
From: Henry Reisch [mailto:HReisch@wma.com]
Sent: Thursday, March 05, 2009 2:45 PM
To: Brandi, Dianne
Subject: Catherine Herridge

Dear Dianne,

I was rather surprised by your response to me of February 13th, 2009. Catherine does indeed wish to sign a new contract with Fox and is hoping that you proceed toward what appears to be that very same goal, by engaging in good faith negotiations.

In the spirit of moving this discussion to a quick and amicable resolution, Catherine has agreed to revise her proposal. We reiterate our position that Catherine is the most productive member of Fox's Washington Bureau based on her coverage of 3 beats: Homeland Security, Justice Department and the Intelligence Community. She has made many contacts in the Government which are of great benefit to Fox in Fox's news gathering, and to Fox's competitive position with respect to other cable and network news organizations. Catherine is, accordingly, entitled to a raise in her remuneration. Your proposal of August 6th, 2008 represents an increase of approximately 7%. Recognizing Catherine's contribution to Fox, we believe that Catherine is entitled to receive more than a 7% increase.

Accordingly, with respect to financial terms, we propose the following

First Contract year: \$515,000 (approximately a 12% increase over what Catherine receives under her current contract)

Second Contract year: \$565,000 (approximately a 10% increase over year 1).

Third Contract year: \$620,000 (again, approximately a 10% increase over year 2.)

This would be a guaranteed pay or play deal for all three years.

Additionally, Catherine would like to add the following items to the proposal: 1) one (1) week of additional vacation in each year of the agreement based on her thirteen (13) years of employment, and 2) the title of "Chief Investigative Correspondent." We believe this title most accurately reflects Catherine's expanded areas of responsibility since her last contract, which include National Security reporting and terrorism-related issues. With respect to the non-financial terms of the contract, the current contract calls for you to offer "terms at least as favorable as those contained herein." Accordingly we propose that the non-financial terms of Catherine's new contract be the same as those contained in her current contract, with the following exceptions: 1) That the phrase "occasional anchor/co-anchor" in the first paragraph of the current contract not be included, and that any reference to the letter of "February 17, 2006" be omitted. 2) Catherine is comfortable with the Arbitration Clause so long as it is understood to be limited to the interpretation of the Fox-Herridge contract. Since Catherine works in Washington, DC, any arbitration should be conducted in Washington.

The second full paragraph of your draft of August 6, 2008, represents a term not included in Catherine's current contract, and, accordingly must be omitted. In negotiating her employment contract with Fox, Catherine is, in no way, negotiating or attempting to resolve, waive or release her pending EEOC claim. This contract negotiation is separate and apart from that proceeding. We believe that this proposal is advantageous to all parties, and I suggest that you and I meet at a very early date with the intention of resolving this matter, with mutual benefit to Catherine and to Fox.

Henry

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