

ARTICLE 7. Grievance and Arbitration Procedure

In the event of any dispute between the Local Union or any of the persons subject to this Agreement and the Producer with regard to wage scales, hours of employment or working conditions or with regard to the interpretation of this Agreement concerning such provisions,¹ the

¹ Any such disputes that give rise to an alleged violation of Sections 8(a)(1) and/or 8(a)(3) of the National Labor Relations Act, or in which the facts alleged would constitute such a violation, are also subject to the grievance and arbitration procedure in this Article 7.

procedure, unless otherwise specifically provided herein, shall be as follows:

Step One - The aggrieved party shall mail or deliver to the other party a written notice of the essential facts of the claim and concurrently furnish a copy of such notice to the designated Representative of the Local Union and Contract Services Administration Trust Fund (hereinafter "CSATF"). The representative of the Local Union and the designated representative of Producer shall immediately discuss the matter and the grievance shall be settled if at all possible. The decision, if any, of these representatives shall be final and binding upon the parties and any employees concerned.

Step Two - If the grievance is not settled within five (5) working days following the invocation of Step One, the aggrieved party may proceed to Step Two, by delivering or mailing, within five (5) days thereafter, a written demand, which shall include a statement of the particulars of the claim, upon the other party and upon the designated Representative of the Local Union and CSATF. Failure of the aggrieved party to so serve such demand shall constitute a waiver of the claim, unless the parties mutually stipulate otherwise in Step Two. Such stipulation shall be made a part of the record.

If the grievance is not settled within five (5) working days after the invocation of Step One and if the aggrieved party objects to submission of the dispute to Step Two, then it may proceed immediately to expedited or regular arbitration, as provided below, by delivering or mailing, within five (5) days thereafter, a written request for expedited arbitration or a written demand for regular arbitration, as provided below. If the responding party objects to submission of the dispute to Step Two, it shall so notify the other party at least three (3) days prior to the Step Two hearing. The aggrieved party shall thereupon have the right to proceed to expedited or regular arbitration, as provided below, within ten (10) working days after receipt of such notice from the responding party.

If such demand for Step Two proceedings is so served, the grievance shall be brought before the Grievance Committee as soon as possible, but not later than twenty (20) working days following the receipt of such notice, unless either party objects to submission of the dispute to Step Two as provided above. The Grievance Committee shall consist of a designated Representative of the Local Union and a representative of CSATF.

The parties to the grievance shall be present and shall be responsible for the presentation of their own position at such time and place. Failure of either party to the grievance to comply with the

foregoing requirements shall be deemed a waiver of the claim or waiver of any defense to the claim, as the case may be.

The Grievance Committee shall schedule the order of the grievances to be heard. Prior to beginning the hearing, the Committee shall attempt to assist the parties in mutually resolving the grievance. If the parties fail to resolve the grievance with the assistance of the Committee, either party shall have the right to opt out of the Step Two hearing before it begins and the aggrieved party may instead proceed to arbitration.

If neither party opts out of the Step Two hearing, the Grievance Committee will afford the parties an oral hearing on the merits of such grievance and render a written decision thereon within five (5) working days from the close of the hearing, but in no event later than twenty (20) working days after the hearing commenced. The Second Step shall be an informal one and for the purpose of resolving the grievance. The Committee shall determine its own rules and procedures. The decision of the Committee shall not be precedential. The decision of the Grievance Committee, if any, shall be final and binding upon the parties and any employees concerned.

Step Three - If no decision is rendered by the Grievance Committee within the above-mentioned period, by failing to agree or otherwise, then the parties may proceed to expedited or regular arbitration as provided below. In addition, if either party has elected to bypass Step Two as provided in the second paragraph under "Step Two" above, or has decided to opt out of Step Two as provided in the fifth paragraph under "Step Two" above, the parties may proceed to expedited or regular arbitration as provided below. In either case, the time limits for doing so shall be as provided under "Step Two" above, except when a party has elected to opt out of Step Two in accordance with the fifth paragraph under "Step Two" above, in which case the aggrieved party may proceed to regular or expedited arbitration, as provided below, by delivering or mailing to the other party and to CSATF, within ten (10) days after the date of the Step Two meeting, a written demand for expedited or regular arbitration.

(a) Expedited Arbitration

The aggrieved party may elect to proceed to expedited arbitration within five (5) working days following receipt of the Step Two decision in cases involving the discharge for cause of an employee subject to Paragraph 68 or within ten (10) working days following the completion of Step Two if no unanimous written decision resolving the dispute has been issued by the Grievance Committee. The aggrieved party may also elect to proceed to expedited arbitration following Step Two in cases wherein the claim for wages does not exceed fifteen

thousand dollars (\$15,000). The aggrieved party may also proceed to expedited arbitration following Step Two over disputes with regard to only the "Wage Scales, Hours of Employment and Working Conditions" provision of this Agreement, subject to this Article and provided the claim for damages does not exceed fifteen thousand dollars (\$15,000). Any other case may be submitted to expedited arbitration only by the mutual agreement of the parties.

If an aggrieved party decides to so proceed to expedited arbitration, that party must, within five (5) working days after the close of Step Two as above mentioned, proceed by delivering or mailing to the other party a written request for such expedited arbitration. When mutual agreement to proceed to expedited arbitration is required, such party may, at the same time, request an invocation of the regular arbitration procedure provided for below and, in the event no such mutual agreement to proceed to expedited arbitration, when required, is received by the aggrieved party within five (5) working days after service of such request, the aggrieved party may proceed to the regular arbitration procedure provided below.

In the alternative, the aggrieved party may proceed to regular arbitration by delivering or mailing to the other party a written demand for regular arbitration within ten (10) calendar days following the close of Step Two, as above mentioned.

Failure of the aggrieved party to so serve such a request and/or demand within the respective prescribed periods shall constitute a waiver of the claim.

Cases that are submitted to expedited arbitration shall be heard within ten (10) working days after the other party receives the demand for expedited arbitration or within ten (10) working days after the other party gives notice of its agreement to proceed to expedited arbitration in cases in which the mutual agreement of the parties is required.

The Alliance of Motion Picture and Television Producers (hereinafter "the AMPTP") and the Chair of the Basic Crafts Unions shall forthwith appoint four (4) individuals and four (4) alternates with recognized experience as professional labor arbitrators as members of the standing panel of neutral arbitrators.

The parties agree to meet, following the conclusion of negotiations, for the purpose of modifying the expedited panel. During the term of this Agreement, the parties may mutually add the names of additional persons to the panel of neutral arbitrators to either supplement the panel or replace persons no longer available to serve.

From the panel of names of the neutral arbitrators set forth above, the arbitrators shall be assigned, depending upon their availability, in rotation, to the cases as they arise. The parties may, by mutual consent, select an arbitrator out of rotation provided that notice of their selection is given to CSATF prior to the appointment of the arbitrator next in rotation.

The expedited arbitration hearing shall be presided over by a neutral arbitrator assigned from the panel of neutral arbitrators. The Local Union and CSATF shall schedule the grievances to be heard as soon as reasonably practical after the selection of the neutral arbitrator, unless the parties and the neutral arbitrator mutually agree otherwise. If such person selected as the arbitrator is not available, another arbitrator shall be selected by the same process as above described.

The parties will not file post-hearing briefs and a stenographic record will not be made, but the parties may present a written statement of the facts. The neutral arbitrator shall have sole authority to rule on all motions and decide the case. The decision of the arbitrator shall be final and binding upon the parties and any employees concerned.

The neutral arbitrator shall render a written decision within five (5) working days from the conclusion of the hearing. The writing of an opinion will be at the discretion of the neutral arbitrator. The neutral arbitrator shall have the power to determine only the specific grievance or dispute as described in the first paragraph of this Article 7 and, when appropriate, award wage adjustments or damages consistent with the contract, in an amount not to exceed fifteen thousand dollars (\$15,000), but shall not have the power to amend, modify or effect a change in any of the provisions of this Agreement, nor to determine jurisdictional disputes between the Union and any other labor organization. Except for disputes described in footnote 1 to the first paragraph of this Article 7, the arbitrator shall not have the power to determine disputes arising under Paragraph 67.1 of this Agreement, "Non-Discrimination;" such disputes are instead subject to non-binding mediation. The decision of the neutral arbitrator shall be non-precedential and his decision and/or opinion, if any, shall not be offered or admitted into evidence in any other proceeding other than: (1) a judicial action seeking confirmation, correction or vacation of said decision; or (2) a grievance or arbitration proceeding involving the same Producer and Local Union.

Fees and expenses of the arbitrator shall be borne equally by the parties to the dispute. All other costs shall be borne by the party incurring the same.

The bills of the arbitrator, together with a completed information form, shall be sent by the arbitrator to the Local Union and

the Producer involved in the expedited arbitration, with copies to CSATF. The information form shall be jointly prepared by the Chair of the Basic Crafts and CSATF.

(b) Regular Arbitration - The aggrieved party may elect to proceed to regular arbitration within ten (10) working days following the completion of Step Two, if no agreement has been reached by the parties.

If such demand is served for regular arbitration, then the parties shall select a sole arbitrator to hear and determine the grievance by: (1) mutual agreement of the parties; or (2) by lot, from the list of arbitrators, under the following procedure: the name of the arbitrator shall be selected from the list of arbitrators obtained from the Federal Mediation and Conciliation Service (which the parties shall endeavor to maintain currently), within five (5) days of the receipt of such demand.

Such hearing shall be held within fourteen (14) days after the arbitrator is selected, at such time and place as the arbitrator shall determine. If the arbitrator so selected is unable or unwilling to undertake the arbitration within the time limit herein provided, another arbitrator shall be selected from such list. The decision of the arbitrator shall be rendered in writing, stating his reasons for the award, within thirty (30) days after the submission of the grievance for decision. The arbitrator's decision shall be final and binding upon the parties thereto and upon any employees concerned. The arbitrator shall have the power to determine the specific grievance or dispute as described in the first paragraph of this Article 7, but shall not have the power to amend, modify or effect a change in any of the provisions of this Agreement, nor to determine jurisdictional disputes between the Union and any other labor organization. Except for disputes described in footnote 1 to the first paragraph of this Article 7, the arbitrator shall not have the power to determine disputes arising under Paragraph 67.1 of this Agreement, "Non-Discrimination;" such disputes are instead subject to non-binding mediation.

Fees and expenses of the arbitrator and cost of a court reporter and original transcript, when jointly requested, shall be borne equally by the parties to the dispute; otherwise, the party making such request shall pay for it. All other costs shall be borne by the party incurring the same.

(c) Claims - Any claims for the payment of wages or severance pay, not presented under Step One within three hundred sixty-five (365) consecutive days after the employee is entitled to such wages or severance pay, shall be deemed to be waived. Any dispute as to the correct amount of payment of holiday or vacation pay, not presented under Step One within three hundred sixty-five (365) consecutive days

after March 15 of the calendar year next following the calendar year in which such holiday or vacation pay, as the case may be, was earned, shall be deemed to be waived.

Any other claim or grievance not presented under Step One, within (1) sixty (60) calendar days after the occurrence of the subject matter of the grievance or (2) sixty (60) calendar days after the employee or the Union has had a reasonable opportunity to become aware of the occurrence, whichever of (1) or (2) is the later (but in any event not to exceed three hundred sixty-five (365) calendar days after the occurrence), shall be deemed to be waived. Time on distant location shall not be included in this period.

For the purpose of this Article, "aggrieved party" shall mean the Producer or the Union acting on its own behalf or on the behalf of an employee covered by this Agreement.

(d) In General - The time periods provided for herein may be extended by mutual written consent of the parties.

(e) Scheduling - In scheduling any grievance in Step Two or Step Three, preference shall be given to any grievance involving the discharge of an employee or a grievance involving the Industry Experience Roster.

(f) An arbitration award issued in either expedited or regular arbitration proceedings or a final and binding award rendered in Step Two of the grievance procedure which requires the payment of a specific sum of money shall be paid within thirty (30) days of the date of the award. If payment is not made within said period, interest shall accrue on the sum(s) due from the date of the award at the rate of one percent (1%) per month.

If a calculation is required to determine the specific amount(s) due under the award, the Producer shall calculate such amount(s) and shall notify the other party of the specific sum(s) due within sixty (60) days of the date of the award. If such calculation is not made or if notice is not given as required, interest shall accrue on the sum(s) due from the date of the award at a rate of one percent (1%) per month. If, after calculation, the parties disagree on the sum(s) due, or if the amount(s) due and owing under the award cannot be calculated within the sixty-day period as a result of factors beyond the control of the Producer, then no interest shall accrue upon the sum(s) due.