease or license of any portion of said production in which said Producer is not a co-Producer of said transaction; television performances except where such payment would be a duplication of payments made pursuant to Article XII, Electronic Rights, above, and as hereinafter set forth; motion picture rights; literary rights; any reproduction by electronic means except where such payments would be a duplication of payments made pursuant to Article XII, Electronic Rights, above or any other means, of any portion of this production. It is understood, however, that there shall be no participation in any income received by the Producer for the privilege of showing a segment of no more than fifteen (15) minutes duration of this production which is presented on television for the purpose of exploiting and advertising the current Off-Broadway production during the period of its presentation.

- (B) With regard to subsidiary rights income payments received by the production company as a result of any transaction made prior to the engagement of the Director and/or Choreographer, if the engaged Director and/or Choreographer had received any draft copy of the Play's script and/or score from the author, author's agent or the Producer prior to such transaction, then said Director and/or Choreographer shall be entitled to his/her full percentage participation of such subsidiary rights income payments as per paragraph (A) above.
- (C) Subsidiary rights payments from the Producer shall be calculated and paid to the Director and/or Choreographer when the cumulative amount due equals or exceeds One Hundred (\$100) dollars, but in any event at least annually, based upon the Production's annual accounting closing date
- (D) See Article XVII (D), Producer's Reporting Requirements.

XIV. PROPERTY RIGHTS

- (A) All rights in and to the direction conceived by the Director, and all rights in and to the choreography conceived by the Choreographer, in the course of the rendition of his/her services hereunder, shall be, upon its creation, and will remain, the sole and exclusive property of Director and/or Choreographer; it being understood, however, that Producer shall have a perpetual and irrevocable license to use such direction and/or choreography in any production of the Play from which Director and/or Choreographer receives a royalty under an applicable SSDC minimum basic agreement.
- (B) The Producer is granted by the Director license to use the stage direction, and by the Choreographer license to use the choreography and staging of dances, solely in connection with this original Off-Broadway production. The Director and/or the Choreographer reserve the right to copyright any such direction and/or choreography. Any additional use or license of same by the Producer herein shall be subject to further agreement between the parties. Producer shall not authorize the publication in any form of Director's stage directions or the Choreographer's choreographic annotation without the prior written consent of the Director and/or Choreographer.
- (C) Producer, shall not record, film, televise, or otherwise reproduce or transmit complete or partial performances of any production of the Play directed by Director, and/or

choreographed by Choreographer, or authorize or permit others to do so, without first negotiating and executing a written agreement with the Director and/or Choreographer in respect thereto, except as specifically set forth in this Agreement and/or the individual contract. Notwithstanding the foregoing, Producer shall have the right to use segments of film created as B-roll footage for a production for all allowable uses under the then current Agreement Governing Employment Off-Broadway between Actors' Equity Association and the League of Off-Broadway Theatres and Producers, Inc. Prior to the official press opening of the production and subject to Producer having received notice of the filming and/or advertising of the production, Producer shall make best efforts to provide telephonic notice of at least twenty-four (24) hours to the Director and/or Choreographer.

XV. PRIOR PRODUCTIONS

- (A) If a Director and/or Choreographer directed and/or choreographed a prior AEA Approved Showcase production, and the Off-Broadway rights of the same production were optioned within eighteen (18) months of the closing; or if a Director and/or Choreographer directed and/or choreographed a prior AEA New York City Letter of Agreement production, and the Off-Broadway rights of the same production were optioned within four (4) months of the closing; and if such Director and/or Choreographer is not given a bona fide offer to direct and/or choreograph the subsequent production under this Agreement, then such Director and/or Choreographer shall receive a payment of Two Thousand (\$2000) Dollars.
- (B) Amounts due the Director and/or Choreographer under this Article XV shall be paid to the Director and/or Choreographer within seven (7) days of the signing of the contract with the subsequent Director and/or Choreographer or within seven (7) days of the first rehearsal for the subsequent production, whichever first occurs.
- (C) In the case of more than one (1) prior production, each with a different Director and/or Choreographer, then the Director and/or Choreographer of that prior production which closed last shall be covered under this Article.

XVI. ADDITIONAL COMPANIES, TRANSFERS AND TOURS

(A) Right of First Refusal

- (1) The Director and/or Choreographer shall have the option to direct and/or choreograph all productions in the United States and Canada, produced, co-produced, leased or licensed by the original Producer or Producing Company. In each such instance, the Producer shall be required to offer the Director and/or Choreographer first refusal to serve as Director and/or Choreographer
- (2) The Director and/or Choreographer shall have the option to direct and/or choreograph all productions in the British Isles, produced or co-produced by the original Producer or Producing Company. In each such instance, the Producer shall be required to offer the Director and/or Choreographer first refusal to serve as Director and/or Choreographer.
- (3) The Producer will make best efforts to accommodate the Director's and /or Choreographer's schedule.
- (4) If the Director and/or Choreographer declines or is unable to direct/choreograph a subsequent production, a restager shall be chosen with the written consent of the Director and/or Choreographer, such consent not to be unreasonably withheld. The restager shall be covered by the terms of this Agreement. The restager shall receive no less than fifty percent (50%) of the fee and advance, and twenty-five percent (25%) of the royalty applicable to the subsequent production. The restager shall receive one hundred percent (100%) of the Pension and Health contributions applicable to the subsequent production. [See Article XI (C)] The declining director shall receive fifty percent (50%) of the fee and advance, and seventy five percent (75%) of the royalty applicable to the subsequent production. Nothing herein requires the producer to pay more than 100% of the applicable fee/advance and royalties to the declining director and restager.

(B) Compensation for Additional Companies, Transfers and Tours

- (1) Sit Downs
 - (a) If a Director and/or Choreographer elects to direct/choreograph an additional company in the United States and Canada he/she shall receive the fee/advance as provided for in his/her original contract or the

fee/advance applicable to the Category of the new theatre, whichever is greater, and such royalties as provided for in his/her initial contract.

- (b) If a Director and/or Choreographer elects to direct/choreograph an additional company in the British Isles, he/she shall receive one hundred fifty percent (150%) of the fee/advance for a Category A theatre and such royalties as provided under this Agreement, or the compensation payable under the applicable British Equity Agreement, whichever is greater. If a Director and/or Choreographer elects to direct/choreograph an additional company in the British Isles in a theatre of fewer than 600 seats, he/she shall receive one hundred percent (100%) of the fee/advance for a Category A theatre and such royalties as provided under this Agreement, or the compensation payable under the applicable British Equity Agreement, whichever is greater.

(2) Transfers by Original Producer within New York City
(Commercial to Commercial)

- (a) If a Producer moves a production from one Off-Broadway theatre to another with no interruption of performances in excess of eight (8) weeks, the Director and/or Choreographer shall be paid the difference between the original fee/advance and the fee/advance applicable to the Category of the new theatre, if any.
- (b) In the event there is an interruption of performances for more than eight (8) weeks, the Director and/or Choreographer shall be paid twenty-five (25%) percent of the fee/advance applicable to the Category of the new theatre, which shall include up to one (1) week of his/her services in connection with rehearsals, technical rehearsals, and/or preview performances. If any such services of the Director and/or Choreographer are required for more than one (1) week but not more than two (2) weeks, he/she shall be paid fifty (50%) percent of the fee/advance applicable to the Category of the new theatre; and if any such services of the Director and/or Choreographer are required for more than two (2) weeks, he/she shall be paid seventy-five (75%) percent of the fee/advance applicable to the Category of the new theatre.

- (3) **Transfers outside New York City**
- (a) For any production transferring from an Off-Broadway venue to a venue outside New York City, Producer shall pay the Director and/or Choreographer according to the Day Rate Schedule at Subsection (b) below, provided the following conditions are met:
- (i) There are no substantial changes in the Production;
 - (ii) Producer has made bona fide offers to all principal cast members and there are no principal cast changes in a cast of three (3) or fewer, or not more than one (1) principal cast change in a cast of more than three (3).;
 - (iii) The production transfers to no more than two (2) additional venues;
 - (iv) The transferred production runs for no more than twelve weeks outside New York City.
- (b) **Day Rate Schedule:**
- | <u>Theatre Size</u> | <u>Daily Rate</u> |
|---------------------|-------------------|
| 299 seat or less | \$500 per day |
| 499 seat or less | \$750 per day |
| More than 499 seats | \$1000 per day |
- (c) In the event any of the foregoing conditions are not met, the Director and/or Choreographer shall be compensated pursuant to Subsection (4) below.

(4) **Tours**

(a) **Fees**

For any production originating under this Agreement that subsequently tours and is not covered by Subsection (3) above, the Director and/or Choreographer shall be paid pursuant to Schedule E.

(b) Royalties

- (i) When a Producer receives a guaranteed lump sum, said sum, less booking commission paid to a third party, shall be the basis for the computation of royalties in lieu of Gross Weekly Box Office Receipts, as defined in Article VII (C). Any overage (as defined in XVI (4) (c) below) received by the production company in excess of the guaranteed sum shall also be included in computing royalties.
- (ii) The Director shall be paid i) the contractual weekly royalty; plus ii) in the case of a musical, 2.5% of the weekly Overage, or in the case of a dramatic production, 3.5% of the weekly Overage; but in no event less than a weekly minimum of \$500, of which \$250 shall be a non-recoupable advance against the contractual royalty due for that week and \$250 shall be a non-recoupable advance against any weekly Overage payment due for that week. Effective July 1, 2006, the weekly minimum will be \$525; of which \$262.50 shall be a non-recoupable advance against the contractual royalty due for that week, and \$262.50 shall be a non-recoupable advance against any weekly Overage payment due for that week.
- (iii) The Choreographer shall be paid i) the contractual weekly royalty, plus ii) 1% of the weekly Overage; but in no event less than a weekly minimum of \$400, of which \$200 shall be a non-recoupable advance against the contractual royalty due for that week and \$200 shall be a non-recoupable advance against any weekly Overage payment due for that week. Effective July 1, 2006, the weekly minimum will be \$420; of which \$210 shall be a non-recoupable advance against the contractual royalty due for that week, and \$210 shall be a non-recoupable advance against any weekly Overage payment due for that week.
- (iv) In the computation of the Minimum Fees and Advances under subsections (ii) and (iii) above, each amount shall be rounded off to the nearest \$1.00.

- (c) "Overage" shall be defined as the amount paid to or earned by the Producer, excluding booking commissions paid to a third party, expense reimbursements and admissions taxes, that exceeds the guarantee paid to the Producer.
 - (d) No advance of royalties is required for a tour.
- (5) Not-For-Profit to Commercial Transfer
- (a) If an Institutional Not-for-Profit Producer transfers all or partial ownership and/or control of a production covered hereunder to a Commercial Producer, the Commercial Producer shall become a party to this Agreement as a condition of such transfer and shall assume all responsibilities and obligations to the Director and/or Choreographer thereafter, and:
 - (i) If there is no change in theatre, the Commercial Producer shall pay the Director and/or Choreographer the difference, if any, between the original fee paid and the fee/advance applicable to the Commercial Producer and Category of the theatre.
 - (ii) If there is a change in theatre and performances are resumed within eight (8) weeks:
 - (aa) The Commercial Producer shall pay the Director and/or Choreographer the difference between the original fee and the fee/advance applicable to the Category of the new theatre, or twenty-five (25%) percent of the fee/advance applicable to the Category of the original theatre, whichever is greater, and,
 - (bb) If the services of the Director and/or Choreographer are required for more than one (1) week but less than two (2) weeks in connection with rehearsals, technical rehearsals and/or preview performances, the Director and/or Choreographer shall be paid twenty-five (25%) percent of the fee/advance applicable to the Category of the new theatre in addition to the amount paid pursuant to Section

(aa) above.. If such services of the Director and/or Choreographer are required for two (2) weeks or more, he/she shall be paid fifty percent (50%) of the fee/advance applicable to the Category of the new theatre in addition to the amount paid pursuant to Section (aa) above. .

(iii) If there is a change in theatre and there is an interruption of performances for more than eight (8) weeks:

(aa) The Commercial Producer shall pay the Director and/or Choreographer twenty five percent (25%) of the fee/advance applicable to the Category of the new theatre, or twenty-five (25%) percent of the fee/advance applicable to the Category of the original theatre, whichever is greater, and,

(bb) The Director and/or Choreographer shall be paid an additional twenty-five (25%) percent of the fee/advance applicable to the Category of the new theatre in addition to the amount paid pursuant to Section (aa) above, and may be required to render up to one (1) week of his/her services in connection with rehearsals, technical rehearsals and/or preview performances. If such services of the Director and/or Choreographer are required for more than one (1) week but less than two (2) weeks, he/she shall be paid fifty percent (50%) of the fee/advance applicable to the Category of the new theatre in addition to the amount paid pursuant to Section (aa) above; and if any such services of the Director and/or Choreographer are required for two (2) weeks or more, he/she shall be paid seventy-five percent of the fee/advance applicable to the Category of the new theatre in addition to the amount paid pursuant to Section (aa) above.

- (iv) In no event, however, shall the Commercial Producer be required to pay more than one hundred percent (100%) of the Fee/Advance of the Category of the new theatre.
- (6) The Producer shall notify any co-producer, leasee or licensee that the Producer is a party to an agreement with the Director and/or Choreographer pursuant to which the Director and/or Choreographer retains Property Rights under Article XIV of this Agreement. The foregoing notwithstanding, the Producer may assign his/her license to use such direction and/or choreography pursuant to sub-paragraph (A) of Article XIV and the provisions of this Article XVI.
- (7) If a first-class production of the original Off-Broadway play is presented, the terms and conditions of the Agreement between the SSDC and the League of American Theatres and Producers, Inc., effective as of September 1, 1996, or its successor agreements, shall be controlling.
- (8) See Article XVII (E), Producer's Reporting Requirements.

XVII. PRODUCER'S REPORTING REQUIREMENTS

- (A) The weekly profit/loss statements of the Accountant for the production shall be the basis for determining weekly running expenses, operating profits or operating losses, and must be based on generally accepted accounting principles and practices as customarily employed in the theatrical industry.
 - (1) Such statements will be issued to the Director and/or Choreographer and to the SSDC concurrently with payments disbursed under the Royalty Pool, together with copies of the weekly box office statements, no later than seven (7) days after the end of each performance week. At the same time, the Director and/or Choreographer and the SSDC will also be provided with a weekly report stating how much the Director and/or Choreographer was paid and how that amount was determined.
 - (2) For those weeks during which the Royalty Pool was not operating, a copy of the weekly box office statements alone will be provided to the Director and/or Choreographer and the SSDC no later than seven (7) days after the end of each performance week.

- (B) The Producer shall submit to the Director and/or Choreographer, and to the SSDC, copies of all financial statements or reports issued by the Producer to stockholders, limited partners, joint venturers, or other backers (i.e., the investors), to substantiate recoupment of capitalization, at the same time these are sent to the aforementioned. In addition to such statements or reports, the Director and/or Choreographer and the SSDC will be provided with financial statements and reports when the production recoups one hundred twenty-five (125%) percent, one hundred fifty (150%) percent and two hundred (200%) percent of capitalization.
- (C) The Producer shall submit to the Director and/or Choreographer, and to the SSDC, reports to substantiate the amount of all payments received by the Producer from an electronic sale. Such reports shall be submitted within seven (7) days of the Producer's receipt of each such payment, and shall include the calculation of amounts therefore due the Director and/or Choreographer under Article XII above.
- (D) The Producer shall submit to the Director and/or Choreographer, and to the SSDC, reports to substantiate all earnings resulting from the Producer's subsidiary rights participation. Such reports shall be submitted within seven (7) days of the Producer's receipt of such earnings and shall include the calculation of amounts therefore due the Director and/or Choreographer under Article XIII above.
- (E) The Producer shall notify the SSDC of all Additional Companies, Transfers and Tours under Article XVI above.
- (F) The Producer shall include a statement of accounting, including the method of calculation, with all payments disbursed to the Director and/or Choreographer.
- (G) Institutional Not-for-Profit Theatres shall report scheduled production activity to the SSDC as soon as is possible after the activity is scheduled or rescheduled, and shall submit its annual audited financial statements not later than two weeks after the Theatre receives them.
- (H) Producers shall submit to SSDC a copy of the Playbill of each production no later than seven (7) days following the first preview of each production.

XVIII. NO STRIKE, NO LOCKOUT

The parties agree that during the term of this Agreement, the Producer shall not lock out any Director and/or Choreographer, and the SSDC will not cause or permit any of its members to take part in any strike, work-stoppage, slowdown, or concerted or organized curtailment of work (sympathetic, general, or any other kind) or any other interference with the operation of the Producer's business.

XIX. ARBITRATION OF DISPUTES

- (A) If any dispute concerning interpretation or application of this Agreement or any individual contract, oral or written, arises between the SSDC and the League or a Producer, or between a Director and/or Choreographer and a Producer, the parties agree that a prompt attempt will be made to settle the matter amicably.
- (B) If the matter is not resolved pursuant to paragraph (A) above, it may be submitted by either party to a Grievance Committee consisting of up to three (3) representatives of the SSDC and up to three (3) representatives of the League. In rendering decisions, the SSDC representatives and the League representatives shall each cast, in the aggregate, one (1) vote. A decision of the Committee on a grievance or a dispute shall be final and binding on the parties only if there are two (2) concurring votes.
- (C) If the matter is not resolved pursuant to paragraph (B) above, or no Grievance Committee meeting is held within thirty (30) days of a request for a meeting, or if in the case of an alleged breach of the No-Strike, No-Lockout Clause there is no resolution within twenty-four (24) hours, either party may file a request for arbitration, in rotation, with any one of the following arbitrators:

Maurice Benewitz

George Nicolau

Martin Sheinman

Bonnie Weinstock

Carol Wittenberg

If the next arbitrator is not available to conduct a hearing within thirty (30) days, the grieving party may submit the matter to the next arbitrator, in rotation. If none of the arbitrators is available to conduct a hearing within thirty (30) days, the parties shall attempt to agree on a mutually acceptable arbitrator; however, absent such agreement, the

request for arbitration may be made to the American Arbitration Association. In the event of the death or resignation of one or more of the arbitrators, the parties shall agree upon a successor or successors within twenty (20) days. If the parties are unable to agree, said successor or successors shall be appointed by the American Arbitration Association.

- (D) The costs and expenses of the arbitration shall be shared equally by the SSDC and the Producer or Producers involved. The rules of the procedure in such arbitration shall be the applicable rules then currently published and in effect at the American Arbitration Association. All arbitration proceedings are to be conducted in the City of New York.
- (E) Where disputes are subject to arbitration under this Article, they shall be settled by arbitration in accordance with the laws of the State of New York. Arbitration shall be the sole and exclusive remedy for disputes which arise under this Agreement or under individual contracts.
- (F) No claim on behalf of a Director and/or Choreographer, other than a claim for breach of contract requiring a money award, or a claim relating to the interpretation or application of the terms of this Agreement, is within the jurisdiction of the arbitrator. In a dismissal case, the arbitrator's remedy is limited solely to full payment for all compensation due under this Agreement as same accrues. The arbitrator shall not have the power to require a Producer or Producers to reinstate a Director and/or Choreographer who he/she finds to have been discharged in breach of this Agreement or under individual contracts. In all cases the arbitrator shall limit himself/herself strictly to questions concerning interpretation and application of this Agreement and individual contracts, and shall in no way alter, amend, modify, add to or subtract from any provision of this Agreement or individual contracts. The arbitrator shall have the authority to award interest and expenses as he/she shall deem just and proper.
- (G) The Producer recognizes that nothing in this paragraph shall be construed as prohibiting an individual Director or Choreographer to bargain on an individual basis with an individual Producer to secure arbitration provisions conferring jurisdiction and powers upon the arbitrator in excess of the jurisdiction and powers conferred upon the arbitrator herein.
- (H) The SSDC and the League shall have the right to participate in all arbitration proceedings. A copy of the request of arbitration shall be served on the opposing parties, including the Producer, Director and/or Choreographer, SSDC and League concurrently

with the dispatch of the request to the arbitrator. A final and binding decision shall be issued within thirty (30) days after the hearing.

- (I) Any award in an arbitration with a producer who is not a member of the League shall not constitute a precedent in any subsequent arbitration between the SSDC and the League.

XX. MAINTAINING THE QUALITY OF A PRODUCTION

The Director and/or Choreographer will supervise and maintain the quality of the production; and, in furtherance thereof, is required to see a complete performance of the production that he/she has directed and/or choreographed at least once every four (4) weeks, unless the Director's and/or Choreographer's contractual obligations prevent him/her from doing so, in which case the Director and/or Choreographer shall see the show as soon as his/her contractual obligations permit. After seeing a complete performance of the production, the Director and/or Choreographer shall re-direct and/or re-choreograph it, without any additional compensation, if he/she deems it necessary to do so.

XXI. ARTISTIC APPROVAL

The cast, the understudies, replacements, set designer, lighting designer, costume designer, and stage manager shall be subject to the approval of the Director, the Author and the Producer. The dance captain shall be subject to the approval of the Choreographer. Such approvals shall not be unreasonably withheld. The Director shall be consulted prior to the engagement of the musical director, sound designer or stage combat/fight director; and the Choreographer shall be consulted regarding the stage floor and the costumes for all cast members who dance and the assistant choreographer, if any. Additionally, the Choreographer shall be consulted regarding any dance arranger, if not pre-selected by the composer (in which case the Producer shall provide the name of said pre-selected dance arranger in the Rider to the Choreographer's contract). In the event the Director and/or Choreographer is not available within seventy-two (72) hours to make such selection, give his/her approval, or be consulted, the Producer shall be free to make such selection and the Director and/or Choreographer shall be deemed to have given his/her consent.

XXII. BILLING

- (A) The Director shall receive billing with respect to each company in all programs and houseboards. Such credit shall appear on a separate line in an agreed size and type and position on which no other credit shall appear.
- (B) The Choreographer shall receive billing with respect to each company in all programs and houseboards. Such credit shall appear in an agreed size and type and position on a line on which no more than one (1) other credit shall appear.
- (C) The Director and/or Choreographer shall have approval of his/her biography. Such approval shall not be unreasonably withheld.
- (D) If a Director and/or Choreographer who has been dismissed so requests, his/her name shall be removed from all forms of billing.
- (E) The following notice, or other mutually acceptable written recognition, shall appear in all programs: “The Director and/or Choreographer is a member of the Society of Stage Directors and Choreographers, an independent national labor union.” Such notice will appear with the SSDC logo, photo-ready copy to be supplied by SSDC.

XXIII. HOUSE SEATS

Each Director and/or Choreographer shall have two (2) good seats set aside for him/her during each performance available for purchase except where there are theatre parties. He/she shall give the Producer forty-eight (48) hours notice of his/her desire to use these seats. Each Director and/or Choreographer will keep appropriate records regarding the disposition of house seats as required by governmental agencies.

XXIV. SECURITY DEPOSIT

- (A) If a Producer is in default of any fees, royalty payments and/or any pension and/or health payments, or any part thereof, not in open dispute,
 - (1) and such default continues for a period exceeding ten (10) days from notification of such default, then, the SSDC shall have the right to require the Producer to post

a security deposit with the SSDC in an amount determined by the SSDC/League Grievance Committee; and

- (2) then, before any future production for which a Director and/or Choreographer is employed under contract subject to this Agreement, the Producer shall be required
 - (a) to pay all fees, royalties, pension and/or health arrears, and
 - (b) to deposit with the SSDC a sum equal to the combined applicable minimum fees and royalty advances for Directors and/or Choreographers.
- (B) The security so deposited by a Producer may be used, at the discretion of the SSDC, to pay fee, royalty payments and/or pension and health benefit payments which such Producer has defaulted in making. Such security shall be used only after notice of default and intention to use such security has been given in writing to the Producer by the SSDC with copy to the League. Such security shall not be used until default continues for a period of ten (10) days after such written notice. Any security so used will be replenished by the Producer within ten (10) days of such use or Producer shall be subject to a penalty fine of five (5%) percent of the amount of such monies used, for each ten (10) days or portion thereof during which Producer's security deposit is not replenished. (Penalty fines paid under this Article shall be disbursed to the SSDC/League Health Fund.)
- (C) All monies deposited with the SSDC hereunder shall be held in trust in a day-to-day interest-bearing savings account, such interest to be credited to the Producer and returned, as accrued, to the Producer upon the return of monies so deposited.
- (D) Said monies shall be returned to the Producer by the SSDC no later than ten (10) days after the Producer has notified the SSDC in writing and has furnished proof to the SSDC that all payments due under this Agreement have been paid.
- (E) Payments for which security is deposited with the SSDC hereunder may be made to or for the account of Directors and/or Choreographers directly from funds held as security upon the written request of the Producer, but within the sole discretion of the SSDC.
- (F) (1) Any Producer covered by this Agreement who is not a member of the League shall be required to provide the SSDC with a Security Deposit in the amounts set forth in sub-paragraph (A) (2) (b) of this Article upon the filing of the Director's and/or Choreographer's individual contract(s) with the SSDC, or prior to auditions, whichever is earlier.

- (2) Except as provided for in Section (G) below, productions produced by League members who have produced two previous productions as a League member or non-League Member under this Agreement and have not defaulted in meeting their obligations to SSDC members in those productions shall not be required to provide the SSDC with a security deposit. League members who have not produced two such productions may petition the SSDC to waive in whole or part the requirements of a security deposit, based on their credit standing as producers or the provision of other acceptable security, and the SSDC will not unreasonably withhold its approval to such petitions.
- (3) In the event that a League member provides a security deposit pursuant to Section (A) (2) above and makes full and timely payment of all fees, advances, royalties, and pension and health contributions due through the fourth week after the press opening of the production, the SSDC shall return the security deposited, except for an amount equivalent to eight weeks of the minimum weekly compensation due to the SSDC members employed for the production, including pension and health contributions.
- (G) Any League Producer covered by this Agreement shall be required to provide the SSDC with a security deposit in the amounts set forth in sub-paragraph (A) (2) (b) of this Article when the SSDC determines that a security deposit is necessary, based on the Producer's repeated delinquent payment record and/or appearance on the SSDC Default List. The security deposit must be made upon filing of Director's and/or Choreographer's individual contract(s) with the SSDC, or two weeks prior to the first rehearsal, whichever is earlier.

XXV. SOCIAL SECURITY/UNEMPLOYMENT INSURANCE

- (A) It is understood and agreed that Director and/or Choreographer is entitled to the benefit of all Federal and State enactments constituting what is commonly known and designated as Social Security Acts or Laws including Old-Age and Unemployment Insurance and that the Producer during the term of this Agreement shall pay any and all taxes or payments required to be paid by employers under the provisions of said law. If the services of the Director and/or Choreographer are not subject to the compulsory provisions of an Unemployment Compensation (Insurance) Law of any State, then the

Producer hereby agrees that he/she will elect to cover the Director and/or Choreographer and pay contributions on the earnings of the Director and/or Choreographer under the elective provisions of the Unemployment Insurance Law of the State of New York. If, however, the Producer is not eligible to elect to come under the New York State Unemployment Insurance Law, then he/she agrees to elect to come under the Unemployment Compensation (Insurance) Law of the State where he/she has his/her principal place of business, or of the State of the Director's and/or Choreographer's residence, or of the State where the contract of employment was entered into.

- (B) The Producer agrees to execute and file the necessary forms required by the State Unemployment Compensation (Insurance) Law under which he/she has elected to cover the Director and/or Choreographer and shall notify the Director and/or Choreographer of said election. The Producer also agrees to furnish his/her unemployment registration number to the Director and/or Choreographer and to the SSDC as soon as such number is assigned to him/her.
- (C) It is expressly agreed that non-profit organizations, regardless of their tax-exempt status, will secure and elect Unemployment Insurance coverage pursuant to this provision; or become liable for any benefits lost by the Director and/or Choreographer as a result of their failure to obtain or maintain coverage.
- (D) Requirements outlined heretofore shall obtain provided the Director and/or Choreographer elects to be paid on a weekly salary in lieu of a professional fee.

XXVI. SEPARABILITY

It is not the intent of either party hereto to violate any laws or any rulings or regulations of any governmental authority or agency. The parties hereto agree that if any provisions of this Agreement are held or constituted to be void or as being in contravention of any such laws, rulings or regulations, nevertheless, the remainder of the Agreement shall remain in full force and effect.

XXVII. CANCELLATION OF EXISTING RECOGNITION AGREEMENTS

This Agreement supersedes and renders null and void any recognition agreement heretofore executed between the Society of Stage Directors and Choreographers, Inc. and any member of the League of Off-Broadway Theatres and Producers, Inc.

XXVIII. TERM

This Agreement, effective July 1, 2005, shall be in full force until and including June 30, 2010.

IN WITNESS WHEREOF, the parties have set their hands and seals this day as indicated.

THE LEAGUE OF OFF-BROADWAY THEATRES AND PRODUCERS, INC.

By Marc Routh Date: 4/5/06
Marc Routh, President

SOCIETY OF STAGE DIRECTORS AND CHOREOGRAPHERS, INC

By Pamela Berlin Date: 4/12/06
Pamela Berlin, President

SCHEDULE A—FORM CONTRACT



This Agreement must be signed in quintuplicate. The Producer/Production Company must file one copy with SSDC prior to the first rehearsal. The Director, Choreographer, Director-Choreographer must file one copy with SSDC prior to the first rehearsal. Each party retains one copy. One copy is for the agent or attorney of employee. Attach Riders to each copy as needed.

The following constitutes our Agreement:

1. This Agreement is entered into on the _____ day of _____, 20____. Pursuant to all the terms and conditions herein set forth, _____ (Producer/Production Company) agrees to engage the services of _____ (Director, Choreographer, Director-Choreographer) and he/she agrees to accept such engagement with respect to the production of the (Play, Musical) _____. Rehearsals are scheduled to begin on/or about _____, and the first paid public performance is scheduled on or about _____.

2. This Agreement is subject to and incorporates all terms and conditions of the Agreement between the Society of Stage Directors and Choreographers, Inc. (SSDC) and the League of Off-Broadway Theatres and Producers, Inc. (League), effective July 1, 2005 (SSDC-League Agreement), or its successor Agreements, and binds the undersigned to its terms for the duration of said Agreement or its successor Agreements. Nothing contained in the SSDC/League Agreement shall be construed to prevent any Director and/or Choreographer from negotiating with and obtaining from any Producer/Production Company any better terms and conditions than those provided for therein without limitation.

3. COMPENSATION

FEE: In consideration of full and timely performance by Director, Choreographer, Director-Choreographer hereunder, Producer/Production Company agrees to compensate Director, Choreographer, Director-Choreographer as follows:

FEE AND PAYMENT SCHEDULE (fee total includes nonreturnable advance against royalties):

Fee	\$ _____	Fee Schedule:	\$ _____ upon signing this Agreement or first day of auditions, whichever first occurs
Advance	\$ _____		\$ _____ on first day of rehearsal
Total	\$ _____		\$ _____ on first day of third or final week of rehearsal, whichever first occurs

ROYALTY: Producer/Production Company agrees to pay Director, Choreographer, Director-Choreographer weekly, either a sum equal to _____ % of all gross weekly box office receipts or a royalty pool payment as provided in the SSDC/League Agreement. *(The SSDC/League Agreement includes a Producer elective royalty pool, the minimum terms of which are set forth in Article VII (D) of the SSDC/League Agreement.)*

The Producer/Production Company is authorized to send compensation to: _____

4. The undersigned authorizes the Producer to deduct two and one-half percent (2 1/2%) of all compensation due under this Agreement, with a maximum assessment on royalties of \$7000 from each company of the Play/Musical per calendar year, or such other dues or assessments as the SSDC shall lawfully establish, and to remit all such deductions to the SSDC no later than seven days after such deduction is made. This authorization shall be irrevocable for a period of one year or until the termination date of the SSDC-League Agreement, whichever is sooner, and shall renew itself from year to year unless the undersigned gives written notice addressed to the SSDC, 1501 Broadway, New York, New York 10036, at least fifteen (15) days prior to the termination date of the revocation of this authorization.

5. **PENSION AND HEALTH:** The Producer/Production Company shall make pension and health contributions to the SSDC/League Pension Fund and the SSDC/League Health Fund as specified in the SSDC-League Agreement.

6. **GRIEVANCE OR DISPUTE:** Any dispute arising out of this Agreement shall be settled pursuant to the procedures contained in Article XIX of the SSDC-League Agreement.

7. **RIDERS:** Any Riders must be attached to each copy of this Agreement.

Accepted:	Producer/Production Company <u>must</u> sign contract first.
DIRECTOR, CHOREOGRAPHER, DIRECTOR-CHOREOGRAPHER	PRODUCER/PRODUCTION COMPANY
(Signature) _____	(Signature) _____
(Please type name) _____	(Please type name) _____
Date _____	Date _____
Address _____	Address _____
_____ Zip _____	_____ Zip _____
Phone _____	Phone _____ Fax: _____
Social Security No. _____	Email Address _____
Email address _____	Employer Registration No. _____
Member of SSDC: yes _____ no _____	Member of the Off-Broadway League: yes _____ no _____

Revised 12/1/05

OFF-BROADWAY

SCHEDULE B—MINIMUM FEES FOR DIRECTORS

Commercial Producer

7/1/05- 6/30/06

Category A	Fee	\$8,254
(400-499 Seats)	Advance	<u>\$5,552</u>
	Total	\$13,806
Category B	Fee	\$7,051
(300-399 Seats)	Advance	<u>\$4,166</u>
	Total	\$11,217
Category C	Fee	\$5,881
(200-299 Seats)	Advance	<u>\$3,609</u>
	Total	\$9,490
Category D	Fee	\$4,712
(100-199 Seats)	Advance	<u>\$3,054</u>
	Total	\$7,766

Effective July 1, 2006 and July 1, 2007, the rates set forth above shall be subject to a Cost of Living Increase, as defined at Article VI, Section (A)(4), based on the percentage increase in the Index in the preceding twelve months, ending May 31, 2006 and the rate in effect on May 31, 2007 respectively. In no event, however, shall the Cost of Living Increase each year be less than two (2%) percent or more than five (5%) percent. Effective July 1, 2008 the rates shall increase by four (4%) percent. Effective July 1, 2009 the rates shall increase by five (5%) percent. In the computation of the Minimum Fees and Advances hereunder, each amount shall be rounded off to the nearest \$1.00.

Institutional Not-For-Profit Producer

		7/1/05- 6/30/06	7/1/06- 6/30/07	7/1/07- 6/30/08	7/1/08- 6/30/09	7/1/09- 6/30/10
Category A	Fee	<u>\$11,353</u>	<u>\$11,852</u>	<u>\$12,374</u>	<u>\$13,686</u>	<u>\$14,233</u>
	(400-499 Seats)	Total	\$11,353	\$11,852	\$12,374	\$13,686
Category B	Fee	<u>\$9,197</u>	<u>\$9,602</u>	<u>\$10,025</u>	<u>\$11,087</u>	<u>\$11,531</u>
	(300-399 Seats)	Total	\$9,197	\$9,602	\$10,025	\$11,087
Category C	Fee	<u>\$7,870</u>	<u>\$8,200</u>	<u>\$8,550</u>	<u>\$9,505</u>	<u>\$9,800</u>
	(200-299 Seats)	Total	\$7,870	\$8,200	\$8,550	\$9,505
Category D	Fee	<u>\$6,310</u>	<u>\$6,600</u>	<u>\$6,900</u>	<u>\$7,600</u>	<u>\$7,900</u>
	(100-199 Seats)	Total	\$6,310	\$6,600	\$6,900	\$7,600

SCHEDULE C—MINIMUM FEES FOR CHOREOGRAPHERS

Commercial Producer

7/1/05- 6/30/06

Category A (400-499 Seats)	Fee	\$6,603
	Advance	<u>\$4,441</u>
	Total	\$11,044
Category B (300-399 Seats)	Fee	\$5,640
	Advance	<u>\$3,333</u>
	Total	\$8,973
Category C (200-299 Seats)	Fee	\$4,705
	Advance	<u>\$2,887</u>
	Total	\$7,592
Category D (100-199 Seats)	Fee	\$3,770
	Advance	<u>\$2,443</u>
	Total	\$6,213

Effective July 1, 2006 and July 1, 2007, the rates set forth above shall be subject to a Cost of Living Increase, as defined at Article VI, Section (A)(4), based on the percentage increase in the Index in the preceding twelve months, ending May 31, 2006 and the rate in effect on May 31, 2007 respectively. In no event, however, shall the Cost of Living Increase each year be less than two (2%) percent or more than five (5%) percent. Effective July 1, 2008 the rates shall increase by four (4%) percent. Effective July 1, 2009 the rates shall increase by five (5%) percent. In the computation of the Minimum Fees and Advances hereunder, each amount shall be rounded off to the nearest \$1.00.

Institutional Not-For-Profit Producer

		7/1/05- 6/30/06	7/1/06- 6/30/07	7/1/07- 6/30/08	7/1/08- 6/30/09	7/1/09- 6/30/10
Category A (400-499 Seats)	Fee	<u>\$9,082</u>	<u>\$9,482</u>	<u>\$9,899</u>	<u>\$10,948</u>	<u>\$11,386</u>
	Total	\$9,082	\$9,482	\$9,899	\$10,948	\$11,386
Category B (300-399 Seats)	Fee	<u>\$7,358</u>	<u>\$7,682</u>	<u>\$8,020</u>	<u>\$8,870</u>	<u>\$9,225</u>
	Total	\$7,358	\$7,682	\$8,020	\$8,870	\$9,225
Category C (200-299 Seats)	Fee	<u>\$6,296</u>	<u>\$6,560</u>	<u>\$6,840</u>	<u>\$7,604</u>	<u>\$7,840</u>
	Total	\$6,296	\$6,560	\$6,840	\$7,604	\$7,840
Category D (100-199 Seats)	Fee	<u>\$5,048</u>	<u>\$5,280</u>	<u>\$5,520</u>	<u>\$6,080</u>	<u>\$6,320</u>
	Total	\$5,048	\$5,280	\$5,520	\$6,080	\$6,320

SCHEDULE D—MINIMUM FEES FOR DIRECTOR-CHOREOGRAPHERS

Commercial Producer

7/1/05- 6/30/06

Category A (400-499 Seats)	Fee	\$14,858
	Advance	<u>\$9,993</u>
	Total	\$24,851
Category B (300-399 Seats)	Fee	\$12,691
	Advance	<u>\$7,499</u>
	Total	\$20,190
Category C (200-299 Seats)	Fee	\$10,586
	Advance	<u>\$6,496</u>
	Total	\$17,082
Category D (100-199 Seats)	Fee	\$8,482
	Advance	<u>\$5,498</u>
	Total	\$13,980

Effective July 1, 2006 and July 1, 2007, the rates set forth above shall be subject to a Cost of Living Increase, as defined at Article VI, Section (A)(4), based on the percentage increase in the Index in the preceding twelve months, ending May 31, 2006 and the rate in effect on May 31, 2007 respectively. In no event, however, shall the Cost of Living Increase each year be less than two (2%) percent or more than five (5%) percent. Effective July 1, 2008 the rates shall increase by four (4%) percent. Effective July 1, 2009 the rates shall increase by five (5%) percent. In the computation of the Minimum Fees and Advances hereunder, each amount shall be rounded off to the nearest \$1.00.

Institutional Not-For-Profit Producer

		7/1/05- 6/30/06	7/1/06- 6/30/07	7/1/07- 6/30/08	7/1/08- 6/30/09	7/1/09- 6/30/10
Category A (400-499 Seats)	Fee	<u>\$20,435</u>	<u>\$21,334</u>	<u>\$22,273</u>	<u>\$24,634</u>	<u>\$25,619</u>
	Total	\$20,435	\$21,334	\$22,273	\$24,634	\$25,619
Category B (300-399 Seats)	Fee	<u>\$16,555</u>	<u>\$17,284</u>	<u>\$18,044</u>	<u>\$19,957</u>	<u>\$20,755</u>
	Total	\$16,555	\$17,284	\$18,044	\$19,957	\$20,755
Category C (200-299 Seats)	Fee	<u>\$14,167</u>	<u>\$14,760</u>	<u>\$15,390</u>	<u>\$17,109</u>	<u>\$17,640</u>
	Total	\$14,167	\$14,760	\$15,390	\$17,109	\$17,640
Category D (100-199 Seats)	Fee	<u>\$11,358</u>	<u>\$11,881</u>	<u>\$12,420</u>	<u>\$13,679</u>	<u>\$14,220</u>
	Total	\$11,358	\$11,881	\$12,420	\$13,679	\$14,220

SCHEDULE E—FEES FOR TOURS

Tours longer than 12 weeks		
		7/01/05- 6/30/06
Minimum Fees for Directors-Musical	Fee	\$21,805
Minimum Fees for Choreographers-Musical	Fee	\$18,056
Minimum Fees for Directors-Dramatic Production	Fee	\$19,081

Tours of 12 weeks or fewer		
		7/01/05- 6/30/06
Minimum Fees for Directors-Musical	Fee	\$14,935
Minimum Fees for Choreographers-Musical	Fee	\$12,463
Minimum Fees for Directors-Dramatic Production	Fee	\$12,669

Effective July 1, 2006 the rates set forth above shall be subject to a Cost of Living Increase, as defined at Article VI, Section (A)(4), based on the percentage increase in the Index in the preceding twelve months, ending May 31, 2006. In no event, however, shall the Cost of Living Increase each year be less than two (2%) percent or more than five (5%) percent. Effective July 1, 2008 the rates shall increase by four (4%) percent. Effective July 1, 2009 the rates shall increase by five (5%) percent. In the computation of the Minimum Fees and Advances hereunder, each amount shall be rounded off to the nearest \$1.00.

No Advance of royalties is required for a tour.

SCHEDULE F—SHORT TERM OR SPECIALTY CHOREOGRAPHY

EXTENDED ACTIVITY FORM

ssdc society of stage directors and choreographers
 1501 BROADWAY SUITE 1701 NEW YORK, NY 10036-5653 TEL 212 391 1070 FAX 212 302 6195

SSDC—Off-Broadway Short Term or Specialty Choreography Extended Activity Form

This form is to be submitted by the Producer when Short Term or Specialty Choreography service extends beyond the originally contracted Choreographic Work Days. [SSDC/OB League Agreement, Article VI (G) (7)].

PRODUCTION INFORMATION

Name of Production _____
 (musical/non-musical)

Producer _____

Choreographer _____

Date of First Rehearsal _____

Initial Period of Engagement (Choreographic Work Days) _____

Extended Period of Engagement (Choreographic Work Days) _____

Total Engagement (Choreographic Work Days) _____

FEES & ROYALTY ADVANCES

Total Fee & Advance: \$ _____
 (including extension)

Fee & Advance previously paid \$ _____

Fee & Advance Due: \$ _____

SSDC 2.5% Assessment on Additional Fee and Advance due \$ _____

PENSION & HEALTH

Total Initial Pension & Health: \$ _____
 (including extension)

Initial Pension & Health previously paid: \$ _____

Pension & Health Due: \$ _____

Musicals (which days shall be consecutive)			
Choreographic Work Days	FEES AND ROYALTY ADVANCES		PENSION & HEALTH
	Percentage of Fee & Advance at Schedule C	Percentage of Weekly Royalties at Article VII.	Percentage of Weekly Payments Set Forth at Article XI (B)
1-6	25%	25%	25%
7-12	50%	50%	50%
13 or more	100%	100%	100%

Non-Musicals (which days need not be consecutive)			
Choreographic Work Days	FEES AND ROYALTY ADVANCES		PENSION & HEALTH
	Percentage of Fee & Advance at Schedule C	Percentage of Weekly Royalties	Percentage of Weekly Payments Set Forth at Article XI (B)
1-2	10%	0%	0%
3-6	30%	30% of minimum Royalties due under Article VII.	30%
7-12	50%	50% minimum Royalties due under Article VII.	50%
13-18	75%	75% minimum Royalties due under Article VII.	75%
19 or more	100%	100% minimum Royalties due under Article VII.	100%

Rev: 12/1/05