

## **An Agreement**

Made and signed in Tel-Aviv, on July 31<sup>st</sup>, 2008

**Between: The Israel Cinema and Television Producers Association (Registered Association no. 58-000413-3)**

Address: 18 Hahashmal Street, Tel-Aviv 65117  
(hereinafter: **"the Producers Association"**)

**As the First Party;**

**And: ACT – The Cinema and Television Workers Association (Registered Association no. 58-014954-0)**

Address: 2 Pinsker Street, Tel-Aviv 63322  
(hereinafter: **"ACT"**)

**As the Second Party;**

**Whereas:** The Parties desire to regulate the rules of engagement in productions performed, directly or indirectly, by different producers who are members of the Producers Association, in which technical staff members who are ACT members are employed - all as detailed in this Agreement below.

**Therefore, the Parties declare, agree and undertake as follows:**

### **General**

1. All the agreed stipulations and commitments in this Agreement will refer to productions performed, directly or indirectly, by different producers who are members of the Producers Association, in which technical staff members who are ACT members are employed.

The acceptance of the terms of this Agreement by the producer and the staff member, as detailed below, will be binding for the producer and/or the corporation operating on his behalf, in all matters related to the employment of technical staff members, who are ACT members, in different productions; and will be binding for the technical staff members, who are ACT members, in all matters related to their participation in different productions, produced by Producers Association members.

The personal agreement signed between the staff member and the producer will state, that this agreement between the Producers Association and ACT was signed, and that it forms an integral part of the said personal agreement, and it shall also state, that in any case in which the personal agreement derogates from and/or deprives the staff member of his rights or the producer's rights under this Agreement and/or under any law, then the sections of this Agreement shall be binding. Accordingly, the terms and commitments stated in this Agreement shall be considered to have been agreed upon

by the specific producer, in each and every production, and the technical staff members who are ACT members, employed in that production.

2. The headings in this Agreement are included for ease of reading only, and should not be used in its interpretation.

## **Definitions**

In this Agreement, the following terms shall have the following meanings:

3. **"Staff Member"**: the technical staff member, who is an ACT member, providing services or working for a production in any role.

**"Production"**: production of an audiovisual work for the cinema and/or television and/or any other media.

**"Production Day"**: a day, as defined in this Agreement, in which the staff member works for the producer.

**"Compensation"**: compensation agreed upon and evaluated in advance, which requires no proof.

**"the Producer"**: the person or body or corporation performing the specific Production, which is a Producers Association member, and which ordered the service or work from the Staff Member for the Production.

## **Staff member commitments**

### **Below are the commitments of the Staff Member in the Production:**

4. **Duty to report and tardiness:** to arrive at the place and time set by the Producer or by the Producer's representative for the Production.

**A tardiness of up to one hour:** in the case of the Staff Member's late arrival at the filming site, without an approval from the Producer or the Producer's representative for the Production, for the first work hour on that filming day, the Staff Member shall have to pay the Producer Compensation for that tardiness, at the rate of 125% (one hundred and twenty-five percents) of the hourly wage agreed upon with the Staff Member for that Production.

**A tardiness of more than one hour:** in the case of the Staff Member's late arrival at the filming site, without an approval from the Producer or the Producer's representative for the Production, for more than one hour on that filming day, the Staff Member shall have to pay the Producer Compensation for that tardiness, at the rate of 250% (two

hundred and fifty percents) of the hourly wage agreed upon with the Staff Member for that Production.

**Nonpayment of the Compensation for the first tardiness:** notwithstanding the aforesaid, for the first tardiness by the Staff Member in that Production, without the approval of the Producer or his representative for that Production, the Staff Member shall have to pay the Producer Compensation for that first tardiness at the rate of only 125% (one hundred and twenty-five percents) of the hourly wage agreed upon with the Staff Member for that Production, for each hour of the hours of the said first tardiness (day of grace); and the contents of this Section 4 above shall only be applicable from the second tardiness on, by that Staff Member in that Production.

5. **Presence on the filming site:** Not to leave the filming site without the approval of the Producer or the Producer's representative for that Production.

**Failure to pay the Producer Compensation for approved tardiness or absences:** tardiness hours, as aforesaid in Section 4 above, or hours of absence, as aforesaid in this Section, approved by the Producer or his Representative for the Production, shall be deducted from the Staff Member's work hour count for that Production, but the Staff Member shall not have to pay the Producer the Compensation for tardiness or absence approved as aforesaid.

6. To devote the best of his skill and professional abilities throughout the Production filming.
7. **Participation in Tours:** to participate in pre-filming tours, as required and coordinated in advance.

**Payment for participation in production meetings for the Production, on a daily basis:**

For a Staff Member's participation in production meetings, coordinated by the Producer, the Staff Member shall be paid a salary, according to the accumulative number of hours of participation in production meetings for that Production, and the rate for payment for each hour shall be the agreed upon daily wage of that Staff Member divided by 11.

**Up to 3 hours:** if the total sum of the Staff Member's hours of participation in production meeting does not exceed 3 (three) hours for the entire Production, the Staff Member shall receive no salary or any payment for his participation in production meetings in that Production.

**Over 3 hours:** If the total sum of the Staff Member's hours of participation in production meetings exceeds 3 (three) hours for the entire Production, then the Staff Member shall receive payment, as detailed above in this Section, for his participation in

production meetings in that Production, starting from the first hour of the production meetings.

**Payment for participation in production meetings for the Production on a weekly basis:**

**Up to 3 hours:** in a weekly Production (as defined below), if the total amount of the Staff Member's hours of participation in production meetings does not exceed 3 (three) hours in a two-week production (that is, 10 days of filming), and does not exceed one additional hour for each additional work week in that weekly production, then the Staff Member shall not receive a salary or any payment for his participation in production meetings in that Production.

**Over 3 hours:** for any deviation from the aforesaid number of hours of participation in production meetings (whether in the first two weeks or in the following weeks), the Staff Member shall receive payment as detailed above in this Section, starting from the first hour of participation in production meetings.

8. **Provision of details:** to provide the Producer with his address, telephone number, or any other means of contacting him.
9. **Preparation of equipment lists:** to submit an agreed upon cinematography, electricity and grip equipment list, before the beginning of filming, in order to prepare the Production's budget, this – on the condition that the Producer has provided the staff members with the information required for the preparation of the said list.

The Staff Member will do his best to customize the equipment list he prepares to the relevant professional requirements of his profession and the Production.

The Staff Member will report to the Producer on any equipment that the Staff Member rents or buys for the Production, at the Producer's expense. Any equipment bought by the Staff Member for the Production, at the Producer's expense, will be the Producer's property, unless approved otherwise by the Producer.

10. **Appropriate Conduct:** not to drink alcohol or use drugs on the filming site. The use of these substances is strictly prohibited, and alcohol or drug use on the filming site shall constitute a legitimate cause for the Producer to dismiss the Staff Member, and paying his salary only for work days actually performed by the Staff Member, until the termination of the engagement with him. The Staff Member shall not smoke cigarettes on the filming site.
11. **Guests:** not to bring guests to the filming site, without the Producer's or the Producer's representative's prior approval.

**Loss of Equipment and Shortages:**

12. A. At the conclusion of the filming day, when the equipment is collected, the Staff Member will report to the Producer, or the Producer's representative, immediately upon the conclusion of filming or the conclusion of the collection of equipment (the later of the two), of the loss of equipment or equipment shortages, if there are any. If the Staff Member reports to the Producer or the Producer's representative of such loss or shortage, the Staff Member shall be exempt of any responsibility over the loss of equipment or equipment shortage.
- B. At the conclusion of the Production and filming, the Staff Member shall be present when the equipment is returned to the equipment leasing company, and will ensure the returned equipment is counted, together with the representative of the equipment leasing company.
- C. If, when the equipment is returned to the equipment leasing company, there are any equipment shortages, which were not reported by the Staff Member to the Producer as foregoing in Subsection A above, then the Staff Member will pay the Producer a compensation for the loss of equipment or equipment shortage as follows:

If the value of the missing equipment is less than or equal to 1,000 NIS – the Staff Member shall pay the Producer a compensation of a sum equal to 50% (fifty percents) of the value of the missing equipment, that is: no more than 500 NIS; if the value of the missing equipment is greater than 1,000 NIS, but up to the deductible sum of the Producer's insurance policy for the loss of the missing piece of equipment – the Staff Member shall pay the Producer a compensation equal to 20% (twenty percents) of the value of the missing equipment; if the value of the missing equipment is greater than the deductible sum of the Producer's insurance policy for the loss of the missing piece of equipment – the Staff Member shall pay the Producer a compensation equal to 10% (ten percents) of the deductible sum of the Producer's insurance policy for the loss of the missing piece of equipment.

The value of the equipment, for the purposes of this Section, shall be determined by the records of the equipment leasing company.

- D. If the Producer does not allow the Staff Member to be present when the equipment is returned to the equipment leasing company, then the Staff Member shall be exempt from any responsibility, and from any duty to compensate the Producer for any loss or equipment or equipment shortage, if any, even if he did not report to the Producer as foregoing in Subsection A above.

- E. In the case of a change of location during a filming day, in which the Staff Member is not given enough time to count the equipment, due to time restrictions and/or the Producer's or his representative's instructions, the Staff Member's duty to report to the Producer on the loss of any equipment or any equipment shortage shall be applicable within 24 hours of the time of moving from the previous filming site to the new location. If the Staff Member reports to the Producer or the Producer's representatives on any loss of equipment or equipment shortage as aforesaid, within these 24 hours, then the Staff Member shall be exempt of any responsibility for the loss of equipment or equipment shortage.
- F. If equipment is returned or replaced during a filming day, the department representative, appointed by the head of the department for this purpose, if any was appointed, will keep a clear record of the equipment returned or replaced as aforesaid, and will give this record to the Producer or the Producer's representative. This Subsection will not be applied to daily equipment, which is brought specifically for a single filming day.
- G. **Equipment belonging to the Staff Member:** if the Producer requests or instructs the Staff Member to bring with him to the Production, for the purpose of the Production, equipment belonging to the Staff Member, then the following rules will be applied to the loss or shortage of any such equipment in the Production:
- If the value of the missing equipment is greater than the deductible sum of the Staff Member's insurance policy for the loss of the missing piece of equipment – the Producer will pay the Staff Member compensation of a sum equal to 90% (ninety percents) of the deductible sum of the Staff Member's insurance policy for the loss of the missing piece of equipment; if the value of the missing equipment is lower than the deductible sum of the Staff Member's insurance policy for the loss of the missing piece of equipment – the Producer will not pay the Staff Member any compensation.
- The foregoing in this Subsection will only be applied if the lost or missing equipment was insured by the Staff Member with an insurance company, and if the loss or disappearance of the equipment occurred during the work day and/or when Production vehicles were parked and/or in a location or site with guards working on the behalf of the Producer or the Producer's representative and/or in any other place under the Producer's responsibility, as well as on the condition that the Staff Member reports to the Producer, in real-time, of the loss or shortage.
- H. In the case of the of loss or shortage of equipment used by the Production's art department, the following rules will be applied: the collection of equipment,

checking and counting the equipment will only be performed after filming on the location or set is concluded, as well as in accordance to Production requirements, timetables, and the logistic considerations of the Producer or his representative, and the art designer. The Staff Member's reporting to the Producer or his representative regarding the loss or shortage of equipment shall be done within 24 hours of its discovery, whether during the filming, or after their conclusion.

If the Staff Member is not given the opportunity, chance or sufficient time to count or pack the equipment in a professional and satisfactory manner, then the Staff Member shall be exempt from any responsibility for the loss of equipment or equipment shortage.

- I. The Producer may deduct from the Staff Member's salary for that Production the sums the Staff Member owes the Producer under this Section, but this on the condition that the lost equipment was insured by the Producer; and only after the Producer presents to ACT and to the Staff Member the insurance policy made with the insurance company, and the deductible sum it states; as well as under the condition that the Staff Member's responsibility for the loss or shortage under this Agreement has been proven beyond any doubt.

### **Damage to equipment:**

13. The Producer undertakes to enable the Staff Member to prepare, check and take out the equipment at least one day prior to the commencement of filming. In case that for any reason, the preparation and checking of the equipment by the Staff Member on the said date is not possible, then the equipment will be prepared and checked by the Staff Member in the first day of filming.

Only after the equipment is checked by the Staff Member as aforesaid, whether before the commencement of filming or in the first day of filming, will he be responsible for damages to the equipment he checked, as detailed below:

In case of damages to equipment, caused as the result of gross negligence by the Staff Member – the Staff Member shall pay the Producer a compensation equal to 10% (ten percents) of the deductible sum of the Producer's insurance policy for the damaged piece of equipment, and the rest of the cost of the damage to the equipment shall be incurred by the Producer.

In case of damages to equipment, caused as the result of the Staff Member's intentional and malicious action – the Staff Member shall pay the Producer compensation equal to the full (100%) value of the damage to the damaged piece of equipment.

The Producer may deduct from the Staff Member's salary for that Production the sums the Staff Member owes the Producer under this section, but this on the condition that the damaged equipment was insured by the Producer; and only after the Producer presents to ACT and to the Staff Member the insurance policy made with the insurance company, and the deductible sum it states; as well as under the condition that the Staff Member's responsibility for the damage under this Agreement has been proven beyond any doubt.

This Section shall also be applied to equipment owned by the Staff Member, and leased by the Producer from the Staff Member for the purposes of the Production, as if this equipment was leased by the Producer from a third party, and was damaged.

14. **Confidentiality:** The Staff Member shall keep in complete confidentiality any fact and/or information related to the Production, which came to his knowledge as party of his involvement in the Production, which are not in – and did not become – the public domain anyway, and in addition, he undertakes not to provide to any person any information on the contents of the movie, or Production arrangement, or anything that took place or was said on the filming site, or outside it, unless it is in – or it became – the public domain.

### **Producer's commitments**

#### **Below are the commitments of the Producer in the Production:**

15. **Lodging:** if the Production takes place outside of the Staff Member's city of residence, in accordance with the Producer's decision, the Staff Member will agree to stay outside his home, on the condition that the Producer provides him with appropriate lodging conditions.
16. **Economy:**
- A. The Producer will provide, at his expense, the Staff Member with means on filming days in the filming site.
  - B. If the Production requires the Staff Member to stay outside of his hometown, the Staff Member shall be entitled to expenses of 70 NIS (seventy NIS) per day + VAT, this in addition to the two meals the Producer must supply on the filming site.
  - C. The Producer may supply the Staff Member, in his place of lodging, with a third appropriate, cooked meal, as well as unlimited hot and cold beverages and laundry services – all in place of the payment to the Staff Member detailed under Subsection B above.



- D. On tour and preparation days, outside the Producer's offices, the Producer will provide, at his expense, the Staff Member with meals, as detailed below:
- Up to 6 hours of tours and preparations – one light meal;  
Up to 12 hours of tours and preparations – 2 meals;  
Over 12 hours of tours and preparations – 3 meals.
- E. The Producer may pay the Staff Member, instead of providing the meals detailed under Subsection D above, the following rates: instead of breakfast - 30 NIS + VAT; instead of lunch – 80 NIS + VAT; instead of dinner – 70 NIS + VAT.
- F. In the case of pre-rigging for any site, the Producer shall provide the Staff Member, at the Producer's expense, with meals, or will pay expenses, as detailed in Subsections A – E above.
- G. Any payment of expenses to a Staff Member shall be made against an invoice, plus legally required VAT.

17. **Meals and breaks:**

- A. Breakfast will last 30 minutes, and will start within one hour from the call time. Lunch will start no later than 7 hours from the conclusion of breakfast, and will last 45 minutes, and in any case – no less than 30 minutes. A third meal shall start 12.5 hours from the call time, and in no case later than 13.5 hours from the call time, and shall last 15 minutes. The Producer may pay the Staff Members, instead of the said third meal, a sum of 25 NIS + VAT.
- B. The break time for a meal, shall start with the moment the break is announced on the set, and until the announcement, at the meal site, of the end of the break.
- C. In case Production needs necessitate the shortening or postponement of any meal or break, then for any cut in a meal or break, the Staff Member shall receive an extra payment in the value of double the time cut from the meal or the break; and for any postponement of a meal or a break, the Staff Member shall receive an extra payment in the value of the time period in which the meal or break were postponed (any postponement will be measured in fifteen-minute intervals, and will always be rounded up); all according to the rate for a normal work hour, and according to the agreed upon price for an hour of work, for that Staff Member.

The Producer may, instead of paying the Staff Member for the shortening or postponement of any meal or break as aforesaid, cut the entire workday - this,

in the same amount of time in which the meal or break was postponed; or in double the time in which the meal or break were shortened.

- D. The Producer shall place at the Staff Member's disposal unlimited hot beverages in the winter (tea, coffee), and in summer – unlimited clean drinking water and/or cold soft drinks. The beverages will be supplied by the Producer in both daytime and nighttime activities.
- E. In addition to the foregoing, the Producer will give the Staff Member a 15-minute break at the conclusion of the first overtime hour.

18. **Insurance:**

- A. Without derogating from the Producer's commitments under this Agreement and under any law, the Producer undertakes, that before the commencement of any Production, and throughout the Production period, he shall have the following valid and paid insurance policies:

Third-party liability insurance, insuring the Producer's liability under any law, for injury and/or damage to property caused to any third party, with a liability limit or no less than NIS 1,500,000 per case and for the insurance period, due to or as a result of Production activities.

In case the Production is filmed outside of Israel, then the Producer shall purchase comprehensive travel insurance for the Staff Member, including: hospitalization, urgent operations, medical flights, and transfer of body, as well as insurance for the Staff Member's property, on the condition that this property is required, and was requested by the Producer for filming.

- B. The Staff Member undertakes to undergo any medical examination and/or fill a medical declaration, as well as sign a waiver of medical secrecy, as necessary. In case the Staff Member does not fulfill his undertakings under this Subsection, and/or in case the Staff Member is found to be medically invalid, the Producer shall be entitled to cancel the agreement signed between him and the Staff Member (and if the agreement was signed before the medical examination – unless his medical incapacity was caused in connection to his participation in the Production which is the subject matter of the agreement between them).

**Staff work conditions**

- 19.
- A. A Production Day shall consist of 11.5 (eleven and a half) hours, in total, and these hours will include a 30-minute breakfast and a 45-minute lunch.

The price of one work hour shall be the price for such a Production Day divided by 11.

- B. In case the filming is performed within the boundaries of the free zone (as defined below), the work day shall start in accordance with the on-set call time. In this case, the Staff Member shall not be paid for the travel time from and to the set.

The Tel-Aviv area boundaries, for this purpose, shall be:

- Northern boundary – Country Club Junction;
- Eastern boundary – Morasha Junction, or the Geha Highway;
- Southern boundary – the Ayalon – Geha connection, and southern Jaffa.

The aforesaid area shall be termed hereinafter: **"the Free Zone"**.

It is agreed, that the Herzliya Studios, currently located at 1 – 3 Hakesem Street, Herzeliya, will be considered a part of the Free Zone, as long as they are located at the said address. In addition, it is agreed, that the travel to the GG Studios in Neve-Ilan and back shall be considered one hour of travel, regardless of the actual driving time.

### **Payment for Travel Time:**

- C. When filming takes place outside of the Free Zone, as defined in Subsection B above, then the work time shall be calculated starting from the time of departure from the Free Zone, and up to the return to the Free Zone, except for the matter of payment of the compensation for overtime, for travel from the area's boundaries to the set and back, to be calculated according to the normal work hour, rather than in accordance with Sections 21 and 22, except for travel hours which cut down the interim time, which will be paid as detailed in Section 27 F.
- D. A Staff Member residing outside the Free Zone shall be considered to be living within the Free Zone, and for this reason, he shall receive payment according to the salary agreed upon with the Staff Member for the (theoretical) travel time from the boundaries of the Free Zone and the set's location.
- E. The Producer does not have to transport to the set a Staff Member residing outside the Free Zone, but rather, a Staff Member residing outside the Free Zone shall arrive to the set by himself, or a pick-up point will be coordinated with him, and the Staff Member shall reach it by himself. In ant case, the Producer will take care of parking arrangements for the Staff Member's vehicle in the chosen location (the pick-up point or the set).

- F. If the production company's address is outside the Free Zone, and the filming site (the set) is also located in the same production company address (that is: the same city or town), and in addition, the Staff Member's home address is less than 20km away from the set, then the Staff Member shall not receive any payment for the travel time from his home to the set.
- G. The travel time by arranged transport, from the parking lot chosen by the Producer to the set (if there is any such time) shall not exceed 15 minutes. The pick-up from the parking lot shall be performed 15 minutes from the call time.

**Payment for travel expenses:**

- H. The Producer shall pay the Staff Member travel expenses as follows:
  - For a Staff Member travelling by public transport (bus or train): reimbursement of the travel cost.
  - For a Staff Member travelling by private vehicle: reimbursement of gasoline expenses, plus parking expenses at the parking lot defined by the Producer as the pick-up point (if there are any).
- I. If the staff stays in a hotel room – and under the condition that the travel time from the hotel room to the set does not exceed 30 minutes in each direction – the workday shall be calculated from the moment the Staff Member arrives at the filming site (the set), after breakfast at the hotel, and until the conclusion of work. The duration of the workday in this case shall be 11 hours. If the travel time from the hotel to the set exceeds 30 minutes in each direction, then this time shall be considered to be a part of the work day, according to the travel hours.
- J. The duration of the Staff Member's workday shall be determined according to the assistant director's records for staff member work hours, this from the call time to the wrap time (for staff members who did not participate in the preparations and/or did not stay on the set for the cleaning up). A Staff Member who leaves the set after the wrap, has to inform the Producer's on-set representative of the time he completed his work. If the Staff Member does not inform the Producer's representative as aforesaid, then the Producer's representative's report regarding the time of conclusion of work for the Staff Member shall be used. If the Producer's representative is not present on set at the time that Staff Member completes his work, then the Staff Member shall inform, by phone or by SMS, the Producer or his representative of the time he completed work – and this telephone or SMS report will be used in regard to the time of the completion of his work.

- K. On Fridays and holiday eves, the Production Day shall consist of 10 (ten) hours, in total, and these hours shall include a 30-minute breakfast and a 60-minute lunch.

The price per work hour shall be the price for such a production day divided by 10.

### **Weekly work**

20. "Work on a weekly basis" and/or "weekly work", for the purposes of this agreement, shall be considered work of over 10 (ten) consecutive work days, even if the Staff Member is given a break in this period, as long as the break is predefined and consists of one or two days. For the avoidance of doubt, it is clarified that only the length and duration of the Production as aforesaid shall serve as the criteria for determining whether this is weekly work, and the Producer and/or the Staff Member shall have no discretion on this matter.

In weekly work, each work week shall consist of 5 (five) days, but the Producer may demand that the Staff Member also work on the sixth day of that week – and in this case, the Staff Member's salary, for 10 (ten) hours of work on the sixth day, shall be at the rate of 20% (twenty percent) of the weekly salary agreed upon by the parties.

### **Calculation of Compensation for overtime hours**

21. **Overtime:**

- A. The Producer will pay the Staff Member for overtime hours, as follows:
- (1) For work from hour no. 11.5 to hour no. 12.5: a salary at the rate of 125% of the price for one work hour, agreed upon between the parties.
  - (2) For work from hour no. 12.5 to hour no. 13.5: a salary at the rate of 150% of the price for one work hour, agreed upon between the parties.
  - (3) For work from hour no. 13.5 to hour no. 14.5: a salary at the rate of 200% of the price for one work hour, agreed upon between the parties.
  - (4) For work from hour no. 14.5 to hour no. 15.5: a salary at the rate of 250% of the price for one work hour, agreed upon between the parties.
  - (5) For work from hour no. 15.5 to hour no. 16.5: a salary at the rate of 300% of the price for one work hour, agreed upon between the parties.

- (6) For work from hour no. 16.5 and on: a salary at the rate of 350% of the price for one work hour, agreed upon between the parties.

It is clarified that the overtime hours stated above are total work hours, that is: they include meal time.

- B. In a weekly Production, the Staff Member shall provide one day of grace, selected by the Producer, from the entire Production period, in which the payment for the first overtime hour shall be 125% of the price per work hour agreed upon by the parties, and the payment for all overtime hours from the 2<sup>nd</sup> hour on shall be 150% of the price per work hour agreed upon by the parties. The said day of grace shall not be a Friday or a holiday eve.

22. **Work on Sabbath eves and holiday eves, and overtime in them:**

- A. On Sabbath and holiday eves, the Sabbath/holiday vacation shall start one hour before the lighting of candles, but no earlier than 4:00PM, and no later than 5:30PM.
- B. The Producer shall pay the Staff Member for overtime work on Sabbath and holiday eves as follows:
- (1) For work from the 10<sup>th</sup> hour to the 11<sup>th</sup> hour: a salary at the rate of 200% of the price for one work hour, agreed upon between the parties.
  - (2) For work from the 11<sup>th</sup> hour to the 12<sup>th</sup> hour: a salary at the rate of 250% of the price for one work hour, agreed upon between the parties.
  - (3) For work from the 12<sup>th</sup> hour to the 13<sup>th</sup> hour: a salary at the rate of 300% of the price for one work hour, agreed upon between the parties.
  - (4) For work from the 13<sup>th</sup> hour to the 14<sup>th</sup> hour: a salary at the rate of 350% of the price for one work hour, agreed upon between the parties.
  - (5) For work from the 14<sup>th</sup> hour to the 15<sup>th</sup> hour: a salary at the rate of 400% of the price for one work hour, agreed upon between the parties.
  - (6) For work from the 15<sup>th</sup> hour to the 16<sup>th</sup> hour: a salary at the rate of 450% of the price for one work hour, agreed upon between the parties.
  - (7) For work from the 16<sup>th</sup> hour to the 17<sup>th</sup> hour: a salary at the rate of 500% of the price for one work hour, agreed upon between the parties, for each extra work hour, with no limit.

23. **Work on Sabbaths and holidays:**

- A. For work on Sabbaths and holidays, which will only be carried out in unusual cases, the Producer shall pay the Staff Member a payment at the rate of 200% of the price for one work hour, agreed upon between the parties.
- B. After working for 6 consecutive Production Days, the Staff Member shall be given one day off, at no payment. No work will be carried out for more than 7 consecutive Production Days. If work is carried out for more than 7 consecutive Production Days, the Producer has to provide the Staff Member with one day of rest, for a pay, which will be the 8<sup>th</sup> day, after the 7 consecutive Production Days.
- C. If work is carried out on the Sabbath, and continues through to Saturday evening (that is, after the Sabbath ends), then the Staff Member shall be paid a salary at the rate of 200% of the price of one work hour agreed upon by the parties, for all hours in which the Staff Member works on that day, both those he performs on he Saturday, as well as those he performs after the Sabbath ends. This, unless the hours after the Sabbath ends are overtime hours, in which case the Staff Member shall receive a Salary according to the overtime calculation, on the basis of a base salary of 200% of the price of one work hour agreed upon by the parties.
- D. If the filming day starts on Saturday evening, defined for this purpose as at least one hour after the Sabbath ends, then the filming day shall be considered the same as normal nighttime work on a regular day.

24. **Nighttime work:**

- A. For any work hour from 8:00PM on, the Producer shall pay the Staff Member an addition to the salary at the rate of 20% of the price of one work hour, agreed upon between the parties, this – through to the end of the actual conclusion of that Production Day.
- B. For the avoidance of doubt, it is clarified, that if the work day starts before 8:00PM, and continues after 8:00PM, then the Producer shall pay the Staff Member the salary for one hour at the agreed upon rate, until 8:00PM, and the addition to the salary stated in Subsection A above shall be paid by the Producer to the Staff Member only for work performed from 8:00PM to the actual conclusion of that Production Day.
- C. If work starts after 12:00PM, but before 5:00AM, then the Producer shall pay the Staff Member the hourly addition to the salary stated in Subsection A above only for work before 5:00AM of that day.

D. The Producer shall not pay the nighttime addition for nighttime driving hours.

25. **Assembly and disassembly:**

Assembly and disassembly hours shall be considered to be regular work hours, and the Producer shall pay the Staff Member overtime for them as agreed upon in this Agreement, if they occurred in overtime hours.

26. **Payment for work in tours, preparations, etc.:**

For work in tours, collection, preparation, production meetings and disassembly of equipment, which will last up to 6 work hours, in total (including meals), the Producer shall pay the Staff Member half (50%) of the daily work salary, agreed upon by the parties. In case of weekly work, the salary will be calculated in the following manner: the weekly salary divided by five (5).

For work in tours, collection, preparation and disassembly of equipment, which last more than 6 work hours, in total (including meals), the Producer shall pay the Staff Member the full daily work salary agreed upon by the parties. In case of weekly work, the salary will be calculated in the following manner: the weekly salary divided by five (5).

On tour and preparation days in the Producer's offices, the Staff Member shall be paid travel expenses, according to public transportation travel rates.

27. **Rest and interim hours:**

A. The Producer will provide the Staff Member with at least 11 (eleven) hours of rest between the conclusion of one filming day and the beginning of the second filming day, except for Fridays, on which the Producer will provide the Staff Member with at least 10 (ten) hours of rest as aforesaid between the conclusion of one filming day and the beginning of the second filming day (hereinafter: **"Interim Hours"**). The aforesaid will only be applicable in the case of consecutive work, with the same producer, on consecutive days.

B. For the curtailing of Interim Hours, the Staff Member shall be paid a compensation, as follows:

(1) For the curtailing of Interim Hours, by up to one hour, the Staff Member shall be paid Compensation at the rate of 100% for each hour curtailed, according to the price for one work hour, agreed upon by the parties.



- (2) For the curtailing of Interim Hours, by up to two hours, the Staff Member shall be paid Compensation at the rate of 125% for the second hour curtailed, in addition to the aforesaid payment for the first curtailed hour, this according to the price for one work hour, agreed upon by the parties.
  - (3) For the curtailing of Interim Hours, by up to three hours, the Staff Member shall be paid Compensation at the rate of 150% for the third hour curtailed, in addition to the aforesaid payment for the previous curtailed hours, this according to the price for one work hour, agreed upon by the parties.
  - (4) For the curtailing of Interim Hours, by up to four hours, the Staff Member shall be paid Compensation at the rate of 250% for the fourth hour curtailed, in addition to the aforesaid payment for the previous curtailed hours, this according to the price for one work hour, agreed upon by the parties.
  - (4) For the curtailing of Interim Hours, by five or more hours, the Staff Member shall be paid Compensation at the rate of 500% for the fifth and any additional hour curtailed, in addition to the aforesaid payment for the previous curtailed hours, this according to the price for one work hour, agreed upon by the parties.
- C. The Interim Hours shall be calculated from the wrap to the call time or breakfast, the earlier of the two, under the condition that the Staff Member's wrap does not exceed 20 minutes. In case the wrap exceeds 20 minutes, than the Interim Hours shall be calculated in full from the time the wrap is completed, in accordance with the fixed percentage rates.
- D. In Weekly Productions, the Producer will have one day of grace, in which he shall pay the Staff Member compensation at the rate of only 100% for each of hour curtailed from the Interim Hours, as long as the interim hours are not curtailed by more than 4 hours. This subsection shall be applied only once for each Production or filming session, in their entire duration.
- E. In case of filming outside the Free Zone, the Interim Hours shall be calculated from the time of returning to the Free Zone, and the beginning of the following work day, or the departure from the Free Zone, whichever is the earliest of the two.
- F. The Payment for the Staff Member for the curtailing of Interim Hours for travel time shall be at the rate of only half (50%) of the payment for the curtailing of the first Interim Hour, as stated in Subsection B (1) above, this – in addition to the full payment for the travel time itself, so that in this case, the Staff Member

shall be paid 100% for each hour of travel, and 150% for each hour of travel, if the travel hours caused the Interim Hours to be curtailed.

28. **Apprentices:**

The minimum wage for an apprentice shall be 70% (seventy percents) of the recommended minimum price for his profession. The list of apprentices shall be published by ACT in the same manner it publishes other professional ACT members (for example: in the ACT brochure, and in any case, on the ACT website).

An apprentice will not, in any case, serve as a head of department. The employment of an apprentice in a Production shall be coordinated with the head of department.

29. **Terms of payment:**

- A. **Terms of payment in cinema productions:** the Producer shall pay the Staff Member's salary once every two weeks, by a check postponed to a date no later than the following weekend. The settling of the account in regard to the Staff Member's salary, and the actual payment to the Staff Member shall be performed, at the latest, within 14 (fourteen) days of the conclusion of filming, all against a legally valid tax invoice, or a tax coordination form.
- B. **Terms of payment in television productions:** Net + 30, that is: payment to the Staff Member shall be made once a month, no later than 30 days from the end of that month, in which the Staff Member provides the Producer with a tax invoice, together with an approval for the exemption, or deduction, of tax at source, or together with a tax coordination form.
- C. **Delays in payment:** for any delay in payment by the Producer to the Staff Member, the Producer shall pay the Staff Member Compensation agreed upon and evaluated in advance, at the rate of 0.25% of the delayed sum - this, for each week, or part of a week, of delay in payment, including compound interest. The rate of Compensation will be updated, from time to time, with the agreement of the parties.

30. **Postponements and cancellations:**

- A. In weekly work, the Producer shall give the Staff Member a 7-day advance notice on the postponement of filming. If the Staff Member does not receive a notice, at all or within the given dates, the Producer shall pay the Staff Member Compensation at the rate of the salary for a full Production Day for each week the filming is postponed, up to a limit of 3 days of such Compensation.

If the postponement in filming is of up to three days, and it occurred before the actual filming started (that is, in the pre-production period), then the Producer will not have to pay Compensation as aforesaid to the Staff Member.

- B. When working on a daily basis, the Producer shall give the Staff Member a 24 (twenty-four)-hour advance notice on the postponement of filming, or a notice before 9:00AM of the morning of the day prior to the filming day, whichever is the later of the two.
- C. The Compensation rate for the Staff Member for the cancellation or postponement of a Production Day, when working on a daily basis, if the advance-notice period for the cancellation or postponement was less than 24 hours, or after 9:00AM of the morning of the day prior to filming, shall be half (50%) of the agreed upon daily salary.

31. **Termination of engagement with a Staff Member by the Producer or by the Staff Member, and the cancellation of the Production:**

- A. The termination of engagement between the Staff Member and the Producer, initiated by either party, during the actual filming, shall be performed with at least a 3-day advance notice to the other party. In case of the termination of the engagement initiated by the Producer, the Staff Member must continue working for the Production during the entire 3-day termination of engagement advance notice period, unless the Producer waives the Staff Member's work during those days, and in any case – the Producer owes the Staff Member payment for these 3 days, even if the Producer waives the Staff Member's work during the advance notice period.
- B. If the Production's duration exceeds 3 months, then the advance notice period for the termination of the Producer's or the Staff Member's engagement, detailed in Subsection A above, shall be extended by one additional day for each additional month of production, or part thereof.
- C. In case of the termination of the engagement between the Staff Member and the Producer, initiated by either party, before the actual commencement of filming; or in case of the cancellation of the Production, or the Staff Member's notice to the Producer stating that he does not want to work in it, before the actual commencement of filming; all of these shall be performed with at least a 7 (seven)-day advance notice to the other party. In case the Staff Member is given a notice on the termination or the cancellation of the engagement, with less than a 7-day advance notice period as aforesaid, then the Producer shall pay the Staff Member compensation at the rate of the salary for 3 (three) full Production Days.

- D. The Staff Member must inform the Producer or his representative on his leaving/terminating the engagement, three (3) days in advance. The Staff Member will have to work during these 3 days, if he is demanded to do so by the Producer. If the Staff Member refuses to work during these 3 days, or part thereof, despite the Producer's demand that he does so, he shall pay the Producer a payment at the rate of the agreed upon salary for these 3 Production Days, or their relative part, as the case may be.
- E. In case the time period left before the conclusion of filming is shorter than the advance notice period, as detailed above, then the advance notice period shall be that time period remaining until the conclusion of filming only.

32. **Chart of recommended minimum rates:**

The Recommended Minimum Rates Chart, hereby attached to this Agreement as Appendix A, forms an integral and inseparable part of this agreement, for all intents and purposes.

Updating the sums in the chart shall be performed automatically once a year, and shall be at the rate of 70% (seventy percents) of the increase in the consumer price index for that year.

**Employee-Employer Relationships:**

- 33. It is hereby clarified, that the Staff Member shall produce to the Producer a receipt/invoice or a tax coordination form for any payment he receives in accordance with this Agreement.
- 34. It is hereby clarified and declared, that the terms of this Agreement, including the attached Recommended Minimum Rates Chart, were agreed upon by the parties, and are based on the basic assumption, that no employee-employer relationships exist between specific Staff Members and specific Producers in different Productions, but rather, that the relationships between them are client (Producer) - independent contractor (Staff Member) relationships, and that therefore the prices in the attached Recommended Rates Chart are higher than the gross salary, which would have been paid to the Staff Member, if he was in an employee status.
- 35. Therefore, in light of the foregoing, it is hereby agreed, that if for any reason, a juridical authority decides, in a peremptory ruling, that employee-employer relationships exist between the Staff Member and the Producer, then the Staff Member shall have to return to the Producer the full excess and extra sums, which the Producer is made liable for by the juridical Authority or state authority, due to the recognition of employee-employer relationships as aforesaid.

36. The Staff Member hereby agrees that he shall have to return to the Producer, and that the Producer shall be entitled to offset, at his sole discretion, and under no conditions, these excess extra sums, which are ruled to his liability or that he is made to pay as aforesaid, from any sum the Staff Member is entitled to from the Producer.
37. The Staff Member undertakes to pay the national insurance fees applicable to him. The attached Recommended Minimum Rate Chart takes into consideration the Staff Member's allocations to pension insurance.

**ACT inner-departmental organization:**

38. If the Producers Association believes, that at least 66% (sixty-six percents) of the members of a certain ACT professional department have organized between themselves, and decided on minimal terms of employment and salary for themselves through contacts with different producers, which exceed the minimum terms of employment and recommended minimum rates agreed upon between the Producers Association and ACT under this Agreement, then the Producers Association shall be entitled to address ACT with a detailed complaint letter on this matter, which shall include, inter alia, the names of the members of that department, against whom the claim of such an organization is made.
39. ACT shall have to provide the Producers Association with an answer within 30 days of the receipt of the detailed complaint letter from the Producers Association, in which it may contradict and refute the Producers Association's claim and complaint; or – if ACT is convinced that the claims made by the Producers Association are correct – inform of its actions on this matter, and on the restoration of the condition to its prior state, if ACT succeeds in doing so.
40. If the Producers Association believes that its complaint has not been contradicted or refuted or corrected by ACT, within the 30 said days (or a longer period, if the parties agree on the extension of such a date), then the Producers Association may inform ACT and the relevant Staff Members, in writing, that this Agreement and its terms shall not be applicable, starting from the date of the notice, to those Staff Members who organized in such an inner-departmental organization, as aforesaid above in this Section.

For the avoidance of doubt, it is hereby clarified that such a notice from the Producers Association shall not be applied to ACT members who are members of the said professional department, but do not belong to the said inner-departmental organization.

The validity of such a notice by the Producers Association shall end immediately, if the Producer Association finds that the Producers Association claim/complaint regarding the inner-departmental organization as aforesaid has been contradicted or refuted, and/or

immediately upon the termination of this organization and the restoration of the situation to its prior state, so that this Agreement shall also be applicable, from that time on, to ACT members who participated in the alleged organization.

41. The Producers Association shall be entitled to send to ACT a detailed complaint letter as aforesaid, even if it believes that a small number than 66%, as aforesaid, of the members of a certain ACT professional department organized as aforesaid. ACT shall have to examine this claim and provide the Producers Association with its reply regarding the findings, within 30 days of receiving the Producer Association's complaint letter (or a longer period of time, if the parties agree on the extension of this period).

However, it is agreed that the Producers Association regarding the invalidity of this Agreement on some of the members of the professional department who organized, as aforesaid in Section 40 above, shall not be valid, and shall not be sent by the Producers Association, unless the Producers Association believes, that the number of members of the professional department's members who organized as aforesaid exceeds 66%, as aforesaid.

#### **ACT and Staff Member complaints against specific Producers:**

42. ACT shall be entitled to address the Producers Association and inform it, in a detailed complaint letter, on a number of repeated complaints by Staff Members regarding a certain Producer or Producers, in connection to the violation of the terms of this Agreement, including the Recommended Rates Chart, and on the nature of the complaints.
43. The Producers Association shall have to provide ACT with an answer within 30 days of receiving the detailed complaint letter from ACT, in which it may contradict and refute ACT's claim and complaint; or - if the Producers Association is convinced that the claims made by ACT are correct – inform of its actions on this matter, and on the restoration of the situation to its prior condition, if the Producers Association succeeds in doing so.
44. If ACT believes that its complaint has not been contradicted or refuted or corrected by the Producers Association, within the 30 said days (or a longer period, if the parties agree on the extension of such a date), then ACT may inform its Members of this, and of the answer it received from the Producers Association regarding the complaint, and ACT members shall be entitled to consider whether they desire to work with this Producer or not, in light of the information they are provided as aforesaid.

45. **The Agreement Period and extensions:**

- A. This Agreement shall come into force and shall be applied 45 (forty-five) days after it is signed, for a period of three (3) years (hereinafter: **"the Agreement Period"**).

- B. Beyond the Agreement Period and following it, the Agreement shall be renewed automatically, with no need for any notice from one party to the other party, for one additional year, and so forth each year (hereinafter: **"the Extension Years"**), unless one party informs the other, in writing and at least 6 (six) months in advance, before the end of any of the Extension Years, of its desire to terminate this Agreement.
- C. The extension of the 45-day period defined in Subsection A above, in regard to special cases and specific Productions, shall require the written approval of both Parties.
- D. The Producers Association undertakes to provide ACT, within two weeks of the date this Agreement is signed, with the list of productions, which shall be allowed to work, or to continue working, under the terms of the old agreement, from 1991, between the Producers Association and ACT.

**In witness thereof, the parties have signed:**

\_\_\_\_\_  
The Producers Association

\_\_\_\_\_  
ACT – the Israel Cinema and Television  
Workers Association (Registered Association)

