Merger Agreement
Between Screen Actors Guild and the American Federation of Television and Radio Artists

WHEREAS, the American Federation of Television and Radio Artists ("AFTRA") and Screen Actors Guild, Inc. ("SAG") jointly and separately represent performers, broadcasters and other media artists employed in the entertainment, broadcast, journalism and electronic communications industries;

WHEREAS, SAG and AFTRA intend to continue their representation of and collective bargaining on behalf of their members in order to advance and strengthen their members' economic and professional interests;

WHEREAS, AFTRA and SAG share mutual goals and objectives, and both recognize the paramount importance of vigorously representing their members and organizing employees who work in their jurisdiction;

WHEREAS, SAG and AFTRA believe that increased collective bargaining and organizing strength can be attained by uniting their organizations;

WHEREAS, the National Boards of AFTRA and SAG, following the joint recommendation of the SAG Merger Task Force and the AFTRA New Union Committee, have each determined that the merger of AFTRA and SAG is in the best interests of SAG, AFTRA and their respective and joint members; and

WHEREAS, both AFTRA's Articles of Agreement and Constitution ("AFTRA's Constitution") and SAG's Constitution and By-Laws ("SAG's Constitution") authorize the merger of their organizations upon the approval of their respective National Boards and ratification by sixty percent (60%) of their respective members voting in a secret mail ballot referendum;

NOW THEREFORE BE IT RESOLVED that SAG and AFTRA, through their respective National Boards, agree to the following:

I. The Merger Transaction

A. Purpose of the Merger Agreement

1. This Merger Agreement (the "Agreement") is made and entered into between AFTRA, a New York unincorporated association, and SAG, a nonprofit mutual benefit corporation organized under the laws of

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the State of California, in order to further their mutual goal of providing the most effective representation for all actors, broadcasters, performers and other media artists (hereafter collectively referred to as "media artists") and safeguarding the rights of self-organization and collective bargaining guaranteed by the National Labor Relations Act.

2. This Agreement sets forth the terms and procedures for the mergers of each of AFTRA and SAG with and into Screen Actors Guild-American Federation of Television and Radio Artists, a newly-formed nonstock Delaware corporation ("SAG-AFTRA"), including: (a) the transfer of representation of the employees represented by SAG and AFTRA to SAG-AFTRA; (b) continuation in effect of existing collective bargaining agreements without impairment or interruption; and (c) providing SAG-AFTRA membership to the members of AFTRA and SAG, as described below.

B. Name of New Union

The union formed by the merger of AFTRA and SAG will have the full legal name of Screen Actors Guild-American Federation of Television and Radio Artists, and will be commonly known as SAG-AFTRA (referred to herein as "SAG-AFTRA" or the "Union"). The parties agree that except in instances where use of the formal legal name is required, the commonly known name, SAG-AFTRA, will be used as the primary identifier. The parties further agree that the brand, mark, or logo which defines the union will prominently feature the commonly used name SAG-AFTRA.

C. Merger Documents

This Agreement and the SAG-AFTRA Constitution, attached hereto, shall collectively be referred to as the "Merger Documents."

D. Effective Date

The term "Effective Date" as used in this Agreement shall be the date of ratification, provided, however, that the applicable provisions of Article II (Approval Process), Article III (No Impairment or Interruption of Representation), Article XVI(A) (Merger Coordination Committee), Article XVIII (Due Diligence), Article XX (Conduct pending Effective Date), Article XXIII(C) (Applicable law), Article XXIII(D) (No

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Assignment) and Article XXIII(J) (No Waiver) shall be effective upon approval of the National Boards.

II. Approval Process

A. Approval by National Boards

1. The Merger Documents shall be presented for approval to the AFTRA and SAG National Boards. If both National Boards approve the Merger Documents, each union will submit them, together with the recommendations of the National Boards, to the respective SAG and AFTRA memberships for ratification as set forth in Section B, below.

2. If either the SAG or AFTRA National Board does not approve the Merger Documents, they will automatically terminate and will be of no further force or effect.

3. Subsequent to the approval of the AFTRA and SAG National Boards and during the ratification process described in subsection B below, SAG and AFTRA will conduct informational meetings in such locations and under such circumstances as the President of each union deems appropriate, and will take other appropriate steps to educate the members about the merger.

B. Ratification

1. AFTRA and SAG, in accordance with their respective Constitutions and applicable policies, shall each conduct a mail ballot referendum on whether to approve the Merger Documents. The mail ballot materials and Merger Documents shall be mailed to all members in good standing of AFTRA and all members in good standing of SAG on the same date.

2. Pursuant to the AFTRA and SAG Constitutions, ratification shall be by a sixty percent (60%) majority of the valid secret ballot votes cast in each union's referendum.

3. The return date for mail ballots shall be no less than thirty (30) days after the ballots are mailed.

4. The Presidents of SAG and AFTRA will immediately notify each other in writing of the results of their membership ratification votes.

5. If the Merger Documents are not ratified by either the SAG or AFTRA memberships, they automatically will terminate and be of no

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further force or effect.

III. Assumption of Representation Rights Without Impairment or Interruption

A. On the Effective Date, SAG-AFTRA shall assume, without impairment or interruption, the collective bargaining representational rights, obtained either through voluntary recognition or certification by the National Labor Relations Board ("NLRB"), and existing collective bargaining agreements, of AFTRA and SAG, and shall become the exclusive collective bargaining representative of all employees represented by SAG or AFTRA. SAG and AFTRA agree to take all actions necessary to support and conclude SAG-AFTRA's assumption of their representational rights.

B. On or immediately after the Effective Date, AFTRA and SAG shall advise all employers with whom they have collective bargaining agreements of this Agreement, and demand that such employers recognize SAG-AFTRA henceforth as the exclusive collective bargaining representative of all employees previously represented by SAG or AFTRA.

C. Nothing in this Agreement shall affect, impair or interrupt in any way the continued representation of any employees represented by AFTRA, AFTRA Locals, or SAG under voluntary recognitions, NLRB certifications or under existing collective bargaining agreements, nor shall anything in this Agreement affect, impair or interrupt in any way the continuity and/or effect of existing collective bargaining agreements (including, but not limited to, provisions pertaining to health, welfare, insurance, pension, vacation and dues check-off).

D. On the Effective Date, SAG-AFTRA shall assume all collective bargaining agreements and all rights, privileges, authority and duties of representation under existing collective bargaining agreements to which either SAG or AFTRA is a party, including those provisions specifically pertaining to dues check-off, without impairment or interruption. Additionally, on the Effective Date, SAG-AFTRA Locals shall assume all collective bargaining agreements and all rights, privileges, authorities and duties of representation under existing collective bargaining agreements to which an AFTRA Local was a party, including those provisions specifically pertaining to dues check-off, without impairment or interruption. Nothing in this Agreement shall affect, impair or interrupt these agreements in any way.

IV. Initial Governance

From the Effective Date, until the commencement of the terms of office for the National Officers and National Board members ("Initial Period"), which shall be no

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later than the adjournment of the first SAG-AFTRA Convention, the Union shall be governed as follows:

A. Initial National Board

1. The Initial SAG-AFTRA National Board (the "Initial National Board") shall be established consisting of persons who, on the day prior to the Effective Date, were members of the National Board of AFTRA or the National Board of SAG, or both, and any AFTRA national officer who is not an Initial National Officer or member of the Initial Executive Committee. Former alternates to the former SAG or AFTRA National Boards shall be alternates to the SAG-AFTRA Initial National Board. The Initial National Board members shall hold office until the commencement of the terms of office of their elected successors, who shall be elected in accordance with this Agreement and the SAG-AFTRA Constitution provided, however, that the Initial National Board shall establish policies and procedures for the first National Board election under which half of the National Board members shall be elected to two (2)-year terms and half of the National Board members shall be elected to four (4)- year terms.

2. Authority

(a) The Initial National Board will be responsible for the general management and control of the affairs, funds and property of the Union and the Locals. It shall perform the functions of and have the authority assigned to the SAG-AFTRA National Board in the SAG-AFTRA Constitution .

(b) During the Initial Period, the former AFTRA and/or former SAG members of the Initial National Board, respectively, shall have the authority to appoint and remove trustees or representatives to the unions' respective benefit funds, charitable trusts, foundations, and awards committees in a manner consistent with their respective practices as they existed prior to the Effective Date.

3. Voting

(a) Except as provided in subsection (2)(b) above, voting by the Initial National Board shall be weighted so that Initial National Board members who represented AFTRA prior to the Effective Date collectively shall be entitled to fifty percent (50%) of the votes and the Initial National Board members who represented SAG prior to the Effective Date collectively

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shall be entitled to fifty-percent (50%) of the votes. Where, on the day prior to the Effective Date, an Initial National Board member held a seat on both the AFTRA and SAG National Boards, the weight of his or her vote on the Initial National Board shall be the sum of the weights of the votes that he or she was entitled to as both a former SAG and AFTRA Board member.

4. At each meeting of the Initial National Board, the co-Presidents shall serve as co-chairpersons. In the absence of one co-President, the other co-President shall serve as chairperson.

B. Initial National Officers

1. The Initial National Officers of SAG-AFTRA shall consist of co-Presidents (the current AFTRA and SAG Presidents), co-Secretary-Treasurers (the current SAG Secretary-Treasurer and the AFTRA Treasurer), an Executive Vice President (the current SAG First National Vice President), a Vice President from the largest Local (the current AFTRA Second National Vice President), a Vice President from the second largest Local (the current SAG Second National Vice President), a Vice President from the Mid-size Locals (a current AFTRA Vice President) and a Vice President from the Small Locals (the current SAG Third National Vice President), as those terms are defined in the SAG-AFTRA Constitution, an Actor/Performer Vice President (the current SAG Hollywood Division First Vice Chair), a Broadcaster Vice President (a current AFTRA Vice President) and a Recording Artist Vice President (a current AFTRA Vice President). The AFTRA co-President shall appoint the Broadcaster, Recording Artist and Mid-size Local Vice Presidents from among the current AFTRA National Officers.

2. The Initial SAG-AFTRA National Officers shall have the authority to perform the duties set forth in Article VI of the SAG-AFTRA Constitution. They shall hold office until the commencement of the terms of office of the SAG-AFTRA National Officers elected pursuant to this Agreement and the SAG-AFTRA Constitution.

3. Permanent Vacancies in Initial National Officer Positions During Initial Period

(a) In the event one of the co-Presidents is unable to continue to serve during the Initial Period, the other co-President shall serve as President until the end of the Initial Period.

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(b) In the event that one of the co-Secretary-Treasurers is unable to serve in the Initial Period, the other co-Secretary-Treasurer shall serve as Secretary-Treasurer until the end of the Initial Period.

(c) In the event that one of the Vice Presidents is unable to serve in the Initial Period, the co-Presidents shall select a replacement from the same category, Local or group of Locals to serve until the next meeting of the Initial National Board, at which time the Initial National Board members from the relevant category, Local or group of Locals shall select a Vice President to serve until the first election of National Officers.

C. Initial Executive Committee

1. An Initial Executive Committee shall be established consisting of the Initial National Officers and twelve (12) non-National Officer members. Each co-President shall designate six (6) Initial Executive Committee members.

(a) The Initial Executive Committee shall perform the functions of and have the authority assigned to the Executive Committee in the SAG-AFTRA Constitution, including the authority to take all actions necessary to oversee and achieve an orderly and efficient transition consistent with the terms of this Agreement.

(b) The Initial Executive Committee may not take any action inconsistent with this Agreement, the SAG-AFTRA Constitution or SAG-AFTRA policies. The Initial Executive Committee shall report its activities to the Initial National Board on a quarterly basis.

(c) At each meeting of the Initial Executive Committee, the co-Presidents shall serve as co-chairpersons. In the absence of one co-President, the other co-President shall serve as chairperson.

2. Alternates.

(a) Each of the co-Presidents shall appoint six (6) Initial National Board members to serve as alternates on the Initial Executive Committee. If an Initial Executive Committee member is unable to attend a meeting, the President who appointed that member may designate an alternate from among these Initial

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National Board Members.

3. Voting.

Each member shall have one (1) vote.

D. Initial Committees.

1. The Initial Finance Committee shall be chaired by the co-Secretary-Treasurers. The co-Presidents, who shall be members of this Committee, shall each appoint four (4) additional members of the Committee.

2. The SAG-AFTRA Constitution shall apply with respect to the National Broadcast Steering Committee and the Committee of Locals. To the extent necessary, the co-Presidents, in consultation with the appropriate Vice Presidents and/or Local Presidents, may appoint members to these committees in accordance with the principles of the SAG-AFTRA Constitution provided, however, that the Initial Executive Committee shall be empowered to approve such appointments.

3. Prior to the first meeting of the Initial National Board, the co-Presidents shall establish such additional Initial committees as they deem appropriate. The co-Presidents shall determine the size of each committee and shall appoint an equal number of members to each committee. The establishment of committees, and the appointments thereto, are subject to the approval of the Initial Executive Committee.

V. Initial co-National Executive Directors

Upon the Effective Date, the AFTRA National Executive Director and the SAG National Executive Director shall serve as the Initial Co-National Executive Directors and shall share the duties and responsibilities of their positions in a manner that most effectively and efficiently serves the best interests of the SAG-AFTRA membership.

VI. Initial Rules, Regulations and Policies

A. Except as set forth in paragraphs B and C below, on the Effective Date, and until such time as the Initial National Board or National Board adopts and establishes different rules, regulations and policies, the former AFTRA and SAG rules, regulations and policies that are not inconsistent with the SAG-AFTRA Constitution or this Agreement shall be the rules, regulations and policies of SAG-AFTRA. The Initial Executive Committee or its designee(s)

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shall resolve any conflicts and/or disputes concerning the applicability of such SAG or AFTRA rules, regulations or policies, including disputes involving policies applicable to members working under joint contracts.

B. AFTRA and SAG Agency Rules

Until such time as the Initial National Board or National Board adopts policies and procedures regarding the relationship between SAG-AFTRA members and talent agents, the following operating principles shall apply with respect to the regulations regarding talent agents:

1. On the Effective Date, AFTRA transfers to SAG-AFTRA all of the powers, rights, privileges, benefits, authorities, duties and responsibilities vested in it under AFTRA's Regulations Governing Agents and the side letters and appendices thereto ("Rule 12-C"). Nothing in this Agreement shall affect or impair any of the powers, rights, privileges, benefits, authorities, duties and responsibilities of AFTRA or any AFTRA member under Rule 12-C. As of the Effective Date, Rule 12-C will apply to areas of work covered by AFTRA's jurisdiction prior to the Effective Date in accordance with the scope of coverage of AFTRA's Rule 12-C, as well as employment under AFTRA collective bargaining agreements in areas of previously overlapping jurisdiction. Rule 12-C will not apply to work previously or traditionally covered by a SAG collective bargaining agreement.

2. On the Effective Date, SAG transfers to SAG-AFTRA all of the powers, rights, privileges, benefits, authorities, duties and responsibilities vested in it under SAG's Regulations Governing Agents and its side letters and appendices thereto ("Rule 16(g)"). Nothing in this Agreement shall affect or impair any of the powers, rights, privileges, benefits, authorities, duties and responsibilities of SAG or any SAG member under Rule 16(g). As of the Effective Date, Rule 16(g) (or GSAs in the case of ATA/NATR agencies) will apply to areas of work covered by SAG's jurisdiction prior to the Effective Date in accordance with the scope of coverage of Rule 16(g), as well as employment under SAG collective bargaining agreements in areas of previously overlapping jurisdiction. Rule 16(g) will not apply to work previously or traditionally covered by an AFTRA collective bargaining agreement.

3. Any waivers or adjustments to either AFTRA Rule 12-C or SAG Rule 16(g) which had been approved and granted to agents prior to the Effective Date will be continued after the Effective Date until the Initial National Board or National Board adopts overall policies and procedures regarding the relationship of SAG-AFTRA members and

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talent agents.

C. Global Rule 1 and "No Contract/No Work" Rule

After the Effective Date, until and unless modified by SAG-AFTRA, Global Rule 1 of the Screen Actors Guild Constitution and By-Laws shall continue to apply in the same manner in the areas that were within SAG's traditional jurisdiction and AFTRA's "No Contract/No Work" Rule shall continue to apply in the same manner in the areas that were within AFTRA's traditional jurisdiction. Any conflicts or disputes regarding the application of Global Rule 1 and the "No Contract/No Work" Rule may be resolved by the Initial Executive Committee or Executive Committee.

D. After the effective date, until and unless modified by SAG-AFTRA, the policy of SAG-AFTRA shall be to exempt members who are eligible for the Senior Member Dues Waiver from the payment of base dues. This waiver does not affect the obligation of such members to pay work dues. A member is eligible for the Senior Member Dues Waiver if the member is at least seventy (70) years of age, has been a member in good standing of SAG-AFTRA, SAG, or AFTRA or any combination thereof for at least twenty (20) years, and has earnings under SAG-AFTRA, AFTRA, or SAG contracts combined not in excess of $5,000.00 for the most recent annual dues billing period.

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VII. First Convention

A. The first Convention shall be held in Los Angeles, California, no later than the end of September 2013.

B. Authority of First Convention

The first Convention shall have the authority set forth in the SAG-AFTRA Constitution, provided that the first Convention shall not have the authority to increase dues or initiation fees and provided further that any constitutional amendments submitted in accordance with the SAG-AFTRA Constitution must be approved by a seventy percent (70%) vote of the delegates voting at the first Convention.

VIII. First Election of National Officers

The first election of National Officers shall be held in accordance with the SAG-AFTRA Constitution and policies and procedures adopted by the Initial National Board as follows:

A. The President and Secretary-Treasurer shall be directly elected by a plurality vote of the membership. Votes shall be tallied within the forty-five (45) day period immediately prior to the first Convention.

B. The Executive Vice President shall be elected by the delegates to the first Convention.

C. The Vice Presidents shall be elected by their respective delegate caucuses at the first Convention.

D. The terms of office for President, Secretary-Treasurer, Executive Vice President and the Vice Presidents shall commence upon their election.

IX. First Election and Meeting of SAG-AFTRA National Board

A. The first election of the SAG-AFTRA National Board members shall be held at the same time as the first election for President and Secretary-Treasurer.

B. The elected National Board members shall take office upon their election.

C. The first SAG-AFTRA National Board meeting shall take place immediately prior to the first Convention.

X. Locals and Local Membership

A. On the Effective Date, the AFTRA Locals, SAG Branches, SAG Hollywood Division, and SAG New York Division shall become Locals of SAG-AFTRA.

B. On the Effective Date, in any city in which, immediately prior to the Effective Date, both an AFTRA Local and a SAG Branch or Division existed, they shall be combined into a single SAG-AFTRA Local.

C. Union Locals shall assume all rights, obligations and interests, if any, including collective bargaining agreements and representational rights of their predecessor AFTRA Locals and/or SAG Branches and Divisions.

D. From the Effective Date, until a different determination, if any, is made by SAG-AFTRA, persons who become members of SAG-AFTRA by virtue of their membership in SAG or AFTRA shall become members of a SAG-AFTRA Local as follows:

1. An AFTRA-only member on the day prior to the Effective Date will be assigned to the SAG-AFTRA Local that is the successor to his or her former AFTRA Local.

2. A SAG-only member on the day prior to the Effective Date will be

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assigned to the SAG-AFTRA Local that is the successor to his or her former SAG Branch or Division.

3. A member of both AFTRA and SAG on the day prior to the Effective Date will be assigned to the SAG-AFTRA Local that is nearest to his or her residence on file with the former AFTRA Local or SAG Branch or Division. The Union may rely on the address on file with either SAG or AFTRA.

4. Members who disagree with their assignment to a Local may appeal to the Initial Executive Committee or its designee.

5. The above shall also apply to all non-members, as appropriate.

E. In each SAG-AFTRA Local, the former AFTRA Local President and the former SAG Branch President or presiding officer shall serve as co-Presidents. Where more than one AFTRA Local or SAG Branch or Division is merged into a SAG-AFTRA Local, the former AFTRA Locals or SAG Divisions or Branches shall select their co-president. If there is only one former AFTRA Local or SAG Branch or Division, and there is no corresponding former Local or Branch from the other union, the incumbent president or presiding officer will thereafter serve as President of the Local until the first election of Local officers and Local Board members.

F. Initial Local Board Governance

1. The Local Constitution, attached to the SAG-AFTRA Constitution as Appendix 1, shall be the Constitution of each Local until such time as it adopts a new Constitution.

2. In the period between the Effective Date and the first election of Local officers and Board members, the SAG-AFTRA Locals shall be governed as follows:

(a) In any city where, on the day prior to the Effective Date, there was both an AFTRA Local and a SAG Branch or Division, the Initial SAG-AFTRA Local Board shall consist of all persons who, on the day prior to the Effective Date, were members of either the SAG Branch or Division Board or Council ("SAG Board" members) or the AFTRA Local Board.

(b) In any city where, on the day prior to the effective date, there was only an AFTRA Local or a SAG Branch or Division, the Initial Local Board shall consist of all persons who, on the day prior to the Effective Date, were members of either the

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AFTRA Local Board or the SAG Board.

(c) Subject to the eligibility requirements of the SAG-AFTRA Constitution and the applicable Local Constitution, the Initial Local Board members shall serve until the commencement of the terms of office of their successors.

3. Except with respect to voting on local collective bargaining agreements, as set forth below, voting in the Initial Local Boards shall be weighted so that the Initial Local Board members who represented AFTRA prior to the Effective Date collectively shall be entitled to fifty percent (50%) of the votes and the Initial Local Board members who represented SAG prior to the Effective Date collectively shall be entitled to fifty-percent (50%) of the votes. Where, on the day prior to the Effective Date, an Initial SAG or AFTRA Board member held a seat on both the AFTRA and SAG Boards, the weight of his or her vote on the Initial Local Board shall be the sum of the weights of the votes that he or she was entitled to as both a former SAG and AFTRA Local Board member.

4. The Initial Local Board may, by a two-thirds (2/3) vote of those voting, and subject to the approval of the National Board, change any of the voting procedures set forth above.

5. Notwithstanding anything to the contrary herein, the negotiation, administration and ratification of local collective bargaining agreements shall be conducted in substantially the same manner as they were before the Effective Date so as to preserve and protect the continuity of the agreements.

6. The former presidents or presiding officers of the AFTRA Locals and SAG Branches or Divisions shall serve as co-chairs of all Local Board meetings. In the absence of one co-chair, the other co-chair shall serve as chairperson.

7. Each Initial Local Board shall establish policies to provide for the co-service of former AFTRA and SAG officers.

G. Process for transition of AFTRA Locals and SAG Branches and Divisions to SAG-AFTRA Locals

1. The merger of the Locals, Branches and Divisions shall be concluded by no later than December 2012, except that the Initial Executive Committee and/or Initial National Board may extend this date if circumstances warrant.

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2. The Merger Coordination Committee, described in Article XVI.A below, in consultation with the Initial Executive Committee, shall designate a Local merger team (the "Local Merger Team") chaired by the co-Presidents and assisted by such other members, staff and counsel as the co-Presidents deem advisable, to work with appropriate Local leadership and staff to effectuate the merger of former AFTRA locals and SAG Branches and Divisions. National and Local representatives will use their best efforts to complete the merger process as soon as practicable following the Effective Date. At the conclusion of the process, each SAG-AFTRA Local will adopt governing documents and elect officers and Board members to succeed the Initial Local Boards.

3. Disputes concerning the merger of former AFTRA Locals and SAG Branches and Divisions that cannot be resolved by the Local Merger Team will be submitted to the Merger Coordination Committee and, if necessary, the Initial Executive Committee for resolution.

4. The SAG-AFTRA Initial National Board shall have the authority to enforce the merger of a former AFTRA Local and a former SAG Branch or Division including, but not limited to, appointing a SAG-AFTRA representative to administer the former Local and/or former Branch or Division and effectuate a merger and orderly transition of operations.

5. As of the Effective Date, the SAG-AFTRA Constitution will govern the relationship of the Union to the Locals. As provided in that Constitution, no Local may disaffiliate from or in any other way sever its relationship with the Union.

XI. Membership

A. Status and Conversion of Existing Members

1. On the Effective Date, by virtue of this Agreement and without further payment or action, all AFTRA and SAG members not under expulsion or suspension by either SAG or AFTRA shall become members of SAG-AFTRA in their appropriate membership classification (e.g. active, inactive, etc.) provided, however, that any person may elect to become a non-member by written notice to SAG-AFTRA.

The Initial SAG-AFTRA Executive Committee or its designee shall resolve questions over SAG-AFTRA membership, membership classifications and membership in a particular Local.

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2. Financial Obligations

Members and non-members of AFTRA and SAG who had financial obligations to either SAG or AFTRA on the day prior to the Effective Date shall have an obligation in the same amount to SAG-AFTRA and shall be subject to applicable provisions of the SAG-AFTRA Constitution.

3. Members Subject to Disciplinary Action by Either SAG or AFTRA

(a) Any member who had been expelled by either SAG or AFTRA may apply for membership in SAG-AFTRA. The Initial National Board, in its sole discretion, shall have the authority to grant or deny the application and to set the conditions, if any, on which an expelled member may be admitted.

(b) Any member who had been suspended by either SAG or AFTRA, other than for non-payment of dues, may apply to have the suspension reviewed and modified by SAG-AFTRA. The Initial National Board, in its sole discretion, shall determine whether to grant or deny the application and the conditions, if any, on which a suspension may be lifted.

(c) Any member who was the subject of a pending disciplinary proceeding in either SAG or AFTRA as of the day prior to the Effective Date shall be subject to the continuation of that proceeding under procedures established by the Initial National Board or the appropriate Initial Local Board.

B. Length of Membership

Whenever any right or privilege in SAG-AFTRA is based on length of membership in the Union, previous membership in either SAG or AFTRA will be deemed to be the equivalent of membership in SAG-AFTRA.

C. New Members

Persons who are not members of SAG or AFTRA on the Effective Date and who meet the qualifications for membership set forth in the SAG-AFTRA Constitution may apply for membership in accordance with the Constitution and applicable policies.

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XII. Finances

A. Initial Budget

The approved fiscal year 2012-2013 AFTRA and SAG budgets shall be combined as appropriate and shall constitute the initial budget of the Union.

B. Initiation Fees

1. The initiation fee for persons who become members after the Effective Date shall be $3,000. The initiation fee may not be increased for the first three (3) years after the Effective Date.

2. Beginning three (3) years after the Effective Date, the initiation fee shall automatically increase by 2% annually, unless the National Board determines that a lesser or no increase is appropriate.

3. Initiation fee waivers in AFTRA Locals and SAG Branches or Divisions that were in effect on the day prior to the Effective Date shall continue following the merger unless modified by the Initial National Board or National Board. Any conflicts concerning the application of the waivers shall be resolved by the Initial Executive Committee or its designee.

C. Base Dues

Base dues shall be set at $198.00 annually and may not be increased for the first three (3) years following the Effective Date. Beginning three (3) years after the Effective Date, base dues shall automatically increase 2% annually, unless the National Board determines that a lesser or no increase is appropriate.

D. Work Dues

1. Work dues shall be equal to 1.575% of all earnings up to $500,000, earned under SAG, AFTRA, AFTRA Local or SAG-AFTRA collective bargaining agreements.

2. Single Unit Work Dues Structure

Notwithstanding the foregoing, any member working exclusively under single unit (national or local broadcast) or freelance broadcaster collective bargaining agreement(s) will pay work dues as follows:

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(a) 1.575% of earnings up to $100,000, and

(b) 0.274% of earnings in excess of $100,000, up to $250,000.

The single unit work dues rates as outlined above will be reviewed at the second regular biennial Convention, with changes, if any, to be implemented no sooner than the third regular biennial Convention, provided that any general increase in work dues applicable to all other SAG-AFTRA members will be applied proportionally to the work dues for any member paying single unit work dues.

A member paying single unit work dues who accepts employment under any AFTRA, AFTRA Local, SAG or SAG-AFTRA collective bargaining agreement to which the single unit work dues rate does not apply (except as may be required as a condition of his or her single unit employment), will thereafter be billed at standard SAG-AFTRA rates.

E. Dues Billing Procedure

Dues for persons who become members (or fees for persons who become fee-paying non-members) of SAG-AFTRA on the Effective Date by virtue of their prior status in SAG or AFTRA shall be billed as set forth above starting with the first semi-annual dues period after the Effective Date. The semi-annual dues periods shall be from May 1 through October 31 and November 1 through April 30. The preceding sentence shall not apply to persons who pay dues by payroll deduction, under an approved payment plan, or in such other manner other than semi-annually, as approved by the National Board.

XIII. Organizing Fund

The balance of the AFTRA Organizing Fund will be allocated for the purposes of organizing.

XIV. Collective Bargaining Agreements

A. During the Initial Period, the Initial National Board shall continue to apply the principles contained in the Joint Bargaining Agreement to the collective bargaining agreements referred to therein. In appointing negotiating committees under that Agreement, each co-President shall appoint negotiating committee co-chairs, an equal number of committee members and alternates.

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B. Interim Waivers and Amendments

In the period after the Effective Date, but before the first SAG-AFTRA Initial National Board meeting, the following bodies shall be authorized to approve or deny waivers for SAG-AFTRA contracts:

1. The Joint Commercials Contract Standing Committee and the Joint Corporate, Educational and Non-Broadcast Standing Committee shall each continue as they existed prior to merger, with the same authority.

2. Where waivers to AFTRA-only contracts were previously approved by the AFTRA Administrative Committee, those waivers shall be reviewed by the Initial Executive Committee.

3. The SAG Television & Theatrical Contract Standing Committee shall be combined with a like number of members selected by the AFTRA co-President to form the SAG-AFTRA Television & Theatrical Contract Standing Committee, which shall have the authority to approve or deny waivers for theatrical motion picture contracts and television contracts (including cable), except to the extent that non-dramatic television is addressed by the paragraphs above. All SAG contract areas that were previously within the purview of the prior SAG TV/Theatrical Contract Standing Committee shall now be within the purview of the SAG-AFTRA Television & Theatrical Contract Standing Committee.

4. The co-Presidents shall each select five (5) permanent members and three (3) alternates to serve on a Joint Interactive Contract Standing Committee, which shall have the authority to approve or deny waivers for the Interactive Contracts.

5. Any contract waivers not addressed in the foregoing paragraphs shall be within the purview of the Initial Executive Committee.

C. Contributions to Benefit Funds

During the period after the Effective Date but before any merger or other combination of the Unions' Taft Hartley benefit plans or cooperative funds, SAG-AFTRA shall use its best efforts to ensure that (1) the members of SAG-AFTRA enjoy the best available terms and conditions for their work; and (2) the amount of contributions to each of the union's Taft Hartley benefit plans and cooperative funds remains as close as possible to the levels received during the 12-month period prior to the Effective Date.

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XV. Effects of Merger

A. On Pending Litigation

On the Effective Date, the Union shall be substituted for SAG or AFTRA (or an AFTRA Local or SAG Branch or Division) as a party to any suit, action or proceeding before any court, administrative agency or other entity in which SAG or AFTRA (or an AFTRA Local or SAG Branch or Division) is a party, and in any order outstanding against SAG or AFTRA, as if the Union had originally been such a party or had been named in such an order, and the Union shall assume the liabilities arising from any such suit, action or proceeding. The co-National Executive Directors, the Initial National Officers or their representatives shall execute any transfer, authorization, release, document or other instrument, or take any action necessary to effectuate the provisions of this paragraph.

B. The AFL-CIO Charter and Membership in the Associated Actors and Artistes of America (the "4 As").

On the Effective Date, the co-Executive Directors will take such action as is necessary or appropriate to ensure that the Union succeeds to the AFL-CIO charter currently held by AFTRA and the membership in the 4As currently held by SAG and AFTRA.

XVI. Implementation of Merger and Dispute Resolution

A. Merger Coordination Committee

1. The G-1 Planning Committee shall serve as a joint Merger Coordination Committee, on behalf of AFTRA and SAG, to resolve issues that arise during the period prior to the Effective Date. After the Effective Date, this Committee will be superseded by the Merger Coordination Committee set forth in subparagraph 2, below.

2. On the Effective Date, the co-Presidents of SAG-AFTRA, in consultation with the Initial National Officers, shall each appoint four (4) members to the Merger Coordination Committee. The Committee, which will be chaired by the co-Presidents, will thereafter have the authority to resolve issues and disputes concerning the interpretation and administration of the Merger Agreement until the first election of National Officers provided, however, that the Initial National Board, the National Board, the Initial Executive Committee or the Executive Committee may alter or dissolve this Committee at their discretion. The Committee shall report its actions to the Initial Executive Committee.

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B. SAG-AFTRA Succeeds to AFTRA and SAG Assets and Liabilities

1. By operation of law pursuant to the filing of the Certificates of Merger, AFTRA and each of its Locals transfers to the Union all of their respective rights, title, interest and estate in and to the assets, properties, rights, contracts, licenses, titles, privileges and claims of every kind and nature, tangible and intangible, absolute or contingent, wherever located, owned, held, licensed or leased by AFTRA and each of its Locals (collectively the "AFTRA Assets").

2. By operation of law pursuant to the filing of the Certificates of Merger, SAG transfers to the Union all of its rights, title, interest and estate in and to the assets, properties, rights, contracts, licenses, titles, privileges, and claims of every kind and nature, tangible and intangible, absolute or contingent, wherever located, owned, held, licensed or leased by SAG (collectively, the "SAG Assets"). SAG holds certain security interests in motion pictures for the benefit of performers for the purpose of securing obligations arising under collective bargaining agreements. As of the Effective Date, the Union shall assume and hold all such security interests and all obligations secured thereby, and shall be named as the secured party with respect to all security interests obtained after the Effective Date.

3. By operation of law pursuant to the filing of the Certificates of Merger, the Union shall assume and succeed to all of the AFTRA Assets, SAG Assets, AFTRA liabilities and SAG liabilities, and will possess all of the rights, privileges, powers, franchises, restrictions, disabilities and duties that AFTRA, each AFTRA Local and SAG possessed with respect thereto immediately prior to the Effective Date.

C. SAG and AFTRA Foundations and Related Entities

On the Effective Date, SAG-AFTRA shall succeed to the rights and obligations of AFTRA and SAG, as applicable, with respect to all SAG or AFTRA-related foundations, subsidiary organizations, awards shows and programs, and all other SAG or AFTRA-related entities.

D. Filings and Notifications to Third Parties

1. On the Effective Date, and in accordance with the terms and conditions of this Agreement, New York law, the California Corporations Law ("Cal.Corp.Code") and the Delaware General Corporations Law ("Del.Gen.Corp.Law"): (a) each of SAG and SAG-AFTRA shall cause a certificate of merger with respect to the SAG

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Merger to be executed and filed with each of the Secretary of State of the State of Delaware and the Secretary of State of the State of California and SAG will be merged with and into SAG-AFTRA (the "SAG Merger"); and (b) each of AFTRA and SAG-AFTRA shall cause a certificate of merger with respect to the AFTRA Merger to be executed and filed with the Secretary of State of the State of Delaware (collectively with those referred to in (a) above, the "Certificates of Merger") and AFTRA will be merged with and into SAG-AFTRA (the "AFTRA Merger").

As of the time of filing of the Certificates of Merger on the Effective Date, the separate legal existences of AFTRA and SAG shall cease and SAG-AFTRA shall continue as the surviving corporation as a national labor organization and Delaware non-stock corporation operating under the federal labor laws and the Del.Gen.Corp.Law. All equity interests in AFTRA and/or SAG shall expire and terminate as of the Effective Date.

2. The SAG Certificate of Merger and the AFTRA Certificate of Merger shall be filed immediately after ratification on the Effective Date.

3. As soon as practicable after the Effective Date, Terminal LM reports shall also be filed in accordance with the requirements of the Labor-Management Reporting and Disclosure Act of 1959.

4. As soon as practicable after the Effective Date, SAG-AFTRA shall take all necessary action to serve notice of this merger upon all parties to contracts with AFTRA, SAG, and AFTRA Locals including, but not limited to, collective bargaining agreements, leases, security agreements, trust agreements, service contracts and brokerage agreements.

5. SAG-AFTRA shall also cause such notice to be recorded in every federal, state and municipal government agency having jurisdiction of any matter in which AFTRA, an AFTRA Local or SAG has an interest including, but not limited to, the U.S. Copyright Office, the U.S. Patent and Trademark Office, the state registries of property and security interests, federal and state administrative agencies and, in connection with pending litigation, federal and state courts.

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E. Completion of Transactions

The co-National Executive Directors are authorized and directed to take all steps necessary to effect any additional notifications and filings, to execute all documents, to complete the transactions provided for in this Agreement and take such other actions as may be required for such completion.

XVII. Staff and Operations

A. Staff of Both Unions

On the Effective Date, all employees of AFTRA, the AFTRA Locals and SAG shall become employees of the Union under the terms of this Agreement and the terms established by the co-National Executive Directors consistent with this Agreement and with applicable law.

B. Headquarters and Other Office(s)

SAG-AFTRA shall have offices in Los Angeles, California, and New York, New York, and its principal headquarters shall be located in Los Angeles, California. SAG-AFTRA shall have such additional Local offices as the Initial National Board or National Board deems appropriate.

XVIII. Due Diligence Exchange

AFTRA has provided to SAG, and SAG has provided to AFTRA, all documents reasonably required to make full disclosure of their financial condition and the financial condition of all trusts and funds which they, or any of them, administer, and all subsidiary entities and related foundations, including, but not limited to, the annual audited financial statements for the last two fiscal years (including balance sheets and related financial statements, and changes in financial position), the unaudited financial statements current to the end of the month immediately preceding the Effective Date (including balance sheets and related financial statements, and changes in financial position), schedules of assets, schedules of liabilities, schedules of contracts, schedules of collective bargaining agreements and a complete description of any pending litigation to which any such entity is a party.

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XIX. Joint Communications

SAG and AFTRA shall cooperate in issuing any press releases or membership communications regarding this Agreement.

XX. Conduct Pending Effective Date

Unless otherwise provided for herein or approved by the mutual consent of AFTRA and SAG, in writing, from the date of mutual National Board approval hereof until the Effective Date:

A. AFTRA shall not amend or otherwise change its Constitution and SAG shall not amend or otherwise change its Constitution and By-Laws;

B. Except for expenditures incurred in the normal course of business or with the consent of the other party, neither AFTRA nor SAG shall incur any debt, pay any undisclosed debt, dispose of any assets, buy or lease any property, increase salaries or benefits or engage in any transaction which would substantially dilute either union's net worth.

C. Until the Effective Date, SAG and AFTRA shall maintain the general character of their business and properties and conduct their business in the ordinary and usual manner consistent with past practices.

XXI. Representations and Warranties

A. Representations and Warranties of AFTRA

1. Organization

AFTRA is a voluntary association, validly existing under the laws of the State of New York, and has the requisite power and authority to own, operate and lease its properties and to carry on its business as it is now being conducted.

2. Authority Relative to this Agreement

AFTRA has all necessary power and authority to enter into this Agreement and to carry out its obligations hereunder including, without limitation, the power and authority to require the AFTRA Locals to perform the obligations on their part to be performed. The execution and delivery of this Agreement by AFTRA and the consummation by AFTRA and the AFTRA Locals of the transactions contemplated hereby have

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been duly authorized by all necessary action on the part of AFTRA other than approval by the members of AFTRA.

3. No Conflict

The execution and delivery of this Agreement by AFTRA does not, and the performance by AFTRA of its obligations hereunder will not: (a) conflict with or violate its Articles of Agreement and Constitution, as amended; (b) conflict with or violate any law, rule, regulation, order, judgment or decree applicable to AFTRA or any AFTRA Local; or (c) result in any breach of or constitute a default (or any event which, with notice or lapse of time or both, would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, or result in the creation of a material lien or encumbrance on any of the property or assets of AFTRA, or any AFTRA Local, pursuant to any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other instrument or obligation to which AFTRA or any AFTRA Local is a party or by which AFTRA or any AFTRA Local, or any of the properties of AFTRA or its Locals, is bound or affected except for such breaches, defaults, or other occurrences which would not, individually or in the aggregate, have a material adverse effect on the business, operations or financial condition of AFTRA.

4. No Required Filings or Consents

The execution and delivery of this Agreement by AFTRA does not, and the performance by AFTRA or any AFTRA Local of its obligations hereunder will not, require AFTRA or any of its Locals to obtain any consent, approval, authorization, or permit of, or to make any filing with or without notification to any government agency, domestic or foreign, except: (a) for applicable requirements of New York law and the California Corporations Code, and (b) where failure to obtain such consents, approvals, authorizations or permits, or to make such filings or notification, would not prevent or materially delay consummation of the

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merger of SAG and AFTRA, or otherwise prevent AFTRA from performing its obligations under this Agreement.

B. Representations and Warranties of SAG

1. Organization

SAG is a nonprofit mutual benefit corporation, duly organized and validly existing under the laws of the State of California, and has the requisite power and authority, and all requisite corporate power and authority, to own, operate and lease its properties and assets and to carry on its business as it is now being conducted.

2. Authority Relative to this Agreement

The execution and delivery of this Agreement by SAG and the consummation by SAG of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of SAG, other than by the members of SAG. SAG has all necessary power and authority to enter into this Agreement and to carry out its obligations hereunder.

3. No Conflict

The execution and delivery of this Agreement by SAG does not, and the performance by SAG of its obligations hereunder will not: (a) conflict with or violate the Constitution and By-Laws of SAG, as amended; (b) conflict with or violate any law, rule, regulation, order, judgment or decree applicable to SAG; or (c) result in any breach of or constitute a default (or any event which, with notice or lapse of time or both, would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, or result in the creation of a material lien or encumbrance on any of the property or assets of SAG, pursuant to any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other instrument or obligation to which SAG is a party or by which SAG, or any of the properties of SAG, is bound or affected, except for such breaches, defaults, or other occurrences which would not, individually or in the aggregate, have a material adverse effect on the business, operations or financial condition of SAG.

4. No Required Filings or Consents

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The execution and delivery of this Agreement by SAG does not, and the performance by SAG of its obligations hereunder will not, require SAG to obtain any consent, approval, authorization, or permit of, or to make any filing with or without notification to any government agency, domestic or foreign, except: (a) for applicable requirements of the California Corporations Code, and (b) where failure to obtain such consents, approvals, authorizations or permits, or to make such filings or notification, would not prevent or materially delay consummation of the merger of AFTRA and SAG, or otherwise prevent SAG from performing its obligations under this Agreement.

XXII. Termination of Merger Agreement

A. Notwithstanding anything to the contrary in this Agreement, this Agreement shall be terminated if sixty percent (60%) of the members of either SAG or AFTRA, voting in a referendum, do not vote in favor of the adoption and approval of this Agreement, in which event this Agreement shall become null and void without recourse or liability on the part of either party to this Agreement.

B. With the exception of Articles XII, XIII, and XIV(C), which shall continue in full force and effect, this Agreement shall terminate and be of no further force and effect after the conclusion of the third biennial Convention. Nothing in this provision shall be construed to prevent the National Board or Convention from modifying the provisions that remain in force and effect after the termination of this Agreement pursuant to their Constitutional authority.

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XXIII. Miscellaneous

A. Modifications

This Agreement may be amended prior to the Effective Date by a written instrument executed by SAG and AFTRA in accordance with their respective Articles of Agreement and Constitution and Constitution and By-Laws and applicable policies.

B. Severability

The parties to this Agreement intend that the provisions be separable. Should any provision of this Agreement be held

invalid for any reason by any court or agency of competent jurisdiction, such decision shall not affect the validity of the remaining provisions of this Agreement and those remaining provisions shall continue in full force and effect.

C. Applicable law

To the extent not covered by federal law, this Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to the conflict of laws rules thereof.

D. No Assignment

Neither this Agreement, nor any of the rights, interests or obligations hereunder, shall be assigned by any of the parties hereto without the prior written consent of the other party.

E. Notices

Any notice or other communication required or permitted by this Agreement shall be in writing and shall be delivered by certified mail, return receipt requested, or by Federal Express, Express Mail or similar overnight delivery or by courier service, telecopy, or similar telecommunications equipment delivered to the party at the address set forth below.

F. Binding Effect

This Agreement shall inure to the benefit of, and be binding upon, AFTRA, the AFTRA Locals, SAG, AFTRA's and SAG's respective successors and assigns, and their related entities and foundations. Nothing in this Agreement, expressed or implied, is intended to confer on any entity or person other than AFTRA, the AFTRA Locals and SAG, AFTRA's and SAG's respective successors and assigns, and their related entities and foundations, any rights, remedies, obligations or liabilities under, or by reason of, this Agreement.

G. Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and all of which together shall be deemed to be one and the same document.

H. No Dissolution

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Nothing in this Agreement, including its approval, shall be deemed to be a dissolution of SAG or AFTRA within the meaning of their respective Articles of Agreement and Constitution and Constitution and By-Laws provided that, as of the Effective Date, AFTRA and SAG shall terminate their separate existences and shall be merged into SAG-AFTRA, as provided in this Agreement, and provided further that SAG and AFTRA shall continue to separately remain in existence only for such purposes as are necessary to effectuate this Agreement and conclude an orderly merger, including the transition of collective bargaining rights and relations, transition of dues payments (check-off and direct), transfer and disposition of assets, disposition of liabilities, claims and litigation, legal matters, execution, witnessing and delivery of any document, deed, instrument or filing pertinent to carrying out this Agreement, and for any other purpose necessary to carry out this Agreement.

I. Captions

The captions in this Agreement are for convenience or reference only and do not define, limit or affect the actual language thereof.

J. No Waiver

Failure by either party to insist upon the strict performance or any observance of any term, condition or provision of this Agreement, or to exercise any right or remedy consequent upon a breach thereof, shall not constitute a waiver of any such breach of the Agreement.

K. Entire Agreement

This Agreement and the SAG-AFTRA Constitution shall constitute the entire agreement between the parties concerning the merger of AFTRA and SAG, and shall supersede any prior oral or written agreements between the parties concerning the merger of the two organizations.

L. Notices

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Notices provided under this Agreement shall be directed as follows:

If to AFTRA:

American Federation of Television and Radio Artists
5757 Wilshire Boulevard, 9th Floor
Los Angeles, CA 90036
Attention: Kim Roberts Hedgpeth

With copies to:

Cohen, Weiss and Simon LLP
330 West 42nd Street
New York, NY 10036
Attention: Susan Davis

If to SAG:

Screen Actors Guild
5757 Wilshire Boulevard, 7th Floor
Los Angeles, CA 90036
Attention: David P. White

With copies to

Robert S. Giolito P.C.
11755 Wilshire Boulevard Suite 2400
Los Angeles, CA 90025

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IN WITNESS WHEREOF, the parties hereto have executed this Merger Agreement as of January 28, 2012:

SCREEN ACTORS GUILD, INC.

BY:_____

AMERICAN FEDERATION OF TELEVISION AND RADIO ARTISTS, AFL-CIO

BY:_____