

WORKING AGREEMENT
 BETWEEN
 INDUSTRIAL LIGHT & MAGIC
 AND LOCALS 16 AND 600, I.A.T.S.E.

(FOR THE COMPUTER GRAPHICS UNIT)

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WORKING AGREEMENT FOR THE COMPUTER GRAPHICS UNIT
BETWEEN
INDUSTRIAL LIGHT & MAGIC,
A DIVISION OF LUCAS DIGITAL LTD.,
AND LOCALS 16 AND 600, I.A.T.S.E.

This Agreement (including the applicable Supplemental Letters) is made and entered into as of the first day of January 1999 by and between Industrial Light & Magic, a division of Lucas Digital Ltd., hereinafter referred to as “the Employer”, and Local 16 and Local 600 of the International Alliance of Theatrical Stage Employees Moving Picture Technicians, Artists and Allied Crafts of the United States, its Territories and Canada (I.A.T.S.E.), hereinafter refer-red to collectively and individually as “the Union”.

1. UNION SECURITY

It shall be a condition of employment that all present and future employees covered by this Agreement shall become and remain members in good standing in the Union (defined below) on the ninety-first day following the beginning of such employment. Membership in good standing in the Union shall be defined as employees who tender initiation fees and periodic dues uniformly required by the Union as a condition of acquiring or retaining membership. Within five days after receipt of written notice from the Union that any such employee is not a member as required above and that said employee has been notified of the requirements of this article in writing prior to such notice, the Employer shall discharge said employee.

The Employer will give the Union advance notice of openings and will consider fairly all applicants referred by the Union to the Employer for employment. The Employer shall have the final decision with respect to the hiring of any individual.

The Employer and the Union agree that this Agreement shall not be applied, interpreted and/or enforced in any way which would discriminate on the basis of race, religion, sex, age, national origin, sexual preference, or physical handicap in a manner which would violate state or federal legislation.

2. SCOPE OF AGREEMENT, RECOGNITION AND WAGE RATES

This Agreement shall apply to all personnel in ILM’s Computer Graphics Unit employed by the Employer as computer graphic artists and production technicians in the classifications set forth in Exhibit “A”, attached hereto and hereby incorporated by reference, and located at the Employer’s main campus, excluding guards, clerical employees, maintenance employees (relating to premises, building, and grounds, but not including those members of the bargaining unit whose job duties might include maintenance of technical equipment used in connection with their employment), and managerial employees as defined by the National Labor Relations Act.

The parties recognize that Lucasfilm Ltd. and its divisions and subsidiaries (“Lucasfilm”) are separate employers, and that the facilities, operations and employees of Lucasfilm (other than Employer) shall not be subject to the terms of this Agreement. Moreover, the Union agrees to negotiate in good faith with Employer with regard to any amendment of the terms of this Agreement, which is requested by Employer, on a case by case basis with respect to Employer’s involvement in Lucasfilm projects or projects which are associated with any other production entities owned or controlled by George W. Lucas, Jr. Local 16 and Local 600 will discuss with the Employer, on a case-by-case basis as they arise, any special projects, new job classifications or changes in existing job classifications with regard to Features, Animation, Television and Episodic projects.

The Employer agrees to recognize Local 16 and Local 600 as the bargaining agents for all persons employed by the Employer in the classifications set forth in Exhibit “A”.

The term “the Union”, when used in this Agreement, shall refer to Local 16 and Local 600.

A. Wage Increase

1. Effective January 1, 1999, there shall be an increase of four percent (4%) in the basic hourly rate for all “regular” and “project” employee categories and for the weekly “on call” guarantee.
2. Effective January 1, 2000, there shall be an increase of four percent (4%) in the basic hourly rate for all “regular” and “project” employee categories and for the weekly “on call” guarantee.
3. Effective January 1, 2001, there shall be an increase of four percent (4%) in the basic hourly rate for all “regular” and “project” employee categories and for the weekly “on call” guarantee.
4. Effective January 1, 2002, there shall be an increase of four percent (4%) in the basic hourly rate for all “regular” and “project” employee categories and for the weekly “on call” guarantee.
5. Effective January 1, 2003, there shall be an increase of four percent (4%) in the basic hourly rate for all “regular” and “project” employee categories and for the weekly “on call” guarantee.
6. Notwithstanding the above, no Employee’s basic hourly rate shall exceed the rate in the highest position within the Employee’s job classification as delimited by the boldface lines in Exhibit A.

B. Studio Zone

The studio zone (“Studio Zone”) shall be the area within a circle thirty (30) miles in radius from its main campus.

With respect to work at any location off the main campus but within the Studio Zone, the Employer shall either furnish transportation to the employee or, at its option, may require employee to report at such location, in which case the, Employer will allow mileage, computed between the main campus and the zone location, at the mileage reimbursement rate established from time to time pursuant to the applicable Regulations of the Internal Revenue Service.

If the Union contends that reporting in the Studio Zone creates an undue hardship due to the remoteness of the location from accessible highways or routes, the Employer agrees to meet with the Union for the purpose of solving the problem on a case by case basis.

C. Work on Location

- a. When employees covered by this Agreement are assigned to perform work outside of the Studio Zone, the following provisions shall apply to such employees:
 - i. Minimum Calls on Location: There shall be no call less than nine (9) hours.
 - fi. Computation of Time on Location: All time shall be computed in one quarter (1/4) hour increments and the Employer shall be entitled to a two (2) minute grace period. Start and stop times shall be made on the clock quarter-hours.
 - iii. Location Wages; Overtime:
 - (1) Each employee will be paid at the same rate as the employee is paid for his or her work at Employer’s main campus (i.e., no location premium).
 - (2) With respect to location work, the employees will be paid at a straight-time rate for the first eight (8) hours worked each day and will be paid at time and one-half for the next hour worked, and then the applicable premium pay for each hour worked thereafter; provided, however, that all hours in excess of nine (9) hours must be pre-approved by the employee’s supervisor. The provisions of iv. below (Rest Period) shall also apply. It is further agreed that time on location in excess of nine (9) hours per day shall not be counted towards the paragraphs 4(B) and 4(C) weekly guaranty of forty-five (45) hours.

- (3) Employees shall be guaranteed four (4) hours of straight time pay for Hold days on location and the hours will be counted towards the paragraphs 4(B) and 4(C) weekly guaranty of forty-five (45) hours.
- iv. Location Rest Period: Except with respect to “split days”, rest periods will be no less than nine (9) hours. If an employee works into overtime hours, the overtime hours shall prevail until said employee has had at least a nine (9) hour rest period. Work performed by the employee at his/her hotel shall be counted as part of the employee’s rest period.

With respect to “split days”, the Employer shall be entitled to two separate calls in a twenty-four (24) hour period and each call shall be a minimum of six (6) hours.

- v. Location Meal Periods and Meal Penalties:
 - (1) The first meal period must commence within six (6) hours following the first call of the day but no earlier than three (3) hours after reporting to work. Succeeding meal periods must commence within six (6) hours of the preceding meal period.
 - (2) The Employer may give a one-half (1/2) hour meal break providing food is served; otherwise the meal period shall be no less than one (1) hour.
 - (3) Only one (1) meal period may be deducted from an employee’s work time during minimum call. A second meal period may be deducted from work time for those employees who work in excess of the minimum call.
 - (4) Extending the meal interval by one-half (1/2) hour without incurring a meal penalty is permissible when used only for wrapping up or overlapping shifts on production units on shooting days, provided employee is dismissed within one-half (1/2) hour. (Wrapping up includes completion of a camera take in progress.)
 - (5) Computation of Meal Penalty: first one-half (1/2) hour or fraction thereof- \$10.00; second one-half (1/2) or fraction thereof: \$12.50; succeeding one-half (1/2) hour or fraction thereof: \$15.00.
 - (6) Meal penalty allowance shall be in addition to compensation for work time during the day and shall not be applied as part of any other work guarantee(s).

vi. Location Call: In situations where employees rendering services are provided with a rental car, the employees' call for such work will be at the location and not at the hotel. In all other cases, the employees' call will be at the hotel.

b. Notwithstanding anything in this Agreement to the contrary, the Employer shall have the right to negotiate directly with its employees with respect to the terms and conditions relating to projects outside of the continental United States and to offer them any such terms and conditions as it shall propose, including terms and conditions that may be less than those specified elsewhere in this Agreement; provided, however, that:

- i. Under no circumstances shall the terms and conditions offered to employees otherwise covered hereunder be less advantageous than those offered to non-covered employees employed in similar tasks on such project; and
- ii. The employees covered by this Agreement shall be under no obligation to accept such employment.
- iii. Any agreements between the Employer and the employee shall be subject to Union approval.

D. Travel

If the employee is directed by the Employer to travel by air, either by scheduled or charter aircraft, such travel shall be by jet propelled aircraft if available.

Travel time on days not worked (travel only) shall be computed in a manner consistent with the travel provisions of Paragraph 39(a) of the Schedule of Wages and Conditions of the Local 600 Western Region Agreement, dated August 1, 1996 (the Hollywood Basic Agreement"), as such provision may be amended or superceded during the term of this Agreement, it being acknowledged that the Employer is not a party to said agreement.

With respect to work outside the Studio Zone on which an employee is required to remain away and be lodged overnight, the employee shall receive a meal allowance in accordance with the applicable reimbursement Regulations of the Internal Revenue Service, as adjusted from time to time. The Employer will reimburse the employee for meal expenditures in excess of such allowance up to a maximum employee expenditure (including allowance) of Forty Dollars (\$40.00) per day upon submission of appropriate documentation thereof. The employee's necessary out of pocket traveling expenses and lodging shall be reimbursed or made available at the Employer's expense upon submission of appropriate documentation thereof.

The Employer agrees to discuss the adequacy of the per them meal allowance with the Union when warranted.

E. New Categories and Classifications

The Employer agrees to notify the Union, as soon as reasonably practicable but not less than thirty days in advance, of the creation of any new category and/or classification not mentioned in this Agreement and to meet and confer with the Union respecting whether such category and/or classification falls properly within the scope of this Agreement and, if it is determined that it does, to bargain respecting the minimum wage for the category and/or classification.

3. MANAGEMENT RIGHTS

- A. The management and operation of the business of the Employer and the direction of the work force are rights vested exclusively in the management of the Employer and, unless expressly abridged by the terms of this Agreement include, but are not restricted to, the following: the making and enforcement of reasonable rules to assure orderly and efficient operations; the determination of employee competency; the right to hire, to transfer, to promote and to demote; the right to discharge for reason of unsatisfactory performance (as specified in subparagraph "C", below); the right to suspend or discharge for cause; the right to lay off for lack of work and to determine the existence of lack of work; to determine the number and location of its facilities and the services or products to be rendered, supplied or produced, or to perform bargaining unit work as necessary; the right to relocate or close its facility or any portion thereof, to determine the processes, techniques, methods and means of production; to determine the number of employees on any job or machine; and the right to terminate, merge, or sell the business or any part thereof.
- B. The above rights of management are not to be considered as inclusive, but are examples of some of the types of matters or rights or functions which the Employer has not granted and are still part of the inherent rights of management.
- C. Management's right to discharge an employee for reasons of unsatisfactory performance (as opposed to misconduct) shall be subject to the following:
 - 1. Management shall give the employee at least one verbal notice of the deficiencies that management perceives in the employee's performance and allow the employee thirty (30) calendar days to cure same to the satisfaction of management; and
 - 2. In the event that the deficiencies addressed in the verbal notice are not cured to management satisfaction in the aforesaid thirty (30) calendar day period, management shall give the employee at least one written notice specifying the continuing deficiencies and shall allow the employee fourteen (14) calendar days to cure same.
 - 3. In the event that the deficiencies addressed in the written notice are not cured to management's satisfaction in the fourteen (14) calendar day period, management shall have the right to terminate the employee.

- D. All of the rights, powers, functions and authority that the Employer had prior to the signing of this Agreement are also expressly reserved and retained even though not enumerated above, unless they are limited by the clear and explicit language of some other provision of this Agreement.

4. REGULAR EMPLOYEES/PROJECT DAILY AND PROJECT WEEKLY EMPLOYEES/ON CALL EMPLOYEES; HOURS

Employees will be defined as either regular weekly employees (“Regular Employees”), project daily employees, project weekly employees or “On Call” employees. Project daily employees and project weekly employees are sometimes collectively hereinafter referred to as “Project Employees”.

- A. Project Daily Employees shall be those employees hired on a daily basis by Employer. All Project Daily Employees shall receive no fewer than eight (8) hours employment at straight time for each day hired. Project Daily Employees shall not be entitled to sick leave, leave of absence, military service benefits or seniority accrual, and shall not be entitled an holiday or vacation benefits except as set forth in Section 11.b. below.
- B. Project Weekly Employees shall be those employees hired by Employer on a weekly basis who do not qualify as Regular Employees. All Project Weekly Employees shall receive no fewer than forty-five (45) hours employment for each week hired at 40 hours of straight time and 5 hours of (1.5 times the rate) overtime. Project Weekly Employees shall not be entitled to sick leave, leave of absence, military service benefits or seniority accrual, and shall not be entitled to any holiday or vacation benefits except as set forth in Section 11.b. below.
- C. Regular Employees shall be those employees who have worked for Employer for four thousand five hundred (4,500) hours in any consecutive five (5) semi-annual periods without a break in service to the Employer of twelve (12) consecutive months or more. A Project Employee who qualifies as a Regular Employee will commence Regular Employee status after the expiration of the two and one-half (2-1/2) year qualifying period specified above upon the earlier of. (a) January I of the year immediately following his or her qualification, or (b) notification by the employee to the Employer that the employee has qualified as a Regular Employee and verification of that qualification by the Employer. All Regular Weekly Employees shall be guaranteed no fewer than forty-five (45) hours per week.
- D. An On Call Employee holds a supervisory position and is hired on a weekly basis with no minimum or maximum guaranteed hours of employment. On Call Employees are not subject to overtime provisions. An On Call Employee will be either a Regular Employee or a Project Weekly Employee.

- E. As used above, “straight time” shall mean a rate no less than the hourly rate for the applicable job classification set forth in this Agreement, and “time and one-half” shall mean 1.5 times the Employee’s straight time rate.
- F. Notwithstanding the other provisions of this paragraph 4, a Project Weekly or a Regular Employee who has been laid off by the Employer may, in his or her discretion, accept an offer of temporary daily employment by Employer.
- G. The Employer can offer an employee work in classifications and levels other than his/her customary one at a scale appropriate to that classification, level, and rates, however, the employee is under no obligation to accept the work.

5. ADVANCEMENT

- A. Technical Assistants and Technical Apprentices shall be guaranteed minimums consistent with the terms of this Agreement.
- B. Technical Apprentices shall, upon hire, be assigned to a specific job category and shall be automatically advanced to the next job classification within that category after twelve (12) months from the date of hire unless Employer has given a review within one month of the employee’s six month anniversary and decided, as a matter within its sole discretion, to advance the employee to the next classification immediately. If Employer should fail to review employee’s performance reasonably soon after employee’s six (6) month anniversary, employee shall be automatically advanced.
- C. Technical Assistants shall not be assigned to any specific job category and may be transferred between categories at the discretion of the Employer. Technical Assistants shall be reviewed at least once in every twelve (12) month period, but advancement of an employee beyond the level of Technical Assistant shall only occur at the discretion of the Employer.
- D. An employee other than (i) a Technical Assistant or (ii) a Technical Apprentice who has not yet been advanced as provided for in subparagraph 5B, above, who has performed at any position for at least 1800 hours within a twelve (12) month period shall be reviewed at least once in every twelve (12) month period and will in any event automatically advance to the next applicable position within his or her job classification as set forth and contained within the boldface lines in Exhibit “A” within twenty-four (24) months of achieving his or her last advancement. Such advancement shall occur upon the earlier of: (a) January I of the year next following the employee’s qualification for such automatic advancement, or (b) notification by the employee to the Employer that the employee has qualified for such advancement and verification of such qualification by the Employer; provided, however, that if the Employer objects to such

automatic advancement with respect to any individual employee, Employer shall notify the Union and the Union will meet with the Employer and give due consideration to Employer's objection(s) and will in good faith consider waiving the requirements of this paragraph with respect to the employee in question.

E. It is agreed that notwithstanding that employees may be given the opportunity to train and demonstrate their abilities in a higher classification on a temporary or training basis, employees shall not be entitled to a higher wage rate until and unless an advancement is formally recognized by the Employer.

6. PAY PERIOD

For the purpose of this Agreement, the regular workweek of employees shall mean any five (5) consecutive days out of seven (7) consecutive days, commencing with the first of such five (5) days. For Employer's accounting purposes only, however, a workweek shall commence on Monday and terminate on Sunday.

7. OVERTIME, REST PERIODS & NIGHT PREMIUMS

A. Overtime

1. The basic five day workweek for this computer graphics unit is 45 hours (40 hours of straight time and 5 hours of (1.5 times rate) overtime. This workweek is a flexible one, allowing the employee to work as many as 12 hours in a day without additional pay as long as the aggregate hours worked in the five day period does not exceed 45. Hours worked in excess of 12 in one day or 45 in the five day workweek will be compensated at 1.5 times the hourly rate. All overtime beyond 9 hours in any day or 45 hours in any week must be expressly pre-approved by the employee's supervisor. Any employee who works more than five (5) days out of any seven (7) consecutive days shall be compensated (i) for time worked on the sixth day at a rate not less than one and one-half times the hourly rate for the classification of the employee and (ii) for time worked on the seventh day at a rate not less than two times the hourly rate for the classification of the employee. Exhibit B entitled "6th and 7th day Description and Clarification" shall serve to explain the intent of the parties with respect to these issues.

2. If any employee is requested by the Employer to work more than five (5) days out of any seven (7) consecutive days, the minimum call for the sixth day shall be two (2) hours portal to portal and on the seventh day worked shall be four (4) hours portal to portal.

3. The employee shall be notified as soon as reasonably possible in advance when requested to work overtime.

4. All time shall be computed in one-quarter (1/4) hour increments and the Employer shall be entitled to a two (2) minute grace period . Start and stop times shall be made on the clock quarter-hours.

B. Rest Period

Employees shall be allowed a rest period of eight (8) hours between the time of dismissal and call back to work. In the event that the Employee is required to report to back to work prior to the expiration of said eight hour rest period, such work shall be resumed at that rate of pay applicable prior to the rest period and the hour count utilized for overtime calculations shall be as of the last hour worked-prior to the foreshortened rest period.

C. 19 Days Continuous

Any employee who has worked more than nineteen (19) days of consecutive employment will thereafter be paid at time and one-half (and double time for time worked on the seventh of seven consecutive days worked as provided above under “Overtime”) until the employee has had at least thirty-six (36) hours rest period.

D. Night Premium

All CGI employees shall receive a wage premium of his or her actual hourly rate (including the actual hourly overtime rate) for each hour continuously worked as follows:

- (1) Ten percent (10%) with respect to those employees whose regularly scheduled shift begins between the hours of 2:00 p.m. and 10:00 p.m.; and
- (2) Eighteen percent (18%) with respect to those employees whose regularly scheduled shift begins between the hours of 10:00 p.m. and 5:00 a.m.
- (3) The above premiums shall not apply with respect to any employee who is specifically hired to work the periods specified in subparts D(1) and D(2). However, if such a person subsequently transfers to a regular day shift, that employee shall be eligible for a subpart D(1) or D(2) premium if they are later assigned to the night shift.

8. INTERCHANGE OF PERSONNEL

In the event the primary work assignment of a Regular Employee is temporarily exhausted, the Employer shall have the right to assign the employee to any part of the bargaining unit on a temporary basis, at his/her normal rate of pay. In the event that this exhaustion of work appears be longer term in nature, Employer shall have the right to negotiate directly with the employee and offer him/her temporary employment in any part

of the bargaining unit at the rate of pay appropriate to such employment; provided, however, that the employee shall not be obligated to accept such employment.

9. HOLIDAYS

A. Regular Employees.

1. The following shall be paid annual holidays for Regular Employees: New Year's Day, Presidents' Day, Memorial Day, Independence Day, Labor Day; Thanksgiving Day and the day thereafter (previously known as the designated floating holiday), and Christmas Day. Notwithstanding anything in this Agreement to the contrary, a Regular Employee shall be paid for the aforesaid holidays only if that employee actually worked at any time during the seven (7) day period immediately preceding the date observed as a holiday or is on vacation at any time during that seven (7) day period.

2. Each Regular Employee may request that a given day be designated as his or her "floating" holiday, by request to the Employer substantially in advance of the requested date; and the actual date shall be determined by the Employer, in its discretion, taking into consideration its assessment of what will least interfere with production requirements.

3. When any holiday falls on a Saturday, the preceding Friday will be observed. When any holiday falls on a Sunday, the following Monday will be observed.

4. If a Regular Employee works on a holiday, he shall be paid eight hours at straight time and in addition the employee shall receive pay at one and one-half times the Basic Hourly Rate for the number of hours worked. Hours worked on holidays shall be included as work time.

B. Project Employees. Please refer to Paragraph 10(B).

10. VACATIONS

A. Regular Employees.

1. Each Regular Employee shall accrue two (2) weeks of vacation per year after being classified and working as a Regular Employee for one (1) year. Regular Employees with four (4) years of service to the Employer shall accrue three (3) weeks of vacation each year. Regular Employees shall take such vacation during the year following accrual. In the event of termination of employment, a Regular Employee shall be entitled to pay in lieu of vacation for all unused vacation time which shall be compensated at the pay rate, for each specific year of vacation accrual, determined pro rata according to the number of days worked for any period less than a year.

2. For Regular Employees, vacation pay shall be computed at the employee's payroll rate of pay, based upon the applicable minimum work hours for the

period during which such vacation pay accrues per week. As to each employee, the length and dates of any vacation period or periods shall be determined mutually between the employee and the Employer, after conferring, and shall be determined on the basis of an assessment of what will least interfere with production requirements.

3. In all cases the maximum accrual of vacation will be six (6) weeks except when the Employer asks that the employee voluntarily postpone a vacation, in which case the Employee shall continue to accrue for the period in which the Employer requests the postponement. It is agreed that any Employee who has accrued more than five (5) weeks of vacation as of a date specified by the Employer within thirty (30) days of the ratification of this Agreement, shall be paid out of such excess time on a one time basis only and shall thereafter have a six (6) week vacation accrual cap.

- B. Project Employees. All Project Employees shall receive an aggregate of 8% of their gross wages for vacation and holiday pay. Project Weekly Employees shall have their monies held in abeyance which shall be accrued and paid at the end of the Project or upon severance of employment. Project Daily Employees will be paid the vacation and holiday pay at the time of payment of wages, in which case there will be no accrual. It is agreed by both parties that the Project Employees' 8% vacation and holiday pay will not exceed the vacation and holiday benefits of a Regular Employee in his or her first year of Regular Employee status, i.e., two (2) weeks vacation and fifteen (15) holidays per calendar year. Project Employees, whether weekly or daily, will not be paid for a holiday if it is not worked. If a Project Employee works on a holiday designed for Regular Employees as specified in Section 10(a) of this agreement, said Project Employee will be paid at a rate of no less than time and one-half (1-1/2) of his or her basic hourly rate for the number of hours worked on said holiday, up to twelve (12) hours. After twelve (12) hours worked double time will apply.

11. COMPANY HIATUS DAYS

- A. Regular Employees who have worked at least 1600 hours during the calendar year shall be entitled to five (5) additional paid "Company Hiatus Days" as designated above in paragraph IO(B) provided that they are otherwise in the employ of Employer during the occurrence of such days. Regular Employees who have less than 1600 hours during the calendar year shall be entitled to pro-rata compensation for the five Company Hiatus Days. It is agreed that, in instances where a pro-rata calculation is appropriate, the guaranteed work week otherwise provided for in this Agreement shall not apply to weeks containing a Company Hiatus Day.

- B. Employer has designated the weekday period between Christmas and New Years to be the Company Hiatus Days. In the event that the Employer discontinues its practice of closing its facilities for the weekday period between Christmas and New Years, the Employer shall, after confer-ring with the Union, designate alternative Company Hiatus Days and the terms of this Section shall apply to such days.
- C. If the period between Christmas and New Years contains only four weekdays in any given year, the Employer shall designate one additional Regular Company Hiatus Day.
- D. If an Employee who qualifies for a Company Hiatus Day is required to work on such a day, the Employee shall be entitled to receive (in addition to his/her Hiatus Day pay of eight (8) hours of straight time and one hour at time-and-one-half) straight time for the hours worked and, if applicable, standard overtime pay.

12. JURY DUTY

Regular Employees called to serve on jury duty during the term of this Agreement shall be compensated by the Employer for time lost. Compensation will be the difference between the amount received for jury duty and the amount the employee would receive under the terms of this Agreement. The maximum amount of days covered under this clause shall be ten days. Employees shall be required to submit documentation to the Employer establishing the number of days served on the jury and the amount of compensation received. Each employee receiving notice of jury duty obligations shall immediately notify the Employer of such notice and of the dates and times of such jury duty. If requested by the Employer, each employee shall cooperate in attempting to be excused from jury duty.

13. SICK LEAVE

- A. Each Regular Employee shall be entitled to sick leave up to six days for each of the first three (3) calendar years of employment and up to ten (10) days for each calendar year thereafter.
- B. Should any employee commence employment past the first quarter of any calendar year, sick leave for that calendar year shall be prorated on the basis of one-half day per month.
- C. Sick leave may be used only in case of personal illness and on occasions when an employee must stay home to care for an ill child. Employer reserves the right to require a doctor's report in connection with sick leave absences and absences not so substantiated shall be grounds for discharge pursuant to paragraph 20 below.
- D. Sick leave benefits may be accumulated up to sixty-six days maximum. In addition, any Regular Employee who is rehired by the Employer within twelve

months of a prior termination of employment shall not forfeit any sick leave benefits which may have been accumulated during the prior period of employment, except as provided below.

E. In the event of termination of employment of any Regular Employee who has been employed by Employer as a Regular Employee for five years or more, as of January 1, 1999, said employee shall be entitled to receive pay for unused accumulated sick leave benefits up to ten days. Any Regular Employee who qualifies and elects to receive such pay for unused accumulated sick leave benefits shall forfeit all unused accumulated sick days, even if such Regular Employee is rehired by Employer within one year of the termination which gives rise to such election opportunity. Such Regular Employee, if rehired, would be reinstated as a Project Daily or Project Weekly Employee and will begin the process of vesting as a Regular Employee as outlined in this Agreement. In the event of voluntary termination or termination for cause, no accrued sick pay will be paid.

F. Each Regular Employee shall be entitled to a maximum of one (five-day) week's paid leave per calendar year for reason of a personal disability or for the birth (both maternity and paternity) or adoption of a child, provided that Employer's obligation shall be reduced by the amount, if any, that the employee receives from state disability insurance or the Local 16 Trust Fund Disability Supplement. Employees shall provide the Employer with such documentation of the reason for the leave as Employer requires of its non-union employees.

14. HEALTH AND WELFARE

Health & Welfare Contribution

A. Subject to the sub-paragraphs below, the Employer agrees to make contributions to the Local 16, I.A.T.S.E., Health and Welfare Trust Fund ("H&W Trust Fund") in the amount of \$400 for each employee per month, it being understood that contributions made on behalf of employees with a start date in the later half of any month shall be for coverage commencing as of the first day of the next month. Said contributions are to be made payable, by separate check, to "Local 16 Health and Welfare Trust Fund" at least once each month. IRS #94-6138741. The Employer agrees to notify the Union immediately upon the hire or dismissal of any employee working under the scope of this Agreement.

B. The H&W Trust Fund shall have the right, on an annual basis, to present to the Employer evidence of the actual claims experience for the members of the ILM Computer Graphics Unit. If the H&W Trust Fund can show, to Employer's satisfaction, that on generally accepted principles of claims analysis, the H&W Trust Fund has run a deficit on claims during that year from members of the ILM Computer Graphics Unit, Employer shall remit such payment as may be necessary to make up such deficit.

C. Eye Care

The Employer agrees to reimburse each employee to a maximum amount of one hundred fifty dollars (\$150) in each employment year with respect to eye examination and the purchase of work related eyeglasses upon the presentation of adequate documentation of such expenditure.

15. CHOICE OF UNION PENSION OR CONTRIBUTORY 401K

The Union and Employer agree that each employee shall have the one time option to participate in the contributory 401k plan as specified in paragraph 17 below or to participate in the Local 16 defined benefits pension plan (in conjunction with the salary deferral program specified in paragraph 18 below). Said option shall be exercised within thirty (30) days following the beginning of such employment. Moreover, it is agreed that employee elections that were made prior to the ratification date of this Agreement shall continue to remain in effect unless the employee elects to make a change.

16. PENSION

A. The Employer further agrees to make contributions to the Local 16, I.A.T.S.E., Pension Trust Fund in the amount of six percent (6%) of the gross wages (including vacation pay) of each employee who elects to participate in the Local 16 defined benefits pension plan (in conjunction with the salary deferral program specified in paragraph 18 below), and such contributions shall be retroactive to the employee's start date with respect to employees who elect to participate in the Local 16 defined benefits pension plan pursuant to paragraph 15. Said contributions are to be made payable, by separate check to "Local 16 Pension Trust Fund" at least once each month. IRS #94-6296420.

B. IT IS AGREED AS FOLLOWS: The phrase "gross wages (including vacation pay) of each employee", as used in paragraph 16 of this Agreement, shall be interpreted to mean the gross scale wages specified in Exhibit "A" to this Agreement and shall not include any monies paid to any employee over and above such scale wages.

17. CONTRIBUTORY 401K

A. The Employer shall provide an Internal Revenue Code Section 401k plan (the "Contributory Plan") to those employees who have worked for the Employer as Regular Employees for at least six (6) months, which plan shall

- a. Permit such Employees to defer a percentage of their of their weekly pre-tax compensation subject to IRS limitations and in accordance with the Company's Plan; and
- b. Provide for a contribution by the Employer of matching sums upon the same terms and conditions as that provided to Employer's employees

who are not members of a Collective Bargaining Unit, subject to IRS limitations.

B. The Contributory Plan will be governed in accordance with the controlling Contributory Plan document and Trust instrument and shall be subject to the approval, rules and regulations of the Internal Revenue Service.

18. SALARY DEFERRAL PROGRAM

The Employer shall provide an Internal Revenue Code Section 401k plan (the "Salary Deferral Plan") to those employees who have worked for the Employer as Regular Employees for at least six (6) months, which plan shall permit such Employees to defer a percentage of their weekly pre-tax compensation subject to IRS limitations and in accordance with the Company's Plan. The Salary Deferral Plan will be governed in accordance with the controlling Salary Deferral Plan document and Trust instrument and shall, in any event, be subject to the approval, rules and regulations of the Internal Revenue Service.

19. BETTER CONDITIONS

Nothing within this Agreement shall be construed to prevent an employee from negotiating and obtaining from the Employer conditions, wages or terms which are superior to this Agreement. Notwithstanding the foregoing, Employer shall also have the right to eliminate conditions, wages or terms which are superior to this Agreement.

If the Employer executes an individual Employment Agreement or a deal memo with any employee under this provision, it agrees, subject to the employee's consent, to furnish a copy to the Union upon request.

20. TERMINATION OF EMPLOYMENT

The Employer shall have the right to discharge any employee by serving said employee with notification in writing, with a copy to the Union, outlining the reason for the discharge.

The Employer's discharge of an employee shall be subject to paragraph 3(C) above except in the case of unsubstantiated sick leave absences (see paragraph 13 above), dishonesty, intoxication or substantial misconduct in the performance of his or her duties, in which case no notice, or pay in lieu thereof, will be required.

An employee who voluntarily terminates his/her employment shall give the Employer at least two weeks notice prior to termination of employment.

21. SENIORITY

Each Employee shall accumulate seniority from his or her date of hire. A Regular Employee will lose all seniority, sick leave benefits and Regular Employee status after a break in employment with the Employer of twelve (12) consecutive months.

Regular Employees shall be hired into specific classifications within the bargaining unit and shall accrue seniority for the purpose of vacations, fringe benefits (health and welfare and pension), sick leave, layoff and/or rehire.

Employees may move to a higher wage group by promotion. Except as otherwise provided in Paragraph 5 above, the promotion of an employee is within the discretion of the Employer. For the purposes of promotion, the Employer shall consider employees with seniority in a lower group within the same department before hiring someone not presently employed within that department provided job performance and ability are equal.

22. LAYOFFS AND REHIRES

Within each classification, layoffs and rehires shall be made in inverse order of classification seniority, provided job performance and ability are equal. The Employer will also give good faith consideration to making layoffs and rehires in inverse order of company-wide seniority, although the Union recognizes that this is within the Employer's discretion, subject to the limitations of this Agreement.

23. RULES AND REGULATIONS

The Employer shall have the right to establish rules and regulations as may be deemed necessary for the conduct, management, performance and working conditions of the company, and the Union agrees that its members will obey all rules and directions of any authorized representative of the Employer insofar as any rule or direction does not expressly conflict with the terms and conditions of this Agreement.

24. NO STRIKES OR LOCKOUTS

During the term of this Agreement neither the Union nor its members, agents or representatives will cause, encourage, sanction, approve, or take part in any strike, sympathy strike or other interference with the operations or conduct of Employer's business.

It is further agreed that as long as this Agreement is in effect, the Employer will not create or institute any action which would lockout the Union.

25. CONFIDENTIALITY

Each and every employee, as a condition of employment, agrees that he/she will not directly or indirectly disclose to any third party or make any post-employment use of any drawings, records, blueprints, notes, software or confidential methodology, employee lists or company telephone directories or other confidential information which said employee may acquire or have access to at any time. Upon request by the Employer, each employee shall forthwith execute a written agreement with the Employer, in the form prepared by the Employer, which agreement shall not be inconsistent with the terms of this collective bargaining Agreement, relating to such matters as the nature and ownership of work performed, originality of work performed, confidentiality, and invention, copyright and secrecy protection. The Union acknowledges the validity of such written agreements.

26. SAFETY PRECAUTIONS

The Employer agrees to comply with all applicable federal and state safety regulations. First aid kits and reasonable safety devices will be made available in all classifications.

In any operation involving high voltage, at least two employees must be present at all times.

The Employer and the Union will cooperate in the continuing objective to eliminate accidents and health hazards. The Employer shall continue to make reasonable provisions for the safety and health of its employees during the hours of their employment.

Complaints of unsafe conditions will be promptly investigated by the Employer and appropriate action will be taken if the Employer finds that an unsafe condition does exist.

No employee shall be discharged or otherwise disciplined for refusing to work on a job that exposes the individual to a clear and present danger to life or limbs.

27. GRIEVANCE & ARBITRATION PROCEDURE

a. GRIEVANCE PROCEDURE

Any dispute, complaint, or question involving the interpretation and/or application of this Agreement and/or to any dispute involving the working relationship between the Employer and the employees shall be resolved in the manner set forth in this subparagraph 27A. No grievance will be considered unless the following procedure is complied with in every respect. It is further agreed that all issues relating to the termination of an employee for cause shall be resolved solely and exclusively through the procedure specified in this paragraph 27.

- i.) Within five working days of an occurrence which could constitute a grievance, the Grievant shall notify the other party, and an informal conference between an authorized representative of the Employer and the Union shall be held.
- ii.) Any grievance not resolved in any informal conference shall be reduced to writing and presented by the Grievant to the other party within thirty calendar days of the alleged violation. Such written grievance shall state all known particulars and details of the grievance, it being agreed that failure to deliver such a writing within the specified thirty day period will constitute a bar to any action thereon.
- iii.) Within ten calendar days of the presentation of the written grievance, the parties shall meet in a formal conference to resolve the issue and the responding party shall give its written answer to the grievance within ten (10) calendar days after such meeting, which answer shall be final and binding on the Union, the Employer and, the aggrieved employee(s), if any, unless it is timely appealed to arbitration by the Grievant in accordance with the procedures set forth in paragraph 27b, below.

b. ARBITRATION PROCEDURE

i.) Any grievance that (A) has been properly and timely processed through the grievance procedure set forth in paragraph 27a of this Agreement, (B) has not been settled at the conclusion thereof and (C) is based upon an alleged violation of the express provisions of this Agreement, may be appealed to arbitration by the Grievant serving the other party with written notice of its intent to appeal. The failure to appeal a grievance to arbitration in accordance with this paragraph within ten (10) calendar days after receipt of the written answer of the party responding to the grievance pursuant to paragraph 27a(iii) shall constitute a waiver of the Grievant's right to appeal to arbitration and the written answer of the responding party issued pursuant to paragraph 27a(iii) shall be final and binding on the Employer, the Union and the aggrieved employee(s), if any.

ii.) If the parties are unable to agree on an arbitrator within five (5) calendar days of the responding party's receipt of the Grievant's appeal notice, the parties shall, within five (5) calendar days thereafter, jointly request the Federal Mediation and Conciliation Service to furnish, to the Employer and the Union, a list of seven (7) qualified and impartial arbitrators. Within five (5) working days of the receipt of such list, the Employer and the Union shall alternately strike names from the list, until only one (1) name remains. The arbitrator whose name remains shall hear the grievance.

iii.) The arbitrator selected by the Employer and the Union as specified above shall conduct a hearing within fourteen days after his/her selection, or as soon as reasonably practicable for the arbitrator, at such time and place as the arbitrator may determine.

iv.) The jurisdiction and authority of the arbitrator and his/her opinion and award shall be confined exclusively to the interpretation and/or application of the express provision(s) of this Agreement which are at issue. The arbitrator shall have no authority to add to, detract from, alter, amend, or modify any provision of this Agreement; to impose on either party a limitation or obligation not explicitly provided for in this Agreement; or to establish or alter any wage rate or wage structure. The arbitrator shall not hear or decide more than one (1) grievance without the mutual consent of the Employer and the Union. The written award of the arbitrator on the merits of any grievance within his jurisdiction and authority shall be final and binding on the Union, the Employer and the aggrieved employee(s), if any.

v.) Any fees and expenses of the arbitrator and, if jointly requested, the cost of the court reporter and original transcript, will be paid equally by the Employer and the Union; otherwise each party shall bear its own arbitration expense.

28. TERM OF AGREEMENT

This Agreement will be in force and effect January 1, 1999, through December 31, 2003, and thereafter from year to year unless a notice to change the terms of this Agreement is served by either party by certified mail or personal delivery upon the other no more than sixty (60), but not less than thirty (30), days prior to December 1, 2003, it being agreed that the effective date of notice shall be deemed to be the date of receipt of such notice. If such notice is not so given, this Agreement shall be extended on a year-by-year basis until such time as notice is given in the manner described above no more than sixty (60), but not less than thirty (30) days prior to December 1 of any extended year.

[signed]

INDUSTRIAL LIGHT & MAGIC, a division of Lucas Digital Ltd. LLC

LOCAL 600, I.A.T.S.E.

LOCAL 16, I.A.T.S.E.

EXHIBIT A
Industrial Light + Magic
Computer Graphics Scales
January 1999

<u>Title/Classification</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Digital Matte Artist					
Level 1 - Lead Digital Matte Artist	\$35.05	\$36.45	\$37.91	\$39.43	\$41.00
Level 2 - Digital Matte Artist	\$32.21	\$33.50	\$34.84	\$36.23	\$37.68
Level 3 - Digital Matte Artist	\$29.37	\$30.54	\$31.77	\$33.04	\$34.36
Level 4 - Digital Matte Artist	\$26.52	\$27.58	\$28.68	\$29.83	\$31.02
Level 5 - Assistant Digital Matte Artist	\$23.17	\$24.10	\$25.06	\$26.06	\$27.11
Level 6 - Assistant Digital Matte Artist	\$19.31	\$20.08	\$20.88	\$21.72	\$22.59
Technical Apprentice	\$15.49	\$15.49	\$15.49	\$15.49	\$15.49

Digital Compositor

Level 1 - Lead Digital Compositor	\$35.05	\$36.45	\$37.91	\$39.43	\$41.00
Level 2 - Digital Compositor	\$32.21	\$33.50	\$34.84	\$36.23	\$37.68
Level 3 - Digital Compositor	\$29.37	\$30.54	\$31.77	\$33.04	\$34.36
Level 4 - Digital Compositor	\$26.52	\$27.58	\$28.68	\$29.83	\$31.02
Level 5 - Assistant Digital Compositor	\$23.17	\$24.10	\$25.06	\$26.06	\$27.11
Level 6 - Assistant Digital Compositor	\$19.31	\$20.08	\$20.88	\$21.72	\$22.59
Technical Apprentice	\$15.49	\$15.49	\$15.49	\$15.49	\$15.49

Digital Matchmove Artist

Level 1 - Lead Digital Matchmove Artist	\$35.05	\$36.45	\$37.91	\$39.43	\$41.00
Level 2 - Digital Matchmove Artist	\$32.21	\$33.50	\$34.84	\$36.23	\$37.68
Level 3 - Digital Matchmove Artist	\$29.37	\$30.54	\$31.77	\$33.04	\$34.36
Level 4 - Digital Matchmove Artist	\$26.52	\$27.58	\$28.68	\$29.83	\$31.02
Level 5 - Assist. Digital Matchmove Artist	\$23.17	\$24.10	\$25.06	\$26.06	\$27.11
Level 6 - Assist. Digital Matchmove Artist	\$19.31	\$20.08	\$20.88	\$21.72	\$22.59
Technical Apprentice	\$15.49	\$15.49	\$15.49	\$15.49	\$15.49

Digital Model Painter

Level 1 - Lead Digital Model Painter	\$35.05	\$36.45	\$37.91	\$39.43	\$41.00
Level 2 - Digital Model Painter	\$32.21	\$33.50	\$34.84	\$36.23	\$37.68
Level 3 - Digital Model Painter	\$29.37	\$30.54	\$31.77	\$33.04	\$34.36
Level 4 - Digital Model Painter	\$26.52	\$27.58	\$28.68	\$29.83	\$31.02
Level 5 - Assistant Digital Model Painter	\$23.17	\$24.10	\$25.06	\$26.06	\$27.11
Level 6 - Assistant Digital Model Painter	\$19.31	\$20.08	\$20.88	\$21.72	\$22.59
Technical Apprentice	\$15.49	\$15.49	\$15.49	\$15.49	\$15.49

**Industrial Light + Magic
Computer Graphics Scales
January 1999**

<u>Title/Classification</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
CG Animation Supervisors					
Computer Graphics Supervisors (with whole show responsibilities)					
Level 1	\$39.30	\$40.87	\$42.51	\$44.21	\$ 45.98
Level 2	\$36.70	\$38.17	\$39.69	\$41.28	\$ 42.93
Level 3	\$34.10	\$35.46	\$36.88	\$38.36	\$ 39.89
Modeling Supervisor, Matchmove Supervisor, Model Paint Supervisor, Roto Supervisor, Motion Capture Supervisor					
Level 1	\$36.70	\$38.17	\$39.69	\$41.28	\$ 42.93
Level 2	\$34.10	\$35.46	\$36.88	\$38.36	\$ 39.89
Motion Capture					
Level 1 - Motion Capture Engineer	\$35.05	\$36.45	\$37.91	\$39.43	\$41.00
Level 2 - Motion Capture Engineer	\$32.21	\$33.50	\$34.84	\$36.23	\$37.68
Level 3 - Motion Capture Engineer	\$29.37	\$30.54	\$31.77	\$33.04	\$34.36
Level 4 - Motion Capture Technician	\$26.52	\$27.58	\$28.68	\$29.83	\$31.02
Level 5 - Motion Capture Technician	\$23.17	\$24.10	\$25.06	\$26.06	\$27.11
Level 6 - Motion Capture Technician	\$19.31	\$20.08	\$20.88	\$21.72	\$22.59
Technical Apprentice	\$15.49	\$15.49	\$15.49	\$15.49	\$15.49
Digital Technical Director					
Level 1 - Lead Digital Tech Director	\$35.05	\$36.45	\$37.91	\$39.43	\$41.00
Level 2 - Digital Technical Director	\$32.21	\$33.50	\$34.84	\$36.23	\$37.68
Level 3 - Digital Technical Director	\$29.37	\$30.54	\$31.77	\$33.04	\$34.36
Level 4 - Digital Technical Director	\$26.52	\$27.58	\$28.68	\$29.83	\$31.02
Level 5 - Asst. Digital Tech Director	\$23.17	\$24.10	\$25.06	\$26.06	\$27.11
Level 6 - Asst. Digital Tech Director	\$19.31	\$20.08	\$20.88	\$21.72	\$22.59
Technical Apprentice	\$15.49	\$15.49	\$15.49	\$15.49	\$15.49
Digital Modeler					
Level 1 - Lead Digital Modeler	\$35.05	\$36.45	\$37.91	\$39.43	\$41.00
Level 2 - Digital Modeler	\$32.21	\$33.50	\$34.84	\$36.23	\$37.68
Level 3 - Digital Modeler	\$29.37	\$30.54	\$31.77	\$33.04	\$34.36
Level 4 - Digital Modeler	\$26.52	\$27.58	\$28.68	\$29.83	\$31.02
Level 5 - Assistant Digital Modeler	\$23.17	\$24.10	\$25.06	\$26.06	\$27.11
Level 6 - Assistant Digital Modeler	\$19.31	\$20.08	\$20.88	\$21.72	\$22.59
Technical Apprentice	\$15.49	\$15.49	\$15.49	\$15.49	\$15.49

**Industrial Light + Magic
Computer Graphics Scales
January 1999**

<u>Title/Classification</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Digital Animator					
Level 1 - Lead Digital Animator	\$35.05	\$36.45	\$37.91	\$39.43	\$41.00
Level 2 - Digital Animator	\$32.21	\$33.50	\$34.84	\$36.23	\$37.68
Level 3 - Digital Animator	\$29.37	\$30.54	\$31.77	\$33.04	\$34.36
Level 4 - Digital Animator	\$26.52	\$27.58	\$28.68	\$29.83	\$31.02
Level 5 - Assistant Digital Animator	\$23.17	\$24.10	\$25.06	\$26.06	\$27.11
Level 6 - Assistant Digital Animator	\$19.31	\$20.08	\$20.88	\$21.72	\$22.59
Technical Apprentice	\$15.49	\$15.49	\$15.49	\$15.49	\$15.49
Digital Rotoscope Artist					
Level 1 - Lead Digital Rotoscope Artist	\$35.05	\$36.45	\$37.91	\$39.43	\$41.00
Level 2 - Digital Rotoscope Artist	\$32.21	\$33.50	\$34.84	\$36.23	\$37.68
Level 3 - Digital Rotoscope Artist	\$29.37	\$30.54	\$31.77	\$33.04	\$34.36
Level 4 - Digital Rotoscope Artist	\$26.52	\$27.58	\$28.68	\$29.83	\$31.02
Level 5 - Asst. Digital Rotoscope Artist	\$23.17	\$24.10	\$25.06	\$26.06	\$27.11
Level 6 - Asst. Digital Rotoscope Artist	\$19.31	\$20.08	\$20.88	\$21.72	\$22.59
Technical Apprentice	\$15.49	\$15.49	\$15.49	\$15.49	\$15.49
Digital Plate Restoration Technician					
Level 1. - Digital Plate Restoration Tech	\$20.21	\$21.02	\$21.86	\$22.73	\$23.64
Level 2 - Digital Plate Restoration Tech.	\$18.16	\$18.89	\$19.64	\$20.43	\$21.24
Level 3 - Digital Plate Restoration Tech.	\$15.49	\$15.49	\$15.49	\$15.49	\$15.49
Sabre Operator					
Level 1 - Lead Sabre Operator	\$35.05	\$36.45	\$37.91	\$39.43	\$41.00
Level 2 - Sabre Operator	\$32.21	\$33.50	\$34.84	\$36.23	\$37.68
Level 3 - Sabre Operator	\$29.37	\$30.54	\$31.77	\$33.04	\$34.36
Level 4 - Sabre Operator	\$26.52	\$27.58	\$28.68	\$29.83	\$31.02
Level 5 - Assistant Sabre Operator	\$23.17	\$24.10	\$25.06	\$26.06	\$27.11
Level 6 - Assistant Sabre Operator	\$19.31	\$20.08	\$20.88	\$21.72	\$22.59
Technical Apprentice	\$15.49	\$15.49	\$15.49	\$15.49	\$15.49

**Industrial Light + Magic
Computer Graphics Scales
January 1999**

<u>Title/Classification</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Support Personnel					
Technical Assistant	\$16.11	\$16.75	\$17.42	\$18.12	\$18.85
Motion Capture Labeler	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50
Tape I/O Assistant	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50

NOTE: No Automatic advancement past category lines - promotion at employer discretion only

EXHIBIT B
The “MARNI HAMMETT MEMO”
6th and 7th day Description and Clarification

The Union contract defines 6th and 7th day as any 6th or 7th day worked in a consecutive 7 day period, therefore:

- The calendar day on which the 6th and 7th fall is inconsequential.
- If you are given 1 day off in a 7 day period it is impossible to claim a 7th day.

Normal work week.

Your “normal work week” is defined by your previous work week or is “reset” (starts over at day one) when:

- You are given (or take) 2 or more consecutive days off
- OR you have been paid a 7th day
- OR you have been paid a 6th day for a 7 day consecutive period (you took one day off in a 7 day period)

For example:

You work a “normal” Monday - Friday week. The following week you work Monday-Friday, take Saturday off and work Sunday. You will be paid time and a half for Sunday (because it is the 6th day worked in a 7 day consecutive period). The following Monday is your day 1.

You work Monday through Saturday, take Sunday off. You are paid time and a half for Saturday and the following Monday is your day 1.

You work Monday-Thursday, take Friday and Saturday off, work Sunday-Thursday, take Friday and Saturday off. No overtime.

You work Monday, Tuesday, Wednesday, take Thursday off, work Friday, Saturday and Sunday. You are paid time and a half for Sunday and your week resets the following Monday.

You have Monday and Tuesday off, you work Wednesday, Thursday, Friday, Saturday, take Sunday off, work Monday and Tuesday. You are paid time and a half for Tuesday and the following Wednesday is day one of the next week.

Company holidays and sick days count as days worked, vacation days do not count as a day worked (day one of your work week starts the day you return to work).