

**MEMORANDUM OF AGREEMENT
BETWEEN
THE NEW WORLD SYMPHONY, INC.
AND
AMERICAN FEDERATION OF MUSICIANS (AFL-CIO-CLC)**

THIS AGREEMENT is entered into this February 1, 2008, between THE NEW WORLD SYMPHONY, INC. (the "NWS"), and the AMERICAN FEDERATION OF MUSICIANS (AFL-CIO-CLC) (the "Federation" or the "AFM").

WHEREAS, the stated mission of the NWS is "to prepare highly-gifted graduates of distinguished music programs for leadership positions in orchestras and ensemble groups throughout the world"; and

WHEREAS, the NWS is "dedicated to the artistic and personal development of outstanding instrumentalists," and, to that end, the NWS provides musicians with "the opportunity to enhance their musical education with the finest professional training in order to gain a competitive edge in seeking permanent orchestral and ensemble positions"; and

WHEREAS, the NWS has no desire or intent to interfere with or displace the professional employment of any musician or any professional symphony orchestra; and

WHEREAS, the Federation is an International Union, the stated mission of which is to elevate and better the economic status, social position and general welfare of professional musicians and to achieve fair treatment, self-determination and economic justice for them, and consistent with these goals, the Federation supports the mission and purpose of the NWS to enhance the musical education of young musicians, provided the NWS does not interfere with or displace professional symphony orchestras or the professional employment of any musician; and

WHEREAS, the Federation desires to assist the NWS in achieving its objectives upon sufficient assurance that professional employment will not be jeopardized and that the NWS's activities will remain consistent with its educational mission, and on that basis the Federation is willing to offer its valuable aid and assistance; and

WHEREAS, the NWS desires to provide that assurance, to accept the Federation's aid and assistance, and to express support for the Federation's goal of fair treatment, self-determination and economic justice for professional musicians; and

WHEREAS, consistent with its mission and purpose to enhance competitive placement of NWS musicians in professional orchestras, it is the longstanding policy of the NWS (which the NWS intends to continue) to allow NWS musicians to take leave, subject to reasonable blackout periods, for the purpose of auditioning for professional engagements (the NWS policy provides for at least three such leaves on a seasonal basis without loss of stipend); and

WHEREAS, the Federation and the NWS agree that their mutual support shall include the following elements:

(a) The NWS will refrain from making disparaging remarks about the Federation or its affiliated locals to the NWS musicians and the Federation and its affiliated locals will refrain from making disparaging remarks about the NWS to the NWS musicians;

(b) The NWS believes that all musicians have the right to be members in, have contact with and support the Federation without fear of discrimination or retaliation;

(c) It is the policy of the NWS (which the NWS intends to continue) to maintain and encourage open lines of communication with the NWS musicians, free of retaliation or discrimination, concerning all aspects of their relationship with the NWS; and

WHEREAS, the Federation acknowledges that the NWS musicians may from time to time assist the NWS in promotional and fundraising activities on a voluntary basis.

NOW, THEREFORE, the parties based upon the exchange of good and valuable consideration, agree as follows:

1. The Federation will in the future encourage its membership throughout the United States and Canada to support the goals and objectives of the NWS.
2. The NWS believes that its musicians are students. The Federation believes that the NWS musicians are employees. The Federation will, as long as this Agreement is in effect, refrain from picketing the NWS and refrain from asserting that the NWS musicians are employees or that the NWS is an employer of musicians within the meaning of the labor laws of the United States. It is explicitly understood that the Federation does not waive the right following the expiration of this Agreement to assert that the NWS musicians are employees. It is further understood that the Federation's agreement in this Section 2 will not be used outside of the scope of this Agreement in any dispute between the NWS and the Federation and/or the Federation's Pension Fund as evidence of the musicians' status. It is further agreed that the AFM will not seek to negotiate beyond the scope of this Agreement over terms and conditions of the musicians' association with and participation in the NWS. The parties agree to engage in a continuing dialogue to facilitate an ongoing exchange of views and information.
3. The Federation will, at its own cost, at least annually, provide representatives to participate in an interchange with the NWS musicians. It is agreed that during this interchange, the Union representatives will: (1) engage in discussions of professional contracts and negotiations; (2) engage in discussions of the role of the Federation in professional life; and (3) engage in other

activities, including artistic functions if mutually agreeable, with both the NWS representatives and the AFM representatives. This interchange shall be part of the mandatory curriculum of NWS musicians in their first year.

4. The NWS will describe itself as "America's Orchestral Academy" or otherwise as a training institution in written, radio and television promotions and on its website, and not use the word "professional" or derivations of it. The NWS agrees to use its best efforts to keep outside promoters from advertising the NWS as a professional orchestra and will specifically advise every known promoter well in advance of any concert that it is to be advertised as a training orchestra rather than a professional orchestra.

5. The NWS will list itself as "America's Orchestral Academy" or otherwise as a training institution and not a "professional" orchestra in job listings and advertisements directed to musicians.

6. As long as this Agreement is in effect, the Federation agrees that the NWS will be allowed to advertise in Federation publications.

7. The NWS will contact the American Symphony Orchestra League and will advise the League that it wishes to be listed as an educational institution.

8. It is agreed that to accomplish the NWS' mission as a training institution, it may on an annual seasonal basis engage in the following activities and performances consistent with this Agreement:

(a) Present in any venue in the United States "self-sponsored" general audience programs which may involve ticket sales; provided, however, "self-sponsored" general audience programs in any city in the State of Florida which is outside Miami-Dade County shall be limited to once every two years;

(b) Present only in the NWS rental or owned facilities "self-sponsored" youth or educational programs, which may involve ticket sales;

(c) The NWS, together with the Miami City Ballet, the Concert Association of Florida, and the Florida Grand Opera, are the resident companies of the Performing Arts Center of Greater Miami ("Center"). The AFM acknowledges that it will be up to these resident companies to determine how to share the new facility;

(d) Present non- "self sponsored" programs under circumstances limited as follows:

(i) In any non- "self-sponsored" program, the NWS must adhere strictly to the principle of refusing to displace any professional musician or professional symphony orchestra;

(ii) Performance facilities for all non- "self-sponsored" programs are limited to those which present ten or more classical music events annually;

(iii) Non- "self-sponsored" programs in any city located in the state of Florida are limited to once every two years; provided, however, the NWS may annually play a Doral on the Green concert and any such concert shall not count against such limits;

(iv) Non- "self-sponsored" programs in any city located outside the state of Florida are limited to once annually. In such instances, one repeat performance in the same venue of the same repertoire is permitted; and

(v) One time per season in any venue in Miami-Dade County, the NWS may jointly perform and present a side-by-side concert with a professional orchestra, subject to Federation approval not to be unreasonably withheld, and subject to the concert being appropriately marketed and described as a joint student-professional presentation.

(e) Perform any festival where the NWS is the principal participant and there is no history of an orchestra comprised of AFM members being a prior principal participant.

(f) Perform in benefit events for not-for-profit organizations which are not signatory to a contract with the AFM or any of its locals, as long as all participants and participating organizations, including the NWS, do so without remuneration except to cover direct out-of-pocket expenses such as truck and music rental.

(g) It is agreed that "self-sponsored" means fully funded and created by the NWS, through earned revenue or donated funds, provided that no funds will be accepted from producers, promoters, or schools. Donors may be publicly acknowledged.

(h) Nothing in this Agreement is intended to limit the NWS in the control of events it "self-sponsors."

9. The NWS agrees that it will not accept performances that will displace professional musicians or professional symphony orchestras. The NWS agrees that it will not, consistent with this Agreement, engage in any of the following activities:

(a) Perform for or with any opera or ballet company in the United States or Canada, or their apprentice, training, young artist or any other affiliated programs;

(b) Present youth or educational programs at public or private school facilities, grades kindergarten through twelfth, or at any facility where the budget of an educational institution is subsidizing some or all of the expense of the performance or transportation to the concert;

(c) Give any performance which would require any of its orchestra members to perform services that AFM members are refusing to perform as a result of a labor dispute.

(d) Allow use of the name NWS or its derivatives, by any ensemble performing outside the terms of this Agreement and the NWS policy forbidding such use will continue to be expressed in writing to the NWS musicians; and

(e) Give any performance free to the public which displaces a Recording Industry Music Performance Fund engagement.

10. (a) It shall be written policy of the NWS that NWS musicians should not accept freelance work in the community at rates less than union-established local scales, and that policy shall be communicated periodically (but at least annually) to the NWS musicians.

(b) When NWS received inquiries for small engagements/ensembles, it may refer them to the NWS musicians; however, requests/inquiries regarding larger engagements/ensembles shall be referred to Local 655, and NWS will make clear to NWS musicians that requests/inquiries regarding larger engagements/ensembles received directly by them should be referred to Local 655.

11. Professional musicians who perform with the NWS on a substitute or extra musician basis shall be compensated at least the equivalent of Local 655 scale, health & welfare, and pension. This provision shall not apply to musicians who are NWS Finalists or Semi-finalists or who are music students who are offered the opportunity to participate in the full range of NWS activities during the performance period.

12. The NWS will provide written notice of its complete schedule of performances, tours and runouts, and recording and media work, for each season to the Federation's Director of Symphonic Services, and to the committee described in paragraph 11 below, at least 60 days prior to the beginning of each season, to the extent such activities are then known. Written notice of changes and additions to this schedule will be provided to the same parties as expeditiously as possible.

13. The Federation and the NWS hereby form a committee charged with the responsibility of reviewing all proposed NWS performances for compliance with this Agreement.

The committee will function as follows:

(a) The committee will be composed of a representative member of the Board of Directors of the NWS nominated by its Chairman, a member of the management staff of the NWS nominated by its Executive Director, a Dean of an educational institution nominated by the NWS, a manager of a professional symphony orchestra nominated by the American Symphony Orchestra League, a representative of the Federation nominated by its International President, a representative of the International Conference of Symphony & Opera Musicians nominated by its Chairman, a representative of the Regional Orchestra Players Association nominated by its President, and a representative of Local 655 nominated by the Federation. Each committee member will name a designee to serve in his or her absence.

(b) If any committee member has an objection to a proposed performance, the objection must be made in writing to the NWS, with copies to the other committee members, as soon as possible, but at least 60 days in advance of the performance, and within 10 days of receipt of notice; provided, however, if the NWS gives less than 70 days' notice of any performance pursuant to Section 10 of this Agreement, the objection to that performance must be given within 10 days of the committee's receipt of notice. If an objection is made, the committee will meet in person or by telephone and will confer with regard to the objection. The committee's evaluation process must be completed within 10 days of a review request being made. If the committee cannot agree, the matter will be resolved by final and binding arbitration pursuant to the provisions of Section 12 of this

Agreement. Requests for arbitration must be made within five (5) business days of the committee's completion of the evaluation process. If no request for arbitration is made, the NWS may go forward with the proposed performance.

14. If arbitration is requested, the following process will be followed:

(a) The Arbitration Tribunal will consist of one representative designated by the Federation, one representative designated by the NWS, and a third neutral member who will be chosen by the Federation and the NWS representatives jointly. It is stipulated that the individuals listed below are acceptable to both the NWS and the Federation:

[See Addendum A.]

(b) The jurisdiction of the Arbitration Tribunal under this section shall be to determine whether the disputed NWS performance has a substantial possibility to cause a loss or potential loss of employment for any professional musician in breach of this Agreement. The Arbitration Tribunal will have no power to add to, modify, or delete any of the terms of this Agreement. No disputed performance shall be permitted until the final decision of the Arbitration Tribunal is known. The Arbitration Tribunal shall only have authority to award damages in cases where the NWS has not submitted a disputed performance for advance review pursuant to this Agreement. In cases where the NWS has submitted a performance for review, the Arbitration Tribunal will have no authority to award damages to either party.

(c) Unless the parties agree to an extension for any arbitration proceeding, the deadlines in this paragraph shall apply. The arbitration hearing will be held no later than 5 days after the request for arbitration. The parties may be represented by counsel. The Arbitration Tribunal will render its ruling within 10 days of the hearing. The parties agree that the decision of the Arbitration Tribunal will be final and binding. The parties will share equally the costs of the neutral arbitrator. Each party will bear its own costs. The locations of arbitrations will alternate between the office of the Federation in New York City and the office of the NWS in Miami, Florida unless the parties mutually agree to another location. The first such arbitration shall be in Miami, Florida. The NWS agrees to make its relevant business records available to the Federation and the Arbitration Tribunal. The Federation will also make any relevant business records available to the NWS and the Arbitration Tribunal. Any dispute concerning the necessity of producing records by either the NWS or the AFM will be resolved by the Arbitration Tribunal.

15. This Agreement is binding on the Federation and all of its affiliated groups, including the International Conference of Symphony & Opera Musicians and the Regional Orchestra Players Association, all local unions and the successors and assigns of the Federation, including all affiliated groups and locals.

16. This Agreement is binding on the NWS and its successors and assigns.

17. Any and all disputes arising between the parties during the term of this Agreement except those subject to arbitration under paragraphs 10 and 11 shall be resolved by final and binding arbitration pursuant to the rules and regulations of the American Arbitration Association.

18. This Agreement will be effective for three years from February 1, 2008 through January 31, 2011. Thereafter the Agreement will automatically renew for one-year terms unless either party reopens the Agreement by giving written notice 60 days prior to the date of expiration.

19. Media Agreement

(a) The NWS shall be permitted to make archival tapes of all performances;

(b) The NWS shall be permitted to make tapes required for federal, state and local grant applications;

(c) The NWS shall be permitted to make a live or tape delay one time non-commercial local radio broadcast of each classical subscription concert;

(d) Tapes made under the authority of sections (a), (b) and (c) above may not be used in any discipline or dismissal process;

(e) If tapes made under the authority of sections (a), (b) and (c) are subsequently distributed or displayed in any manner, the NWS shall compensate all musicians participating at the then-current applicable scale of AFM wages and financial fringe benefits; and

(f) The NWS may produce any other media, provided that it adheres to all wages and conditions in the appropriate AFM Agreement (whether or not it is a formal signatory).

(g) NWS may produce "story based" programs for broadcasts on National Public Radio. Such programs may include recordings of coaching sessions in addition to concert performances. The musicians who play in broadcasted coaching sessions will receive a 15% premium payment (plus 10% pension) additional to the applicable payment defined in the NPR Agreement. Rehearsal recordings may not be used in such "story based" radio programs.

(h) NWS may produce "segmented programs," as defined in the NPR Agreement, for broadcast on a commercial syndicated radio network. The musicians who play in "segmented programs" will receive a payment of \$100 (plus 10% pension). NWS may also produce "story-based" programs for broadcast on a commercial syndicated radio network. Such programs may include recordings of coaching sessions in addition to concert performances. The musicians who play in broadcasted coaching sessions will receive a 15% premium payment (plus 10% pension) additional to the applicable payment defined in the AFM Syndicated Radio Agreement or additional to the "segmented programs" payment defined herein. Rehearsal recordings may not be used in such "story-based" radio programs.

(i) If a NWS radio broadcast, either on NPR or commercial syndicated radio network, is streamed onto the Internet, the musicians will receive an additional payment of \$10 (plus 10% pension) in the first year of this Agreement; \$15 (plus 10% pension) in the second year of this Agreement; and \$20 (plus 10% pension) in the third year of this Agreement.

(j) NWS may transmit its performances, either live or on a delayed basis, directly over the Internet, six times within a 24-hour period beginning with the first transmission in order to

accommodate the different U.S. time zones. For audio-only Internet transmissions, each performing musician will be paid \$25 (plus 10% pension). For audio-visual Internet transmissions, each performing musician will be paid \$32.50 (plus 10% pension). These rates apply to one-time-only Internet transmissions. Such transmissions may not be made accessible on an archived basis except that on a project-by-project basis, NWS may make these transmissions available for on-demand streaming on its website for a period of up to three years in accordance with the financial terms expressed in Exhibit B, Section II.B.4(a) of the Symphony, Opera or Ballet Audio Visual Agreement providing NWS has received AFM approval for such use. The Federation shall act as the Local Oversight Committee for the purpose of determining the applicability of the Audio Visual Agreement to the project. The "weekly scale" for the calculation of payment shall be the highest weekly scale of any ICSOM-member orchestra at the time of the project.

(k) NWS may capture and retain audio and video footage of conductor training rehearsals while the student conductor is being coached on the podium and rehearsals at which composers are present and interacting with the orchestra. Such footage may be used on site as part of the NWS curriculum.

(l) Electronic Media Guarantee. It is mutually understood that the EMG shall be separate from any stipend paid to NWS fellows, and shall be so described to the fellows, and that it is further understood that the EMG is defined as:

The sum of money, over and above any weekly stipend, that the New World Symphony prorates and pays to the musicians on a weekly basis as an advance against future media work to be performed during the concert season. Electronic media work may include national radio broadcasts,

local television broadcasts, national television broadcasts, Internet transmissions, and phonograph records (tapes, cassettes and compact discs).

It is further understood that:

Once the amount of the EMG is set by NWS management prior to the beginning of the season, it shall be paid to the musicians, regardless of the amount of media work actually performed during the season. In no event shall the EMG be prorated on a daily basis. The electronic media guarantee will be credited against any payments due a musician for the above-referenced electronic media services. An EMG cannot be carried over from one season to the following season. An accurate accounting of all services credited, including the rate(s) at which they are credited, shall be presented to each musician in a timely fashion following the conclusion of the season. Earnings in excess of the guaranteed amount, if any, will be paid to the musicians in a timely fashion at the conclusion of the season, pursuant to the appropriate AFM national agreement(s).

20. Fundraising Recording Letter of Agreement

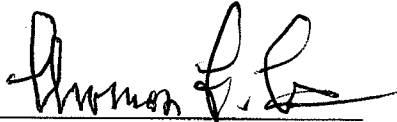
Attached is the AFM-NWS Fundraising Recording Special Letter of Agreement.

21. International Touring

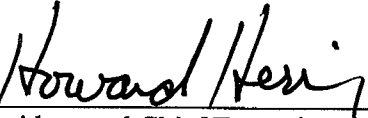
International touring outside the jurisdiction of the AFM is not covered by this Agreement except that the NWS agrees to give the AFM advance notice of its international tours, and except that media work performed while on international tour must be done in accordance with the wages and conditions in the appropriate AFM Agreement.

22. The NWS and the Federation will conduct an end-of-season meeting each year in April for the purpose of consultation, communication and evaluation with respect to all areas of concern.

American Federation of Musicians
(AFL-CIO-CLC)

By: 
President
2-7-08

The New World Symphony, Inc.

By: 
President and Chief Executive Officer
2-26-08

ADDENDUM A

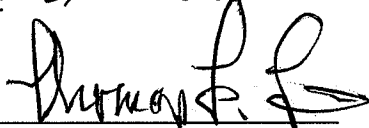
[Intentionally left blank.]

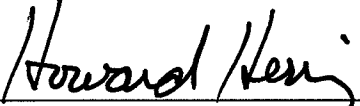
ADDENDUM B

J:\RTK\31605.082\Fence Agreement 2008-REV-2-5-08.doc

**Letter of Understanding between the New World Symphony ("NWS")
and the American Federation of Musicians ("AFM")**

1. The NWS and AFM have successfully negotiated a renewal of their Memorandum of Agreement effective February 1, 2008. During the negotiations for the renewal of the Memorandum of Agreement, the NWS and the AFM made certain representations which are embodied in this Letter of Understanding.
2. The NWS represented that it does not have any current intention of increasing the number of its seasonal performances at the Miami-Dade Performing Arts Center now known as the Arsht Center.
3. As reflected in Article 19(k) of the Memorandum of Agreement, the AFM has agreed that the NWS may capture and retain video and sound footage of conductor training rehearsals while the student conductor is being coached at the podium as well as rehearsals at which composers are present and interacting with the orchestra, and that such footage may be used on site as part of the NWS curriculum. The NWS also believes that such footage may be shared in a virtual library via the Internet and Internet2 with other music students and music schools by use of a password-protected system. The AFM wants to analyze this issue and at present has not agreed to the NWS position. The AFM has agreed to continue to discuss this issue with the NWS after the execution of this Agreement.

Date: 2-17-08
By: 
AMERICAN FEDERATION
OF MUSICIANS

Date:
By: 
NEW WORLD SYMPHONY
2-26-08