

# AMBA Proposals

April 6, 2018

Writers Guild of America, West, Inc. and Writers Guild of America, East, Inc. (collectively, "Guild") make the following proposals for a new basic agreement to replace the Artists' Manager Basic Agreement of 1976 ("AMBA").<sup>1</sup> The proposals address the relationship between talent agents, both individually and through talent agencies ("Agency"), and any writer ("Client") represented by the Guild in the fields of work covered by the Writers Guild of America Theatrical and Television Basic Agreement ("MBA"), as periodically renegotiated. The works written by writers under the MBA are referred to in these proposals collectively as "motion pictures."

The Guild reserves the right to make additional or different proposals as negotiations progress. The proposals are not in contract language, and do not comprehensively reflect the need to retain, modify or delete provisions of the existing AMBA.

The Guild proposes as follows:

## 1. CONFLICT OF INTEREST

- a. No Agency shall have an ownership or other financial interest in, or shall be owned by or affiliated with, any entity or individual engaged in the production or distribution of motion pictures.
- b. No Agency shall have an ownership or other financial interest in, or shall be owned by or affiliated with, any business venture that would create an actual or apparent conflict of interest with Agency's representation of a Client.
- c. No Agency shall derive any revenue or other benefit from a Client's involvement in or employment on a motion picture project, other than a percentage commission based on the Client's compensation.
- d. No Agency shall accept any money or thing of value from the employer of a Client.
- e. Agency shall disclose to Client any fact or relationship creating an actual or apparent conflict of interest.

## 2. AGENCY-CLIENT RELATIONSHIP

- a. Agency shall at all times act as a fiduciary of Client, and shall comply with all fiduciary duties imposed by statute or common law.
- b. Agency's representation of a Client shall not be influenced by its representation of any other client.
- c. Agency shall promptly disclose to Client all inquiries, offers and expressions of interest regarding employment or sale or option of literary material, and shall keep Client apprised of the status of all negotiations.
- d. Agency shall maintain confidentiality with respect to Client's employment and financial affairs.
- e. Agency shall not submit Client for employment where the employer or producer has not yet secured underlying rights necessary for the assignment.
- f. Agency shall be responsive and professional in communicating with Client.

## 3. AGENCY COMPENSATION

- a. Agency's commission shall be limited to 10% of Client's gross compensation, including Client's profit participation.
- b. Agency's commission shall not reduce Client's compensation below MBA scale compensation.
- c. Agency shall not circumvent limits on commissions by charging fees for other services.
- d. Agency shall provide quarterly to Client and to the Guild an itemized statement showing in standardized electronic format (i) all compensation received by or on behalf of Client; and (ii) all commissions and other revenue received by Agency related to its representation of Client. Client and Guild shall have the right to audit such statements.

#### 4. NOTIFICATION TO GUILD

- a. Agency shall provide the Guild with a copy of the agreement or essential deal terms of any engagement or other transaction involving a Client no later than 10 days after the earlier of (i) the existence of a binding contractual commitment; or (ii) the commencement of Client's writing services.
- b. Agency shall provide the Guild with immediate notice of Client's commencement of services or delivery of literary material, or other material fact triggering compensation, and a copy of any invoice or other documentation relating to the payment obligation.
- c. Agency shall provide the Guild with copies of all representation agreements with Client.

#### 5. ENFORCEMENT OF MBA AND CLIENTS' INDIVIDUAL WRITING AGREEMENTS

- a. Agency shall not encourage Client to violate any provision of the MBA.
- b. Agency shall zealously advocate for Client's best interests in all aspects of the employment relationship, including but not limited to the following:
  - i. Advocating against Client's performance of uncompensated or speculative writing services;
  - ii. Advocating in favor of multiple steps in theatrical deals; and
  - iii. Protecting Client from abusive hiring practices such as sweepstakes pitching.
- c. Agency shall be aware of and monitor the contractual deadline for the payment of all compensation to the Client, and shall immediately notify the Guild in the event a payment is late.
- d. Agency shall cooperate fully with the Guild in any investigation or contract enforcement action undertaken on behalf of a Client.
- e. Agency shall not encourage Client to violate any Guild rule.

#### 6. NON-DISCRIMINATION AND DIVERSITY

- a. Agency shall comply with all state and federal anti-discrimination laws in its selection and representation of Clients.
- b. Agency shall not, without prior disclosure to Client, procure any employment where there is a reasonable basis to believe that the Client will be subjected to a hostile work environment or other forms of workplace harassment.
- c. Agency shall take steps to ensure the referral of qualified diverse writers for any open writing assignment.
- d. Agency shall consult with their Clients regarding diversity as a factor in their procurement of employment.

- e. Agency shall provide the Guild with an annual report summarizing Agency's diversity efforts and reflecting, through anonymized data, the employment history of writers represented by the Agency, broken down by membership in statutorily-protected classes.
- 7. ENFORCEMENT OF AMBA  
Streamline arbitration process in the AMBA to provide for enforcement of its provisions through expedited arbitration through a sole neutral arbitrator. Enhance penalties for breach of AMBA, including loss of franchise for serious violations. Revise list of approved arbitrators.
  - 8. TERM OF AMBA  
Term of the new AMBA shall be three years, provided that it shall thereafter renew for one-year periods unless either party gives written notice of termination at least 60 days before the expiration date then in effect.

Deadline