

## WGA Negotiations—Tentative Agreement September 25, 2023

We set out in this negotiation to address critical issues across our membership, brought on by changes in the business that were driving down writer pay and undermining working conditions. Prior to the strike, the companies refused to engage on most issues. The following is a summary of the deal terms for the 2023 MBA, as compared with the AMPTP offer on the table as of 5/1/2023. This contract—won with the power of member solidarity and our union siblings over a 148-day strike—incorporates meaningful gains and protections for writers in every segment of the membership.

WGA PROPOSALS (as of 5/1/2023)	AMPTP OFFERS (as of 5/1/2023)	TENTATIVE AGREEMENT (9/25/2023)
<b>MINIMUMS</b>		
6%-5%-5% for all minimums including residual bases.	4%-3%-2% (one-time increase to most residual bases of 2% or 2.5%).	5%-4%-3.5% for most minimums; select residual bases and minimums get lower increases and/or single increases.
<b>FEATURES</b>		
<b>STREAMING FEATURES:</b> Streaming features with a budget of \$12 million or more receive full theatrical terms, including better initial compensation and residuals.	Made-for HBSVOD programs 96+ mins., with a budget of \$40 million or more, receive 9% increase to initial compensation; no improvement in residuals.	Made-for HBSVOD programs 96+ mins, with a budget of \$30 million or more, receive 18% increase to initial compensation (\$100,000 for story & teleplay) and a 26% increase in the residual base. Combined with the foreign residual improvements, this produces a 3-year residual of \$216,000 for projects on the largest streaming services.
<b>GUARANTEED 2<sup>ND</sup> STEP:</b> Require a 2 <sup>nd</sup> step if hired for a screenplay for less than 250% of minimum.	Rejected our proposal. Countered by offering meetings to educate creative executives and producers about screenwriters' free work concerns.	Require a 2 <sup>nd</sup> step if hired for a screenplay for 200% of minimum or less; also applies to purchases of screenplays.
<b>WEEKLY PAY:</b> 50% pay upon commencement, and remaining 50% to be paid out weekly over the writing period. Applies if writer is paid less than 250% of minimum; writers above this threshold have the right to opt-in to weekly pay.	Rejected our proposal. Refused to make a counter.	Accelerated payment schedule for flat deals: 50% pay upon commencement; 25% pay 9 weeks after commencement, upon invoice; and 25% on delivery. Applies if writer is paid 200% of minimum or less.
<b>APPENDIX A</b>		
<b>ESTABLISH MINIMUMS FOR STREAMING:</b> Extend television "Appendix A" terms to high budget shows made for SVOD (including weekly minimums, 13-week guarantees, and residuals based on "aggregate").	Appendix A weeklies apply only to high budget Comedy/Variety programs made for SVOD. Budget break is \$700,000 for 30-minute show, \$1.15 million for 60-minute show. No aggregate	Television Appendix A initial compensation terms apply to high budget Comedy-Variety, quiz & audience, and other non-dramatic shows made for SVOD, including 13-week guarantees for C/V and "aggregate" for compensation

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	or 13-week guarantees would apply, and writers can be employed on a daily-rate basis.	<p>purposes.</p> <p>Budget breaks are \$600,000 for once/week 30-minute show, \$1.15 million for once/week 60-minute show. Projects with four episodes per week have lower breaks; for instance, C/V strip shows have budget breaks of \$150,000 for 30-minute show, \$250,000 for 60-minute.</p> <p>For high budget daytime serials that move to SVOD, Company must give notice and negotiate with Guild for all terms and conditions, including initial compensation and residuals.</p> <p>1.2% residual applies to all high budget programs.</p>
<b>EPISODIC TELEVISION</b>		
<b>TV WEEKLY COMPENSATION</b>		
<ul style="list-style-type: none"> <li>• Increase weekly rates of Staff Writers and Story Editors/Executive Story Editors by 6%-5%-5%.</li> <li>• Establish new Writer-Producer tier with weekly rate 25% above SE/ESE.</li> </ul>	<ul style="list-style-type: none"> <li>• Increase weekly rates of Staff Writers and Story Editors/Executive Story Editors by 4%-3%-2%.</li> <li>• Establish new Writer-Producer tier with weekly rate 2-7% above SE/ESE (dep. on term of employment).</li> </ul>	<ul style="list-style-type: none"> <li>• Increase weekly rates of Staff Writers and Story Editors/Executive Story Editors by 5%-4%-3.5%. The increases for staff writers go into effect immediately; and those for story editors/executive story editors go into effect the Sunday after ratification.</li> <li>• Establish new Writer-Producer tier with weekly rate 9.5% above SE/ESE. These rates apply to new seasons that start 60 days after ratification.</li> </ul>
<b>DEVELOPMENT ROOM COMPENSATION</b>		
Pre-greenlight (a/k/a “development room”) room weekly services paid at 25% premium. Premium applies whenever writers are hired before a series or season order, including in-between seasons.	5% premium for “development room” weekly services. Premium applies only when 3 or more writers (including teams) are hired for 10 or fewer weeks before a season 1 of a series.	Development room weekly services paid at 25% premium, if writer guaranteed 19 or fewer weeks; premiums do not apply to writers guaranteed 20 or more weeks. Premium applies to television and HBSVOD series whenever 3 or more writers are hired before a series or season order, including in-between seasons. Development room weekly fees may not be credited against post-greenlight room fees.

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		Assuming ratification in October, the development room weekly rates apply to writer deals entered into on or after November 1, 2023.
<b>SCRIPT FEES FOR STAFF WRITERS</b>		
Staff Writers receive script fees on top of their weeklies.	Agreed as of 5/1.	As agreed.
<b>PILOT &amp; BACKUP SCRIPT PREMIUM FOR HBSVOD &amp; HBAVOD</b>		
150% pilot premium and 115% backup script premium apply to made for HBSVOD.	Agreed as of 5/1 (for HBSVOD).	Pilot and backup script premiums apply to both HBSVOD and HBAVOD.
<b>PRESERVING THE WRITERS' ROOM</b>		
<p><b>Pre-greenlight rooms:</b> Minimum staff of 6 writers (including 4 Writer-Producers)</p> <p><b>Post-greenlight rooms:</b></p> <ul style="list-style-type: none"> <li>• 1 writer per episode up to 6 episodes, then 1 additional writer required for each 2 episodes after 6 up to a max. of 12 writers</li> <li>• <u>Example:</u> 8 episodes requires 7 writers incl. 4 Writer-Producers; 10 episodes requires 8 writers incl. 5 Writer-Producers.</li> </ul>	Rejected our proposals. Refused to make a counter.	<p><b>For television and HBSVOD series:</b></p> <p><b>Development rooms:</b> If a development room of 3 or more writers is convened, minimum staff of 3 Writer-Producers is required.</p> <p>Development rooms 20 weeks or longer:</p> <ul style="list-style-type: none"> <li>• First season: minimum staff size of 3 Writer-Producers.</li> <li>• Subsequent seasons: minimum staff size is based on anticipated episode order (see tiers below).</li> </ul> <p><b>Post-greenlight rooms:</b></p> <p>The following minimum staff requirements apply based on the episode order, unless a single writer is employed to write all episodes of a season:</p> <ul style="list-style-type: none"> <li>• Up to 6 episodes: 3 writers (3 Writer-Producers)</li> <li>• 7 to 12 episodes: 5 writers (3 Writer-Producers)</li> <li>• 13+ episodes: 6 writers (3 Writer-Producers)</li> </ul> <p>The staffing terms apply to seasons where the first episode is written after 12/1/2023.</p>

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<b>DURATION OF EMPLOYMENT</b>		
<p><b>Pre-greenlight rooms:</b> Minimum staff guaranteed at least 10 consecutive weeks of work</p> <p><b>Post-greenlight rooms:</b></p> <ul style="list-style-type: none"> <li>• Writers on staff must get at least 3 weeks per episode (up to a max. of 52 weeks).</li> <li>• Half of the minimum staff must be employed through production.</li> <li>• One writer must be employed through post.</li> </ul>	<p>Rejected our proposals. Refused to make a counter.</p>	<p><b>Development rooms:</b> Minimum staff guaranteed at least 10 consecutive weeks of work on television and HBSVOD series.</p> <p><b>Post-greenlight rooms:</b></p> <ul style="list-style-type: none"> <li>• The minimum staff must be guaranteed at least 20 weeks or the duration of the post-greenlight room, whichever is shorter. Weeks worked in pre-greenlight room may be credited against 20-week guarantee. Applies to television and HBSVOD series.</li> </ul> <p><b>Writers in production:</b></p> <ul style="list-style-type: none"> <li>• For single-camera shows made for HBSVOD and Pay TV filmed in the US or Canada, Company must hire 2 Writer-Producers for the lesser of 20 weeks or the duration of production, along with the Showrunner. As an alternative, the Showrunner has the option to divide 1 or 2 of the minimum positions among multiple writers (e.g., bring writers back to produce the episode they wrote).</li> </ul> <p>These terms apply to seasons where the first episode is written after 12/1/2023.</p>
<b>MINIMUMS IN POST-PRODUCTION</b>		
<p>MBA weekly minimums during post.</p>	<p>Rejected our proposal. Refused to make a counter.</p>	<p>Rejected our proposal. Guild will continue to pursue arbitration claims for any writer not paid weekly minimums during post.</p>
<b>SPAN</b>		
<p>Increase span cap from \$400,000 to \$450,000 (basic cable to remain at \$375,000). Extend span protection to writers on limited series.</p>	<p>Agreed as of 5/1.</p>	<p>As agreed.</p>

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<b>OPTIONS &amp; EXCLUSIVITY</b>					
Increase earnings cap from \$325,000 to \$350,000.		Agreed as of 5/1.		As agreed.	
<b>STREAMING</b>					
<b>FOREIGN STREAMING RESIDUALS</b>					
New HBSVOD residual based on streaming service's foreign subscriber count.		HBSVOD residual based on foreign subscriber count for largest global streaming services. Paramount+ and Max continue to pay a lower license-fee-based residual.		HBSVOD residual based on foreign subscriber count for largest global streaming services. Paramount+ and Max continue to pay a lower license-fee-based residual.	
Foreign Subs. #	Foreign Payment (% of Residual Base)	Foreign Subs. #	Foreign Payment (% of Residual Base)	Foreign Subs. #	Foreign Payment (% of Residual Base)
Less than 20 million	50%	Less than 1 million	8%	Less than 20 million	47%
		1-5 million	16%		
		5-20 million	35%		
20-45 million	75%	20-45 million	40%	20-45 million	60%
45-75 million	100%	More than 45 million	60%	45-75 million	75%
More than 75 million	150%			More than 75 million	90%
<b>VIEWERSHIP-BASED STREAMING RESIDUALS</b>					
Establish a viewership-based residual—in addition to existing fixed residual—to reward programs with greater viewership. Require transparency regarding program views.		Rejected our proposal. Refused to make a counter.		<p><b>Viewership-based streaming bonus:</b> HBSVOD series and movies that are viewed by 20% or more of the service's domestic subscribers in the first 90 days of release, or the first 90 days of any subsequent exhibition year, get a bonus equal to 50% of the fixed domestic and foreign residual. For example, for a project written under the 2023 MBA, the bonus would be equal to:</p> <ul style="list-style-type: none"> <li>• \$9,031 for a half-hour episode</li> <li>• \$16,415 for a one-hour episode</li> <li>• \$40,500 for a streaming feature over \$30 million in budget</li> </ul> <p>This bonus structure takes effect for projects released on or after Jan. 1, 2024.</p> <p><b>Streaming data transparency:</b> Companies agree to provide the Guild, subject to a confidentiality agreement, the total number of</p>	

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		hours streamed, both domestically and internationally, of self-produced high budget streaming programs (e.g., a Netflix original series). Aggregated information can be shared.
<b>AD-SUPPORTED FREE STREAMING SERVICES</b>		
High-budget programs made-for AVOD get TV weeklies and script fees and improved residuals.	Rejected our proposal. Refused to make a counter.	High-budget made-for AVOD programs get same initial compensation as HBSVOD programs (Article 14 weekly rates, and network prime-time or Basic Cable script fees depending on budget tier); 2% residual for AVOD reuse.
<b>PENSION &amp; HEALTH</b>		
<b>P&amp;H DIVERSION</b>		
WGA option to divert 0.5% of negotiated minimums increases to Pension or Health Fund (in years 2 and 3 of the MBA)	Agreed as of 5/1.	As agreed.
<b>HEALTH FUND (Proposals made after 5/2)</b>		
Increase Health Fund contribution rate by 1%.	N/A	Increase Health Fund contribution rate by 0.5% in the second year of the agreement, from 11.5% to 12%.
Extend health care coverage for 1 quarter for writers who lose coverage due to the strike.	N/A	Agreed.
<b>TEAMS</b>		
Each member of a team gets P&H contributions as if they were writing as an individual.	Rejected our proposal. Refused to make a counter.	Each member of a team gets P&H contributions as if they were writing as an individual (i.e., each member of a team gets contributions up to the contribution cap for individual writers; and each member of a team must be paid contributions on the full weekly minimum).
<b>ARTIFICIAL INTELLIGENCE</b>		
Regulate use of artificial intelligence on MBA-covered projects: AI can't write or rewrite literary material; can't be used as source material; and MBA-covered material can't be used to train AI.	Rejected our proposal. Countered by offering annual meetings to discuss advancements in technology.	Regulate use of artificial intelligence on MBA-covered projects: AI-generated written material is not considered literary material, source material or assigned material under the MBA. AI is not a writer under the MBA.  Writer can elect to use AI when performing writing services, if Company consents and

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		<p>provided writer follows applicable company policies. Company cannot require writer to use AI software (e.g., ChatGPT) when performing writing services.</p> <p>Company must disclose to writer if any material given to writer has been generated by AI or incorporates AI-generated material.</p> <p>Guild reserves right to assert that exploitation of writers' material to train AI is prohibited by MBA or other law.</p>
ESTIMATED VALUE OF DEAL		
<b>\$429 million/year</b>	<b>\$86 million/year</b>	<b>\$233 million/year</b>

*Note: The above summary is for informational purposes only. The Memorandum of Agreement contains all negotiated deal points in contract language.*