

SESAME WORKSHOP  
AND  
WRITERS GUILD OF AMERICA, EAST, AFL-CIO  
EFFECTIVE  
AS OF SEPTEMBER 15, 2015 THROUGH COMPLETION OF WRITING FOR  
SEASON 50 OF SESAME STREET

MEMORANDUM OF AGREEMENT

SESAME WORKSHOP (“**Sesame**”) and the WRITERS GUILD OF AMERICA, EAST, INC. (the “**Guild**”), having concluded negotiations to amend the current collective bargaining agreement between the Parties, known as the WGA-Sesame Workshop 2013-2016 Agreement (the “**Current Agreement**”) and have agreed to set forth in this Memorandum of Agreement (the “**MOA**”) all changes to the Current Agreement which the Parties have negotiated.

WHEREAS the Parties agree as follows:

1. The Current Agreement shall continue in full force and effect, except as specifically modified by this MOA.
2. Article VI. A. 2. is hereby modified and for the purposes of Seasons 46, 47, 48, 49 and 50 of Sesame Street, adding the following:

Consistent with past practice, each Sesame Street script for Seasons 46, 47, 48, 49 and 50 shall be comprised of some combination of (i.) originally commissioned minutes of content (the “**Original Minute(s)**”) and/or (ii) reused minutes of content, that is content that has previously been used in a prior Season or in another episode of the current Season (the “**Reused Minute(s)**”). All Original Minutes for Seasons 47, 48, 49 and 50 for the series known as Sesame Street shall be paid for on a per minute basis at a rate \$1,100 per Original Minute (“**Initial Original Minute Compensation**”) and at a rate of \$400 per Reused Minute (“**Initial Reused Minute Compensation**”) (collectively the Initial Original Minute Compensation and the Initial Reused Minute Compensation shall be referred to herein as “**Sesame Street Initial Compensation**”). For the avoidance of doubt, after its first use in a script, an Original Minute, when used a second time in a script, becomes a Reused Minute for all uses thereafter.

All amounts paid to date to writers for Season 46 will be credited against the rates outlined above and Sesame will pay to the writers any difference in the writers’ favour.

3. The rates outlined in Article VI. A. 4., will not apply to any writing for Seasons 46, 47, 48, 49 and 50 of Sesame Street.

4. Article VI. C. 2. (a), (b) and (c) will be replaced for the purposes of Seasons 46, 47, 48, 49 and 50 of Sesame Street with the following, which will be added to the end of Article VI.C. 2.

(x) In consideration for the Sesame Street Initial Compensation paid to writers as outlined above in Article VI. A. 2., for Sesame Street Seasons 46, 47, 48, 49 and 50, Sesame is entitled to twelve (12) releases in one year over public television stations without any additional payment to the writer for each such script. The period shall be deemed to commence on the date of first broadcast of such script. A release shall mean an unlimited number of Broadcasts during any seven (7) consecutive day period by each public television station (and in the case of commercial stations only as expressly permitted herein) in the United States and Canada. Any one broadcast on any public television station shall constitute a release and shall commence the seven (7) day period referred to herein. Broadcast over commercial stations under this Agreement and without additional compensation to the writer is limited to: carriage on a sustaining basis only, and only where a PBS signal does not serve a particular area or where the only available PBS station rejects a program. For each year subsequent to the first year of Broadcast rights over public television stations, as described above, Sesame shall pay an amount equal to the following percentages of \$5,200 (which amount is based on 26 x's \$200/min.):

50% for the first year of reuse  
35% for the second year of reuse  
25% for the third year of reuse  
25% for the fourth year of reuse  
15% for the fifth year of reuse  
5% for each year of reuse thereafter

as total compensation for each complete 30 minute script shared amongst all of the credited writers for twelve (12) releases on any public television station in the United States and Canada without any additional payment to the writer for such script.

(y) In addition to the foregoing, and also in consideration for the Sesame Street Initial Compensation paid the writer as above in Article VI. A. 2., for Sesame Street Seasons 46, 47, 48, 49 and 50, Sesame is entitled to unlimited exhibitions of a script over three (3) years on any pay television service in the United States and Canada (including any of its digital service tiers and in the case of Home Box Office that would specifically include HBO GO and HBO NOW) without any additional payment to the writer for each such script. For each year subsequent to the first three years of pay television service rights, Sesame shall pay \$750 as total compensation for each complete 30 minute script shared amongst all of the credited writers for unlimited exhibitions on any pay television service in the

United States and Canada without any additional payment to the writer for such script.

(z) Additional use of a Reused Minute, on a basis consistent with the rights outlined in Article VI. C. 2. (aa) and (bb) above, may be made by payment to the writer of record of such Reused Minute, amounts equal to the following percentages of the Initial Reuse Compensation:

2 <sup>nd</sup> Reuse:	50%
3 <sup>rd</sup> Reuse:	35%
4 <sup>th</sup> Reuse:	25%
5 <sup>th</sup> Reuse:	25%
6 <sup>th</sup> Reuse:	15%
7 <sup>th</sup> and each additional reuse:	5%

5. In Article VI. C. 7., the Pilot Script Rates shall be paid at 150% of the then current Initial Original Minute Compensation rate (based on the length of the requested pilot) and the rights outlined herein in Article VI. C. 2. (aa) and (bb) shall apply.

6. All references to the “2011 or any prior WGA Theatrical and Television Basic Agreement” shall be replaced with the “2014 WGA Theatrical and Television Basic Agreement or any successor agreement thereto”. For the avoidance of doubt, in the event the rate of contributions to the WGA Pension and/or Health Plans under the 2014 MBA, or any successor agreement thereto, shall be increased or decreased in any future negotiations between the WGA and the Alliance of Motion Picture and Television Producers (AMPTP) during the term hereof, said increase or decrease shall be made in the rates under the Current Agreement effective on the date that they take effect in the MBA.

If any such increase in WGA Pension and/or Health contribution rates under the 2014 MBA, or any successor agreement thereto, is expressly tied to a decrease in the percentage increase in minimum compensation which would otherwise have been payable under the 2014 MBA, or any successor agreement thereto, the same decrease in the percentage increase in minimum compensation shall be applicable under the Current Agreement.

7. All rates subject to annual increase in the Current Agreement, including \$700 of the Initial Original Minute Compensation, shall increase at the same percentage amount, and on the same date, as rate increases agreed in the WGA-MBA, provided that the rates herein shall apply to all writing services for Seasons 46 and 47 of Sesame Street. For the avoidance of doubt, the Initial Reused Minute Compensation will be only subject to a one time increase from \$400 to \$415 at the commencement of Season 49 and from \$415 to \$430 at the commencement of Season 50.

8. Article XXI. is hereby deleted in full.

9. Article XXII. is hereby deleted in full and replaced with the following:

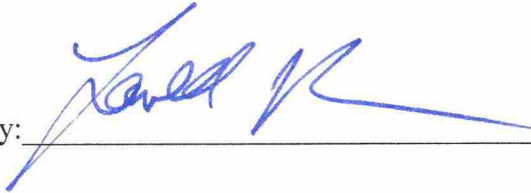
The term governing those matters dealt with in this MOA shall commence as of September 15, 2015 through and until the completion and delivery of all writing services required for all scripts required for Season 50 of Sesame Street.

AGREED AND ACCEPTED:

SESAME WORKSHOP

By: \_\_\_\_\_

WRITERS GUILD OF AMERICA, EAST, INC.

By: \_\_\_\_\_