



BUSINESS THEATRE AND EVENTS “Memorandum of Understanding”

The “Memorandum of Understanding” is an agreement designed to place you, the member, in the driver’s seat by putting work that you have acquired in the area of Business Theatre or Live Industrials under an Equity contract, thereby also allowing you to accrue Equity benefits. Below, please find instructions for the “Memorandum of Understanding”:

- 1. Contact the appropriate Business Representative to obtain a copy of the Memorandum if you have a job so that you can place yourself on contract.**
 - In New York: Maria Cameron at 212-869-8530 or mcameron@actorsequity.org
 - In Chicago: David Kolen at 312-641-0393 or dkolen@actorsequity.org
 - In Los Angeles: Alison Harma at 323-978-8080 or aharma@actorsequity.org
- 2. Determine how much you should charge your employer for doing this job, remember that you are in the driver’s seat on the Memorandum and the only fixed Equity rates would be pension (8% of contractual salary), health (\$165 every seventh day of employment), working dues (2.25% of contractual salary) and if per diem is required because you have to travel to a job it is no more than \$70 per day.**
- 3. At this juncture you will also need to contact a Paymaster. (A Paymaster is a fiduciary company that handles payroll expenses for companies and individuals.) It is helpful to note that the Paymaster can also help you figure out all of the financial obligations: taxes, social security, unemployment, etc. so you will need to know these figures in order to access your take home fee on top of these expenses. Factor the paymaster’s fees into the amount you need to charge your employer.**
- 4. Once you have determined how much you need to charge your employer for your services you will need to explain to your Producer that you need the benefits that your union offers. Since you will undoubtedly be using a Paymaster, all of the fiduciary responsibilities will not be incurred by your employer but will reside with the Paymaster. Simply put, your employer will only need to cut a check to the Paymaster for the fee that you both agreed to for this job. Have your employer sign the Memorandum of Understanding, you will need to sign it as well and then return a copy of the contract to Equity. NOTE: if the employer is unwilling to sign, contact your business rep.**
- 5. Make sure that your producer makes the check out to the Paymaster because it is the Paymaster who will cut a check for your salary plus make all the necessary state/federal withholdings along with your benefits (P&H) and working dues. At the end of the year it will be the Paymaster that will mail you a W-4.**
- 6. Equity League weekly reports will need to be filed and submitted along with the benefits and dues payments. Determine with the paymaster whether this will be your responsibility, or if they will handle that.**

MEMORANDUM OF UNDERSTANDING BULLET POINTS

1. What is the Memorandum of Understanding?

It's an agreement designed to place you, the member, in the driver's seat in putting work that you have in the area of Business Theatre or Live Industrials on a contract, thereby also allowing you to accrue benefits.

2. Isn't there already a Business Theatre & Events Agreement? How does this Memorandum differ from the Agreement?

The Memorandum gives you the authority to establish your own salary and work schedule, while the regular Business Theatre & Events Agreement sets base salaries and working schedules. Equity realizes that work in this arena can be, and often is, very lucrative, that it's usually of short duration and that the standard contractual provisions might not readily apply to this type of work therefore the Memorandum was designed to facilitate this work. Essentially the Memorandum is a condensed (only 7 pages) version of the standard and longer Agreement. Furthermore, the Memorandum also serves as an organizing tool to make it even easier for our members to place work done in this area on contract.

Another major difference between the two is that the Memorandum can only be used by the member to place his/her work in this area on contract. If a Business Theatre producer approaches Equity he/she will only be offered the Agreement, which will require additional personnel to be placed on Equity contract as well.

Both the Agreement and the Memorandum are designed to make the entire process seamless in that bonds are not required and there is a rapid turnaround in putting a production on either the Agreement (Producer initiated) or the Memorandum (Actor driven).

3. How do I go about using the Memorandum?

(A) The first thing is to contact your regional Business Theatre & Events Business Representative:

In Los Angeles: Alison Harma at 323-978-8080 or aharma@actorsequity.org

In Chicago: David Kolen at 312-641-0393 or dkolen@actorsequity.org

In New York: Maria Cameron at 212-869-8530 or mcameron@nyc.rr.com

Please feel free to contact the business representative if you have any questions regarding the Memorandum, how to go about having your employer sign the Memorandum, or if you need additional information about the Agreement. The Agreement, as opposed to the Memorandum, is posted on the Equity website:

www.actorsequity.org. In order to obtain a copy of the Memorandum you will need to contract the business representative.

- (B) The second stage would be figuring out how much you should charge your employer for doing this job, remember that you are in the driver's seat on the Memorandum and the only fixed Equity rates would be pension (8% of contractual salary), health (\$165 every seventh day of employment) and working dues (2.25% of contractual salary).
 - (C) At this juncture you will also need to contact a Paymaster. (A Paymaster is a fiduciary company that handles payroll expenses for companies and individuals.) It is helpful to note that the Paymaster can also help you figure out all of your financial obligations: taxes, social security, unemployment, etc. so you will need to know these figures in order to access your take home fee on top of these expenses. You will need to factor the paymaster fees into the amount you charge your employer.
 - (D) Once you have determined how much you need to charge your employer for your services you will need to explain to your Producer that you need the benefits that your union offers. Since you will undoubtedly be using a Paymaster all of the fiduciary responsibilities will not be incurred by your employer but will reside with the Paymaster. Simply put, your employer will only need to cut a check to the Paymaster for the fee that you both agreed to for this job. Have your employer sign the Memorandum of Understanding, you will need to sign it as well and then return/mail/fax it to Equity.
 - (E) Make sure that your producer makes the check out to the Paymaster because it is the Paymaster who will cut a check for your salary plus make all the necessary state/federal withholdings along with your benefits (P&H) and working dues. At the end of the year it will be the Paymaster that will mail you a W-4.
 - (F) Along with Pension, Health and Dues contributions checks, a weekly report will need to be filed with the Equity-League and Actors' Equity Association. Discuss with your paymaster if this will be your obligation, or if they will submit the reports.
- 4. Why should I use the Memorandum for this work? I get a nice salary already and this Memorandum sounds like it will be expensive and maybe cumbersome to use?**

Why wouldn't you want to accrue contributions toward your pension and health? Don't you, as a professional Actor, deserve to earn benefits, not to mention the ability to file for unemployment, should the need arise, just like your employer? If your employment is 1099 work, then you will still be stuck with a heavy tax liability at the end of the year.

Simply put, Equity relies on the dedication and honesty of all its members. Should members perform in Equity's jurisdiction without the benefit of a contract (when one exists for this type of work) is to the detriment of your union and its members. For example: if your employer can get you to work without the benefit of a contract, chances are likely that the next member will be forced to acquiesce to the exact same terms and scenario. The Business Theatre & Events Agreement, and the Memorandum, exists for work of this nature and can only be effective if it is used by the members.

While the Memorandum is designed to make it possible for you to get your work on contract, at salary terms that you determine, with condensed rules to provide you with the maximum freedom to structure the work yourself to fit the needs of the project, the Memorandum still provides a useful contractual framework and protections for you.

5. What exactly is Business Theatre?

It's sometimes called a live industrial, or corporate entertainment or special events/convention entertainment. You could be performing at a trade show as a performer or spokesperson; you could be doing an interactive instructional performance at a corporation or at a mock trial; providing entertainment at a product launch or any number of other activities. You could be stage managing a corporate meeting or one of the previously listed activities. Essentially the purpose of a live business theatre production is to promote a product or service for either a specialized audience or the general public for either a commercial entity or a non-profit that is not performed in a standard theatre setting with individual ticket prices.

6. What happens if my employer refuses to sign the Memorandum?

To alleviate your employer's concern of being an Equity Signatory, you can ensure your employer that this a special allowance for individual members which does not obligate the employer to hiring Equity Employees. In addition, as you will have a paymaster in place, any additional costs and labor affiliated with insurances, taxes and payroll will be covered by you and handled by the paymaster.

If additional questions arise, contact the appropriate Business Representative in your area for more detailed information.

Contact your business representative.

7. How do I go about finding out about Business Theatre work?

This will involve your active participation because these jobs are rarely advertised in BACKSTAGE. There are a few website listings that contain directories of companies that provide corporate entertainment:

www.bizbash.com

www.specialevents.com

www.mid-atlanticevents.com

There are companies in almost every state that provide entertainment for companies and conventions. Once you have obtained listings of these companies you might wish to consider submitting your picture/resume. Obviously this search will be time consuming and labor intensive but there are not other avenues of entry.

OVERVIEW OF STEPS

- **Contact the business representative to obtain a copy of the Memorandum if you have a job so that you can place yourself on contract.**
- **Contact a Paymaster to find out about the additional expenses you will need to factor into your fee for the job.**
- **Explain to your employer that you have found a nice and easy, very simple way for you to obtain benefits for the job. It might cost more than you might have previously charged (remember you are factoring in taxes, social security and unemployment payments plus the Paymasters fee) but it is worth it for the protection that it provides you.**
- **Have your employer sign the Memorandum and you sign it as well and remember to list the Paymaster being used on the form.**
- **Perform the job and have your employer cut a check to the Paymaster.**
- **The Paymaster cuts your salary check plus makes deductions for taxes, social security and unemployment, Equity Membership and the fee for performing this service.**
- **The Paymaster sends in P&H plus Working Dues to Equity.**
- **The Paymaster sends you a W-4 for this employment.**

Paymasters**URTA**

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