

SCHEDULE 7B

NEGOTIATION PROTOCOL

THE DIRECTORS GUILD OF CANADA (ALBERTA DISTRICT COUNCIL)
THE DIRECTORS GUILD OF CANADA (ATLANTIC REGIONAL COUNCIL), and
THE DIRECTORS GUILD OF CANADA (MANITOBA DISTRICT COUNCIL)
THE DIRECTORS GUILD OF CANADA - ONTARIO)
THE DIRECTORS GUILD OF CANADA (SASKATCHEWAN DISTRICT COUNCIL)
(collectively referred to as "the District Councils")
THE CANADIAN FILM AND TELEVISION PRODUCTION ASSOCIATION
("the CFTPA")

The parties agree to the following provisions, which are reproduced in the Standard Agreement as a Schedule thereto, but which Schedule is executed separately from the Standard Agreement, which shall be and remain in effect following the expiry of the term of the Standard Agreement.

1.01 Definitions: In addition to the definitions set out in the main Standard Agreement, the following:

Standard Agreement - means this collective agreement and is deemed to include the core Agreement, all Schedules hereto, the Negotiating Protocol and Bargaining Authorization and Voluntary Recognition Agreement and any Letters of Variance and each Contract for Services.

Producer - is the individual, corporation, partnership, limited partnership, or other person that controls, administers, or is responsible for a program, whether or not that Producer is or will be a copyright holder of the finished Motion Picture. For greater clarity, Producer shall mean any member Producer, any common Producer, or any successor Producer (who is signatory to this Standard Agreement).

member Producer - shall mean any member of the CFTPA who is a signatory to a Bargaining Authorization and Voluntary Recognition Agreement.

common Producer - shall mean a person, corporation or other entity under common direction or control with a member Producer and who engages in associated or related activities or businesses

successor Producer - shall mean a person, corporation or other entity to whom a member Producer sells its business

sells - shall include leases, transfers, and any other manner of disposition, and "sold" and "sale" have corresponding meanings

business - shall include any undertaking or business and any part thereof

2.00 Recognition

2.01

For greater clarity, this section is to be read in conjunction with and referentially incorporates article 2.01, the Recognition section of the core Agreement.

2.02

The CFTPA recognizes the District Councils as the sole and exclusive bargaining agent for all Guild Members covered by the Standard Agreement.

2.03

The District Councils recognize the CFTPA as the sole and exclusive bargaining agent with respect to all production which is subject to this Agreement.

2.04

Once ratified this Agreement represents a single Agreement applicable in the provinces of Alberta, Nova

Scotia, New Brunswick, Newfoundland and Labrador, Prince Edward Island, the Northwest Territories, Manitoba, Nunavut, Ontario, and Saskatchewan, subject to specific exceptions as set out in each District Council Schedule.

2.05

Upon notice being given by the District Council, the CFTPA will provide the District Council with a current list of all member Producers, whose permanent place of business is within the geographic scope of this Agreement, within thirty (30) days of receipt of said notice.

2.06

Except by prior agreement with the CFTPA, a District Council shall not enter into any agreement with any Producer at rates or terms which are as favourable or more favourable to such Producer, then those set forth in this Agreement and no District Council shall permit Members to be engaged at rates less than those provided for herein or upon terms which are as favourable or more favourable to such Producer than set forth in this Agreement.

2.07

Unless otherwise agreed to by the CFTPA and the District Council, a Producer shall not enter into any agreement with any District Council at rates or terms which are as favourable or more favourable than those set forth in this Agreement, and no Producer shall offer to engage nor enter into any agreement to engage a Guild Member at rates less than those provided for herein nor upon terms which are favourable or more favourable than those terms set forth in this Agreement.

3.00 Agreement to Follow Terms of Protocol

3.01

The above parties to the Standard Agreement agree that the terms of this protocol, shall govern the Parties, including all Producers who are signatory to a Bargaining Authorization and Voluntary Recognition Agreement with respect to negotiations for the renewal of this Agreement.

4.00 Agreement to Bargain in Good Faith

4.01

Either party may serve notice to bargain within ninety (90) days of the expiry of the Standard Agreement.

4.02

The parties agree to meet within thirty (30) days of notice having been given pursuant to article 4.01 and to commence to bargain in good faith and to make every reasonable effort to enter into a new Agreement.

5.00 Freeze

5.01

While bargaining continues, and until the right to strike or lock out has accrued pursuant to this protocol, the terms and conditions of the current Standard Agreement shall continue in full force and effect and neither party nor any Producer shall threaten to alter or alter any of the terms thereof. In particular, without limiting the generality of the

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foregoing no Producer shall alter any rates or any other term of the current Standard Agreement or any right or privilege of any Guild Member in the bargaining unit or any right or privilege of the District Council until the requirements of paragraph 7.1 have been met, unless the District Council gives consent to the alteration in writing.

6.00 Conciliation

6.01

Where either party considers that reasonable efforts to enter into a new Agreement have been made, the said party may request the assistance of a conciliation officer. Such a request shall be made by the party giving written notice to the other party of its desire to obtain the assistance of a conciliation officer. Such notice shall contain the names of three (3) persons who the party giving notice is prepared to accept as a conciliation officer. The proposed officers shall be neutral persons who have no direct interest in the subject matter of the negotiations, and who have not acted as employee, agent or advisor, for either of the parties or an interested party in any previous proceedings between the parties or their members.

6.02

The party receiving such notice shall within ten (10) days reply in writing accepting the appointment of one of the suggested conciliation officers of the other party, or shall indicate that none of the suggested conciliation officers are acceptable. The party responding may suggest alternative conciliation officers as a part of its written response and the party giving original notice of a request for conciliation shall either accept such alternative suggestions or in the alternative, within ten (10) days of receipt of the notice, request the appointment of a conciliation officer. Without prejudice to the assertion that work performed under the Standard Agreement is subject to provincial jurisdiction, request for the appointment of a conciliation officer shall be made to the Federal Minister of Labour as per section 71 of the *Canada Labour Code*, R.S.C., 1985, c.L-2 as amended.

6.03

Where a conciliation officer has been agreed to by the parties or appointed by the Federal Minister of Labour, such officer shall forthwith confer with the parties and endeavour to assist them in entering into a new Agreement.

6.04

The parties agree to co-operate with such conciliation officer and to make every reasonable effort to enter into a new Agreement.

6.05

After the parties have met with such officer and made every reasonable effort to enter into a new Agreement without success, either party shall have the right to request a report from the conciliation officer. Such report shall be sent to all parties and to the Federal Minister of Labour and advise the parties that a new Agreement has not been made.

6.06

The parties agree that the fees and expenses of such conciliation officer, if not paid by the Federal Department of Labour, shall be paid equally by the parties. Such a request shall be made in accordance with the conciliation/mediation provisions of the *Canada Labour Code*, or any successor legislation.

7.00 No Strike or Lockout

7.01

Subject to the provisions of the core Agreement, neither the Guild nor the District Councils, shall declare or authorize a strike against any Producer until the term of the Agreement has expired and until fifteen (15) days have elapsed from the date on which the conciliation officer sent

the report to the parties and the Minister as set out in article 6.05.

7.02

Neither the CFTPA nor any Producer who is signatory to a Bargaining Authorization and Voluntary Recognition Agreement shall declare or cause a lockout, until the term of the Agreement has expired and until fifteen days have elapsed from the date on which the conciliation officer sent the report to the Minister as set out in article 6.05.

7.03

The parties to this protocol, the individual Members of the Guild and all of the Producers who are signatory to a Bargaining Authorization and Voluntary Recognition Agreement agree that the Guild shall be authorized and permitted to call a strike in compliance with the terms of this protocol, notwithstanding the fact that the District Council may not have complied with the statutory provisions of any labour legislation in any of the provinces or territories of Canada and further agree that the District Councils and the Guild Members shall be entitled to legally strike in any such province or territory so long as the provisions of this Schedule have been adhered to.

7.04

The parties to this protocol, the individual Members of the Guild and all of the Producers who are signatory to a Bargaining Authorization and Voluntary Recognition Agreement agree that the CFTPA shall be authorized and permitted to declare a lockout in compliance with the terms of this Schedule notwithstanding the fact that the Producer may not have complied with the statutory provisions of any labour legislation in any of the provinces or territories of Canada and further agree that the CFTPA shall be entitled to legally declare such lockout in any such province or territory so long as the provisions of this Schedule have been adhered to.

7.05

The Guild shall not selectively strike against individual CFTPA members or Permittee members nor shall any Producer selectively lock out any Guild Member who is subject to the terms of this protocol. For greater clarity, a strike declared by the Guild as against any single Producer shall be deemed to be a strike against all producers and similarly a lockout of any Guild Member shall be considered to be a lockout of all Guild Members subject to this Agreement.

The parties to this Negotiation Protocol agree that a strike or lockout shall have the same meaning as those terms have under the terms of the Canada Labour Code.

8.00 Ratification

8.01

Notwithstanding that this Agreement is negotiated as between the CFTPA and the Guild it is recognized that the CFTPA and each District Council of the DGC shall individually ratify this Agreement and this Agreement is not considered ratified unless ratified by all District Councils who are party to this protocol.

9.00 Dispute Resolution (with respect to Bargaining Rights)

9.01

Within ninety (90) days of a District Council knowing or being reasonably expected to have known the facts giving rise to its claim, that District Council has the right to allege that any person, corporation or other entity is a Producer and therefore bound by the terms of the Standard Agreement and this protocol. Notwithstanding the foregoing, the timelines with respect to a dispute under this section regarding Director rights acquisition fees shall have a twelve (12) month limitation period.

9.02

The District Council shall make any allegations pursuant to article 9.01 of this protocol or of a violation of any of the

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provisions of this protocol, by means of a notice, setting out the particulars upon which the allegations are based. The notice shall be sent by fax and by registered mail to the Producer(s) and the CFTPA.

9.03

The responding parties shall be allowed fifteen (15) business days from the date the notice was sent by registered mail in which to file a response, outlining their respective positions.

9.04

All parties shall endeavor to settle all outstanding issues arising from the notice and response within the next five (5) business days.

9.05

Failure to reach a settlement shall entitle the District Council to refer the matter to final and binding arbitration before an adjudicator. The arbitration procedure shall be governed in all respects by the provisions of this protocol.

10.00 Adjudication

10.01

The adjudicator shall be agreed upon by the parties or appointed pursuant to article 10.00 of the core Agreement (i.e. grievance and arbitration article).

10.02

The adjudicator has, in relation to any proceeding before the adjudicator power:

- (a) to summon and enforce the attendance of witnesses and compel them to give oral or written evidence on oath and to produce such documents and things as the adjudicator deems requisite to the full investigation and consideration of any matter within the adjudicator's jurisdiction that is before the adjudicator in the proceedings;
 - (b) to administer oaths and solemn affirmations;
 - (c) to receive and accept such evidence and information on oath, affidavit or otherwise as the adjudicator deems fit, whether admissible in a court of law or not;
 - (d) to examine, in accordance, with any regulations of the Canada Industrial Relations Board, such evidence as is submitted to the adjudicator respecting the membership of any employees in a trade union;
 - (e) to make such examination of records and such inquiries as is deemed necessary;
 - (f) to require a Producer to post and keep posted in appropriate places any notice that the adjudicator considers necessary to bring to attention of any Guild Members, any matter relating to the proceeding;
 - (g) subject to bona fide production requirements, enter any premises of a Producer and to inspect any work, material, documents, financial records and any other thing and interrogate any person respecting any matter that is before the adjudicator in the proceeding;
 - (h) to authorize any person to do anything the adjudicator may do under paragraphs (a) to (g), inclusive and to report to the adjudicator thereon;
 - (i) to adjourn or postpone the proceeding from time to time;
 - (j) to abridge or enlarge the time for instituting proceeding or for doing any act, filing any document or presenting any evidence in connection with the proceeding;
 - (k) to amend or permit the amendment of any document filed in connection with the proceeding;
- and
- (l) to add a party to the proceeding at any stage of the proceeding.

10.03

The parties agree and acknowledge that the adjudicator has exclusive jurisdiction to exercise the powers conferred

upon it by the provisions of this protocol and to determine all questions of fact and law that arise in any matter before the adjudicator. The finding of an adjudicator as to the facts and as to the meaning or violation of the provisions of this protocol shall be conclusive and binding upon all parties concerned, but in no case shall the adjudicator be authorized to alter, modify or amend any part of this protocol.

10.04

The parties agree and acknowledge that the adjudicator shall have the authority to order such remedy as is necessary to give real and substantial relief to any aggrieved party and in so doing may determine what, if anything, a Producer, CFTPA, the District Council and a Guild Member shall do or refrain from doing.

10.05

Where, in the opinion of the adjudicator, two or more persons, corporations or other entities constitute a common producer, the adjudicator shall so declare and such declaration shall have the effect that the persons, corporations or entities shall be treated as a single Producer under this Agreement. Without limiting the adjudicator's general remedial powers, the adjudicator may order that a member Producer assumes all rights and obligations, under the Standard Agreement (or the terms and conditions of the Standard Agreement as frozen by this protocol) and any individual contract with a Guild Member, or any person, corporation or other entity.

10.06

Where, in the opinion of the adjudicator, a person, corporation or other entity is a successor Producer, the adjudicator shall so declare and such declaration shall have the effect that the successor Producer shall assume all rights and obligations of the member Producer under the Standard Agreement (or the terms and conditions of the Standard Agreement as frozen by this protocol) and any individual contract with a Guild Member.

10.07

In the event that a successor Producer does not comply with its obligations resulting from a declaration under article 9.7 of this Schedule within thirty (30) days, the Guild may bring the matter back before the Adjudicator, who, upon proof of non-compliance, shall declare that the member Producer remains liable with respect to any obligations under the Standard Agreement (or the terms and conditions of the Standard Agreement as frozen by this protocol) and any individual contract with a Guild Member, as if no sale had been made.

11.00 General

11.01

Nothing in this protocol or in the Standard Agreement affects or restricts any right that any party may have under the Status of the Artist Act, S.C. 1992, c.33, as amended

11.02

During the term of the Standard Agreement and with respect to any grievance or arbitration thereunder, or any other administrative or court proceeding, including but not limited to, proceedings before any labour relations board, neither the CFTPA nor the Producer will raise any issues for determination with respect to the status of the DGC, a District Council, a Guild Member or the Standard Agreement, including but not limited to:

- (i) the status of the Standard Agreement as a collective agreement
- (ii) the status of the Guild or a District Council as a trade union
- (iii) whether any Guild Member is an "employee", a "manager" or "employed in a confidential capacity relating to labour relations".

S C H E D U L E 7 B
N E G O T I A T I O N P R O T O C O L

**Canadian Film and Television
Production Association**

per _____
National Executive Vice President
And Counsel

Directors Guild of Canada

per _____
President

**Directors Guild of Canada
Alberta District Council**

per _____
Chair

**Directors Guild of Canada
Atlantic Regional Council**

per _____
Chair

**Directors Guild of Canada
Manitoba District Council**

per _____
Chair

Directors Guild of Canada - Ontario

per _____
Chair

**Directors Guild of Canada
Saskatchewan District Council**

per _____
Chair