

A person is sitting on a dark blue couch, wearing a grey sweater and brown lace-up boots. They are holding a white smartphone in their hands. A yellow cushion is visible to the left. The background is dark and out of focus.

# TALENT GLOSSARY OF TERMS

This glossary is provided by XR Extreme Reach as general information relating to U.S. talent payroll, and U.S. and U.K. business affairs in the advertising industry.

Talent and Rights Management has many moving pieces. To help you navigate this complex world, we have compiled a glossary of frequently used terms and their definitions. *Information current as of October 2023.*

## TABLE OF CONTENTS

TALENT UNIONS / SIGNATORY	2
SAG-AFTRA CONTRACTS	4
SAG-AFTRA WAIVERS	5
PERFORMER CATEGORIES FOR COMMERCIALS	8
WORKING WITH MINORS	11
FEES ASSOCIATED WITH PRODUCTION	11
FEES ASSOCIATED WITH AIRING / HOLDING COMMERCIALS	16
OTHER REQUIRED FEES	20
POST PRODUCTION	21
EDIT CATEGORIES - 2022 COMMERCIALS CONTRACT	22
PAPERWORK	23
MUSIC	25
USE OF EXISTING MATERIALS	26
INFLUENCERS	27
CELEBRITIES / ATHLETES	29
MISCELLANEOUS	30

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

## TALENT UNIONS / SIGNATORY

<b>Union</b>	<p>In the U.S., Unions are entities entitled to be the exclusive representative of their members for the purpose of negotiating minimum wages and working conditions with the members' employers. Under US labor law, employees are entitled to join a union and to vote to have a union negotiate wages and working conditions with their employer. If a majority of the employees on a particular job vote to have a union represent them, that employer is required by law to bargain with the union.</p> <p>In the Entertainment and Advertising industries, because the production work is almost always short term and freelance, the unions representing the various types of employees bargain with "multi-employer" bargaining units on industry-wide agreements. Employers may choose to bargain with the union either individually or through the multi-employer bargaining unit composed of a group of industry Employers. Employers who sign an agreement that results from individual or industry-wide bargaining become Signatories, thereby agreeing to abide by all the agreement's terms and conditions, including wages.</p> <p>Members of unions are usually not permitted to perform union-covered services for non-signatory Employers.</p> <p>The U.S. and Canadian performer unions involved in advertising and the entertainment industries are SAG-AFTRA (Screen Actors Guild-American Federation of Television &amp; Radio Artists), AFM (American Federation of Musicians), ACTRA (Alliance of Canadian Television &amp; Radio Artists), UDA (Union des artistes) and CFM (Canadian Federation of Musicians). Some other countries outside of the U.S. and Canada also have performer unions.</p> <p>Note: An agreement that is bargained between a union and a group of Employers by its representative is referred to as a Collective Bargaining Agreement (CBA). The SAG-AFTRA Commercials Contracts are CBAs. In Canada and Europe they call them "collective agreements."</p>
<b>Signatory</b>	<p>Any Employer entity who bargains an agreement with a union or who signs a Letter of Adherence to a CBA, thereby agreeing to abide by all the terms and conditions of that agreement is called a Signatory.</p> <p>In the Advertising industry, the Signatory for performers may be the Advertiser and/or an Advertising Agency. In the relationship between Agency and Advertiser, it is most common for the Agency to act as signatory to the talent union agreements, like the SAG-AFTRA Commercials Contract.</p> <p>Other contracts to which Agencies or Advertisers may be signatory include the SAG-AFTRA Corporate/Educational &amp; Non-Broadcast Contract (a.k.a.the CoEd Agreement or Industrial Contract) and the AFM Commercial Announcements Agreement.</p> <p>Advertisers/Agencies may become Signatory to the SAG-AFTRA Commercials Contracts by authorizing the Joint Policy Committee of the ANA/4A's (the JPC) to bargain on their behalf. Or, they may sign a Letter of Adherence (LOA) to the Contracts after they have been fully negotiated.</p> <p>If an Advertiser or their producing Agency is not a signatory to a specific SAG-AFTRA Contract (e.g., Co-ED/Industrial), they are free to produce non-union and to hire any performer who agrees to work non-union and to bargain directly and separately with that performer for wages and working conditions. Wage, hour and immigration laws may apply.</p>

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

	<p>If non-signatories want to hire SAG-AFTRA performers, they would need to engage a 3rd Party Signatory/Co-Producer (see below) or to obtain an OPO (one production only) waiver from the union to be able to hire union performers (see below).</p>
<b>SAG-AFTRA</b>	<p><b><u>Screen Actors Guild - American Federation of TV &amp; Radio Artists.</u></b> Union having jurisdiction over on- and off- camera performers in TV/Digital (video) and Audio (radio) commercials produced in the U.S. SAG-AFTRA has a Collective Bargaining Agreement (CBA) under the National Labor Relations Board (NLRB), an independent Federal agency which works to assure fair labor practices (and workplace democracy). Working conditions, rates for work and use, and how use is determined are set through bargaining between the JPC and the Union. These Commercials Contracts are usually renegotiated every three years.</p> <p>The terms of the SAG-AFTRA Contracts apply nationwide for Principals. Everyone hired by a Signatory as a Principal in the US is covered by the Contract's wages, terms and conditions, with certain limited waiver exceptions (see WAIVERS below). The Contracts are NOT national for Extras, and its terms and conditions apply only to Extras who are hired in or who work in the several geographic Extra Zones specified in the Contracts.</p>
<b>AFM</b>	<p><b><u>American Federation of Musicians.</u></b> Union having jurisdiction over musicians including when performing in commercials produced in the US.</p>
<b>ACTRA</b>	<p><b><u>Alliance of Canadian Cinema Television and Radio Artists.</u></b> Union having jurisdiction over English language performers including those in commercials produced in Canada.</p>
<b>UDA</b>	<p><b><u>Union des Artistes.</u></b> Union having jurisdiction over on- and off-camera performers in French language commercials produced in Canada.</p>
<b>CFM</b>	<p><b><u>Canadian Federation of Musicians.</u></b> The union having jurisdiction over musicians working in Canada.</p>
<b><u>Equity</u> (formerly British Actors' Equity Association)</b>	<p>Trade union for the performing arts and entertainment industries in the UK.</p>
<b>JPC</b>	<p><b><u>Joint Policy Committee.</u></b> The body which negotiates the Commercials Contracts and works to resolve disputes with SAG-AFTRA and AFM on behalf of the Advertiser and Agency authorizers which they represent. They also provide education to members and non-members about contract provisions and waivers.</p> <p>There are some Contract benefits only available to JPC Authorizers.</p>
<b>Signatory Co-Producer</b>	<p>Companies that are signatories to the U.S. and Canada unions commercials CBAs which are engaged by non-signatory Advertisers and/or their non-signatory Agencies to facilitate the "co-production" of union commercials. SAG-AFTRA has very specific requirements that must be followed in order for a <b><u>3rd Party Signatory/Signatory Co-Producer</u></b> to qualify as a 'bona fide' employer.</p> <p>LOA (<b>Letter of Adherence</b>): Letter signed by 3rd Party Signatory/Signatory Co-Producer whereby they agree to abide by and conform to all terms and conditions set forth by SAG-AFTRA in order to be accepted by the union as a bona fide Employer/Co-Producer under the Commercials Contract.</p>
<b>SAG-AFTRA OPO (<u>One Production Only Agreement</u>)</b>	<p>Non-signatory Advertisers or their Agencies may each request up to three (3) OPO's from the union to produce under the Commercials Contract without becoming a signatory. They must abide</p>

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

	by the union Contract wages, terms and conditions for the entire lifetime of the commercial(s) produced under an OPO.
--	---

<b>SAG-AFTRA COLLECTIVE BARGAINING AGREEMENTS</b>	
<b>Traditional Commercials Contract</b>	SAG-AFTRA Commercials Contract that has existed since the 1960's and including the terms and conditions under which union-covered performers worked in television and then digital commercials. Expired 12/31/2022 and was replaced by the 2022 SAG-AFTRA Commercials Contract. Commercials produced under the Traditional Contract prior to 12/31/2022 shall continue to apply the Traditional Contract payment and editing terms through the expiration of the MPU. Any renewal shall be under the 2022 New Structure.
<b>2022 SAG-AFTRA Commercials Contract (aka '2022 New Structure')</b>	Updated Commercials Contract in effect as of 6/1/2022. The Contract includes updates and simplifications, particularly relating to use and new editing provisions. This is the only Commercials Contract available for production of television and digital commercials as of 1/1/2023. Renegotiations extending a commercial's use beyond the Maximum Period of Use are also subject to the minimum terms of the 2022 New Structure. Note that audio commercials are produced under the Audio Commercials Contract, see below.
<b>Alternate Compensation Structure (ACS)</b>	Experimental contract terms introduced in 2019 that simplified Linear TV and Digital use into three (3) bundles: Full, Flex & Digital. New editing provisions introduced. Expired 5/31/22. Any commercials produced under this structure will need to be re-contracted under the 2022 SAG-AFTRA Commercials Contract when renegotiated/renewed at the end of their MPU.
<b>2022 SAG-AFTRA Audio Commercials Contract</b>	Commercials produced in the US made for terrestrial and/or internet radio fall under the Audio Commercials Contract. Note that audio work performed outside the US by SAG-AFTRA members is also covered by this contract.  <b>Traditional Audio Commercials Contract:</b> remains valid through 3/31/2025.  <b>2022 Audio Commercials Contract:</b> Audio Flex ACS structure remains valid through 3/31/2025. MPU is 1 year. This contract is now available to 3rd party signatories.
<b>Regional Commercial Codes</b>	<u><a href="#">SAG-AFTRA Regional Commercial Codes</a></u> (aka "made in and played in" Contracts) are commercial contracts designed for regional Advertisers to easily hire union performers at competitive rates. Each market has a custom agreement with discounted rates based on the national contract and with simpler and more flexible terms.  Regional markets have one prepaid rate that covers session & use including internet, new media, cable and local broadcast in the state in which it was shot plus bordering states. Expanded use for non-bordering states is available for many regions.  No Holding fees or weekend premiums.  Commercials made under one of these Regional codes must be produced and used only in that region.
<b><u>Industrial / Corporate-Educational (Co-Ed) Contract</u></b> <i>(Not to be confused with industrial use of a Commercial, as described in Section 43.)</i>	Generally, these are videos promoting Advertiser's brand/product/service created for non-broadcast use, including in stores, sales meetings, corporate offices, retail locations or dealer showrooms. May also be shown online.  They can also be instructional content (e.g. how-to videos). Behind-the-scenes or b-roll footage also falls under this contract.

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

	If an Advertiser or their Agency is not a signatory to this Contract, non-union performers may be hired and rates and terms negotiated separately with those performers, with minimum terms set by federal, state and local wage and hour laws.
<b><u>Infomercial Agreement</u></b>	<p>SAG-AFTRA agreement applicable to programs longer than 3 minutes which are intended to sell a product or service. Format usually features a Host and/or a Presenter who demos the product and who may be a celebrity. Although this is a separate agreement, all the provisions of the Commercials Contract apply except for those which are specifically modified in this Infomercial agreement, including rates.</p> <p>Professional performers are covered by the agreement, including hosts, presenters, announcers, and extras. Members of a live audience, unscripted testimonialists and certain “experts” are excluded from Contract coverage.</p> <p>Session covers 90 days of use in linear TV and on the internet.</p>
<b><u>National Code of Fair Practice for Network Television Broadcasting aka Network Code or Net Code</u></b>	<p>SAG-AFTRA collective bargaining agreement applicable to certain television productions. Promotional announcements (aka Promos) are produced under this agreement. Promos are short video or audio productions produced for the purpose of promoting programming. A Promo including joint promotion of programming and an unrelated product or service will likely be reclassified as a commercial subject to the SAG-AFTRA Commercials Contract.</p>

<b>SAG-AFTRA COMMERCIALS CONTRACT WAIVERS</b>	
<b><u>WAIVERS</u></b>	Exceptions to the SAG-AFTRA Commercials Contract that are not permanent provisions. If not extended, the waiver will sunset at a specified date.
<p><b><u>Low Budget Digital Waiver (LBDW)</u></b>  <i>Available for signatory Advertisers and Agencies only (no 3rd party signatories / signatory co-producers).</i></p> <p><i>No advance permission from the union required.</i></p> <p><i>Sunset 3/31/25</i></p>	<p>Made for digital-only productions with a budget threshold up to \$100k per day including only shoot cost and performer session fees. There must be a shoot of some kind, even if not paid, to qualify.</p> <p>1/1/23-3/31/23: Contracts entered into during this period may include the existing terms and conditions of the LBDW (Meaning that internet <i>includes Streaming &amp; New Media</i>)  4/1/23-3/31/25: Contracts entered into during this subsequent period include the rights in Made for Traditional Digital only under the 2022 Commercials Contract (Streaming no longer included)</p> <p>May hire union and/or non-union performers (can mix cast). Station 12 &amp; Taft-Hartley paperwork required, but no penalties due.</p> <p>Performers must be notified at time of casting. Session, use and edits fees must be broken out.</p> <p>MPU is 1 year from shoot date.</p> <p><u>Connected Shoots</u>: shoots done under LBDW that are shot on the same day as covered production not shot under the waiver. Sessions paid at not less than scale. Overtime calculated using scale rates. Use fee is negotiable.</p> <p><u>Unconnected Shoots</u>: shoots not connected to another covered production. Sessions, overtime and use fees are negotiable, subject only to wage and hour laws.</p> <p>Number of allowable edits and fees are negotiable for both Connected &amp; Unconnected shoots.</p>

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

<p><b>Social Media YouTube Waiver (now included in 2022 Commercials Contract)</b></p>	<p>Commercials made for use only on social media platforms and/or YouTube (not used on Advertiser's website).</p> <p>Producers may shoot/record multiple commercials for the same product, service or Advertiser in a single session for a single session fee that may not be credited.</p> <p>Each commercial shall have a cycle of 30 days for a MPU of 1 year.</p> <p>Fee per commercial per 30 day cycle is 15% of a session fee for social platforms and/or 15% of a session fee for YouTube.</p> <p>No exclusivity shall be obtained, therefore no Holding Fees are due.</p> <p>Editing of commercials produced under this waiver is permitted under the 2022 New Structure.</p> <p>If a Producer wants to move a commercial produced under this waiver to linear or Streaming Platforms/All Digital, Producer shall first obtain consent from the performer(s). Principal performers appearing in the moved-over commercial will receive a session fee and appropriate use fee for each commercial moved, and Holding Fees if applicable.</p>
<p><b>Waiver for Non-Professional Endorser (Testimonial)</b>  <i>Available to JPC authorizer signatories only.</i></p> <p><i>No advance permission from the union required.</i></p>	<p>Commercials featuring actual users of the product/service and/or experts in their field talking about their experience with and/or opinion of the product/service/Advertiser (e.g. patients and their doctors and/or family member) are waived from coverage under the Contract.</p> <p>Fees may be freely bargained. Fees may be subject to wage and hour laws.</p> <p>Coverage also waived for person(s) appearing in the same commercial who have relationship with endorser, providing they qualify as non-professionals. Fees may be freely bargained. Fees may be subject to wage and hour laws.</p> <p>Endorsers may not have been previously paid to render services as a Principal performer in a commercial, play, TV program, theatrical motion picture, or an entertainment program made for the internet. May not be widely known to the public or known as a celebrity. No Influencers.</p> <p>May not use slogans or taglines.</p> <p>Must comply with FTC Endorsement Guides.</p> <p>All media permitted.</p> <p>Performer type: non-union. Casting for "Non-Professionals" must be in the casting notice (do NOT use the term 'Real People' or it may not qualify).</p> <p>All other performers hired are covered under the Commercials Contract and paid per SAG-AFTRA guidelines.</p>
<p><b>Live Event / Man on the Street / Hidden Camera</b>  <i>No advance permission from the Union required.</i></p>	<p>Producer may film or record activities of persons in public without covering them under the contract, provided they are not scripted nor cast. All people appearing should give consent to be featured. Typically a Talent Release is used to secure rights.</p> <p>Payment, if any, and any other terms (media, term, territory) may be freely bargained. Wage and hour and immigration (authorization to work in the US) laws may apply.</p>

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

	<p>All media is permitted.</p> <p>Any person hired in the capacity of an Interviewer is a covered person under the SAG-AFTRA Contract whether or not they appear or perform in the final commercial(s). They may be reclassified or outgraded based on appearance in final commercial(s).</p> <p><b>Live Event:</b> Event attended by 20+ people who were neither hired nor cast by Producer to attend the event. Events shall not be staged for the purpose of producing a commercial. Non-covered participants may not receive individual direction but may be directed as a group.</p> <p><b>Man on the Street:</b> A commercial where an interviewer interviews people on the street, public venue or live event and asks them questions or makes statements/gestures to elicit a response or reaction.</p> <p><b>Hidden Camera:</b> Commercial comprised of footage captured by hidden camera(s) without direction to the individuals being filmed.</p>
<p><b>Employee Waiver</b> <i>No advance permission from the Union required.</i></p>	<p>Advertiser’s employees who are not professional entertainers who are filmed/recorded at their usual place of business in the course of usual employment are waived. They may be filmed elsewhere if too disruptive to shoot at their place of employment.</p> <p>Employees may be directed, including dialog, provided it replicates the employees’ usual working conditions and that such dialog replicates dialog actually spoken by employees during their customary work duties.</p> <p>Also waived are “executive officers” of Advertiser (CEO, President, Chairman, etc.).</p>
<p><b>PSA (Public Service Announcement) Waiver</b> <i>Advance permission from the Union required except for Ad Council and The Partnership for Drug-Free Kids.</i></p>	<p>Advertising created by federal, state, local government agencies, non-profit public service organizations, charities, museums.</p> <p>Media must be donated to qualify.</p> <p>Union waives application of the contract to people regularly employed by and volunteers regularly serving a sponsoring organization, as well as members and beneficiaries of such organizations.</p> <p>Performers hired for PSAs must be notified at casting, and are paid session fee(s) but no use. Producers may request a waiver of session fees for celebrities from the union.</p> <p>If after initial airing/use a commercial is put into paid media, use fees will be due for all paid use.</p> <p>Under the 2022 New Structure, Producers may use PSAs for an additional (1) year for the original session fee rate unless a higher rate was negotiated at time of engagement. The third and any subsequent years require union approval of the continued waiver as well as the performers’ agreement to waive use fees.</p>
<p><b>8D Waiver</b> <i>Advance permission from the Union required.</i></p>	<p>In the event certain non-professionals are required for creative, the union will consider granting a waiver to exempt them from coverage under the contract. If granted, may mix with union cast.</p> <p>All fees are freely bargained. Wage and hour laws may apply.</p>
<p><b>Stock Footage Waiver</b></p>	<p>SAG-AFTRA maintains that licensed stock footage is ‘made for an advertising purpose’, and as such anyone qualifying as an OCP in the footage is covered under the Commercials Contract. The</p>

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

	<p>JPC disputes this interpretation, maintaining that not all stock footage was created for an advertising purpose, and therefore not all OCPs are covered under the Commercials Contract.</p> <p>During the <u>waiver</u> period, SAG-AFTRA agrees not to pursue a claim provided:</p> <ul style="list-style-type: none"> <li>• The stock footage sourced from an independent 3rd party stock footage house was created before 2/1/2020</li> <li>• Producer pays P&amp;H for anyone who might otherwise qualify as an OCP</li> <li>• At least one VO must be hired under the Contract for any commercial utilizing this stock footage</li> </ul> <p>However, if anyone appearing in the stock footage approaches SAG-AFTRA to pursue a claim, SAG-AFTRA will be free to pursue the claim on the performer's behalf.</p> <p><i>See Stock Photography &amp; Footage below</i></p>
<b>Weekend Premium Waiver</b>	SAG-AFTRA, in consultation with the JPC, will consider good faith requests for a <u>waiver of weekend premium</u> rates where 1) the location of the production is not available during the work week (Monday-Friday), and 2) imposing the weekend premium would have a substantial impact on the production.
<b>Hardship Waiver</b> <i>Available to JPC authorizer signatories only. Advance permission from the Union required.</i>	Union will consider requests for a waiver from the contract in the event of a hardship (e.g., potential loss of advertiser business by an authorizer agency).
<b>Influencer Waiver / Influencer Agreement</b>	<i>See INFLUENCER section below.</i>

<b>PRINCIPAL PERFORMER CATEGORIES UNDER THE SAG-AFTRA COMMERCIALS CONTRACT</b>	
<b>Principal – On-camera (OCP)</b>	<p>A performer who meets any of the several descriptions in Section 6 of the Commercials Contract, including:</p> <ul style="list-style-type: none"> <li>• those speaking a line of dialogue;</li> <li>• those who appear silent and whose face is identifiable and who are identified with the product or service;</li> <li>• those who are the subject of a close-up;</li> <li>• Clowns in their proprietary makeup</li> </ul> <p>The other OCP categories (stunt, puppeteers, pilots, singers, dancers, etc.) are described below.</p>
<b>Group Dancers (Choreographed)</b>	Groups of 3+ choreographed dancers are paid a lower per-person scale rate than solo/duo performers.
<b>Contractor (Dancers)</b>	Groups of 3+ choreographed dancers require a contractor. The contractor is required to be a member of the group (unless the sex of the group precludes it), and contracts the other performers in the group. The contractor is paid a one-time fee on top of their performance wages and use fees.
<b>Stunt Performer</b>	Stunt performers are considered Principals if they perform an identifiable stunt even if they are not recognizable. If their stunt remains in the spot they receive residuals and Holding Fees.
<b>Stunt Coordinator</b>	Stunt coordinators are defined as individuals qualified by training and/or experience in the planning, setting up and performance of the type of stunt involved. Stunt coordinators are not required if a stunt performer who is qualified to plan and perform a stunt is hired unless other

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

	Principal performers are involved. They are paid Principal session fees for each day worked when filming occurs. They do not get residuals.
<b>Stunt Driver</b>	When any of the following conditions occur, a vehicle driver qualifies as a stunt driver: <ul style="list-style-type: none"> <li>• Any/all wheels leave driving surface</li> <li>• Tire traction is broken (skids/slides)</li> <li>• Driver’s vision is substantially impaired by dust/smoke, spray, bright lights, restrictive windshield covering</li> <li>• Speed exceeding safe driving conditions, high speeds creating dangerous conditions for driver, passengers, crew or others</li> <li>• Driving in a seat other than driver’s seat or driving blind in any form</li> <li>• When any aircraft is flown in close proximity to vehicle creating hazardous conditions</li> <li>• Close proximity to explosives or pyrotechnics</li> <li>• Doubling a Principal when professional driving skill is required</li> </ul>
<b>Pilots</b>	Pilots are paid at higher session rates than OCPs and scale residuals. Unrecognizable pilots do not get Holding Fees or exclusivity.
<b>Puppeteer</b>	People operating hand, stick or string-manipulated puppets or marionettes are paid as Principals and are entitled to residuals. While animatronic and remote manipulation are not covered services under the terms of the Commercials Contract, OCP status for these operators is often negotiated with the creator/provider companies.
<b>Sign Language</b>	A performer who uses sign language on-screen is an OCP. If only their hands remain visible in the final commercial, they may be reclassified as an off-camera Principal.
<b>Principal – Off-Camera: VO (Voice Over) AVO (Announcer VO) Character voice (e.g. cartoon voice) Singer (includes whistling/humming)</b>	Off-camera speaking or singing role. The session fee covers a 2 hour session for video or 90 minutes for audio commercials and is paid per script read. Also covers sign language when only the performer's hands appear on-screen.  Holding Fees and exclusivity apply to VOs/AVOs; no Holding Fees are due nor exclusivity rights included for character voices or solo, duo or group singers unless separately bargained for, or if they are ‘name’ performers.
<b>Off-camera Solo and Duo Singers</b>	Considered off-camera Principals. They do not receive Holding Fees and are not subject to exclusivity.
<b>On or Off-Camera Groups</b>	Category includes speakers as well as singers who may perform either on or off-camera. They are paid at a reduced scale rate for groups of 3 or more.
<b>Contractor (Singers)</b>	Groups of 3+ singers require a contractor. The contractor is required to be a member of the group (unless the sex of the group precludes it), and contracts the other performers in the group. The contractor is paid a one-time fee on top of their performance wages and use fees.
<b>Multi-Tracking</b>	Multi-tracking occurs when a singer records an additional track of their performance that is identical to their original performance in order to “thicken” the sound, or by enhancing a track mechanically. Additional fees apply.
<b>Sweetening</b>	Unlike a multi-track, sweetening is the recording of an additional musical part that is not identical to the performer’s previous performance. Additional fees apply.

**EXTRA PERFORMER CATEGORIES UNDER THE SAG-AFTRA COMMERCIALS CONTRACT**

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

<b>Extra (EXB)</b>	<p>Extras appear on-camera solely for atmosphere. Extras are any cast members who are not hired as principals and whose performances do not meet any of the Contract definitions of Principal. Extras may not speak scripted lines (except for “Omnie” — see below).</p> <p>For productions within the Contract’s designated Extra Zones, a minimum of forty-five (45) Union Extras must be hired per day before any non-union Extras may be hired. Union Extras are paid Contract wages; pay scale for non-union Extras is negotiable subject to federal, state and local wage and hour laws.</p> <p>No exclusivity, no residuals.</p> <p>Session fee covers an 8 hour day. Session constitutes a buy-out rate, after which no additional payments are due for use of the commercial for which they were hired and all contractual Edits (see below). If an Extra’s performance footage is lifted into a new commercial, a one-time integration fee is paid at the buy-out rate. Afterwards, this footage may be integrated into any number of additional commercials without further compensation.</p>
<b>Vehicle Driver - non-stunt</b> <i>Sometimes referred to as Precision Driver (see note ⇨)</i>	<p>A Vehicle Driver/Extra is hired when the level of driving required does not qualify as stunt work.</p> <p>Often paid OCP scale session fee rate on an Extra’s employment contract without residuals. This must be disclosed at time of hiring.</p> <p>NOTE: While the term “Precision Driver” is commonly used in the industry, it is not a recognized term under SAG-AFTRA.</p>
<b>Hand/Body Part Model</b>	<p>Performers hired for the skill, dexterity or appearance of their hands or other body parts. Not recognizable. They are not entitled to Holding Fees, and do not get residuals. Their scale rate is higher than that of an Extra and they often negotiate for double scale. If footage is lifted into another commercial, a one-time integration fee will apply.</p>
<b>Stand-in</b>	<p>An Extra who is not actually filmed but who is used in place of a Principal for scene blocking or lighting staging. Rate is 10% higher than that of an Extra.</p>
<b>Body or Photographic Double</b>	<p>An Extra who may be filmed to double a Principal (usually for celebrities). Rate is 10% higher than that of an Extra.</p>
<b>Omnie</b>	<p>Unscripted, atmospheric words or sounds uttered by anyone (e.g., roar of the crowd, background noise, etc.). This does not qualify Extras as Principals.</p>

<b>PERFORMER CATEGORIES IN THE UK</b>	
<b>Featured Artist (on- or off-camera)</b>  Includes VO, Singers, Dancers, Stunt Performers & Coordinators	<p>A Featured Artist is seen or heard (excluding background speech or noise) in a commercial and whose individual role plays an essential part in the telling of the commercial story.</p>
<b>Walk-on</b>	<p>Walk-on artist is an identifiable non-speaking artist</p>
<b>Background or Extra</b>	<p>Non-speaking and normally non-identifiable</p>
<b>WORKING WITH MINORS IN THE U.S.</b>	

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

<b>SAG-AFTRA guidelines vs. State Labor Laws</b>	Each state has its own requirements for <a href="#">working with minors</a> . Be sure to check state guidelines against the union’s guidelines to stay compliant. Whichever of the state or union guidelines is more restrictive is the one that takes precedence. Useful website: <a href="http://www.Childreninfilm.com">www.Childreninfilm.com</a>
<b>Casting / Auditions</b>	Calls for auditions and fittings for school-age children shall be after school hours provided such calls are completed prior to 8pm. Two adults associated with casting must be present. Parents/guardians must be allowed within sight/sound during the audition. Virtual viewing may be used if available.
<b>Working Conditions (SAG-AFTRA Commercials Contract)</b> <i>See State Labor Law for other requirements</i>	No minor over the age of six (6) may work beyond an 8 hour day, or after 8pm on a school night or 10pm on a non-school night. No minor under the age of six (6) may work beyond a 6 hour day, or after 7pm. No minor may have a call time earlier than 7am for a studio production or 6am for a location production.
<b>Education – Teacher on-set Requirements</b> <i>See State Labor Law for other requirements</i>	For SAG-AFTRA productions, when minors of school age currently enrolled in elementary or secondary school for a booking of three (3) or more days when school is in session, Producer shall provide three (3) hours of education with a qualified educator on each such school day as part of the regular working day. Many state laws require the producer to provide a certified teacher on the set for all school-age minors, when work is performed during hours when school would normally be in session.  The rules regarding education on the set vary greatly and it’s advised to check the Department of Labor website for the state where your production is to take place.
<b>Permits – Employer</b>	Many state laws require employers to obtain a special “Permit to Employ Minors” before allowing the producers to hire minor performers for use in a production. Rules regarding the requirements to obtain these special permits vary from state to state – it’s recommended to access the Department of Labor website in the state where the production is to take place well in advance of the production date to avoid any delays. Some states with such a requirement include California, Georgia, Illinois, Louisiana, New Jersey, New Mexico and New York.
<b>Permits – Minor Performer</b>	Minors are required to have work permits when working in many states, including California, Georgia, Illinois, New Jersey, New Mexico, New York, North Carolina and Pennsylvania. Obtaining these necessary permits are the responsibility of the child’s parent or guardian; however, if a child performs work without a permit, the employer will be in violation of the state labor laws and may be subject to penalties or even a production shut-down.
<b>Minor Trust Account</b> (a.k.a. Coogan Law)	All employers in the entertainment industry who engage minors who are residents of the states of California or New York (even if working elsewhere); or who perform work in the states of California, Illinois, Louisiana, Massachusetts, New Mexico, New York, North Carolina, Pennsylvania or Tennessee* are required to withhold 15% of the employee’s gross wages to be placed in a trust account for the benefit of the minor. <a href="#">Trust Account documentation</a> must be provided to the payroll company in a timely manner. Kansas and Nevada require trust accounts as part of the court approval of minors’ contracts. *As of 2022

<b>TERMS &amp; FEES ASSOCIATED WITH PERFORMERS IN A COMMERCIAL PRODUCTION</b>	
<b>Casting / Auditions &amp; Callbacks / Recall</b>	The performer’s “job interview” for a role.  <b>SAG-AFTRA:</b> Whether the interview/audition is in-person, remote or self-captured, the first two auditions, if less than 1 hour, are not paid. If called back for a 3rd+ audition, a performer is due a minimum of 2 hours pay (rate based on scale session fee).

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

	<p>A performer is due a Demo fee for an audition used as a scratch track or for copy testing. An audition may never be used in a commercial without performer’s consent and appropriate payment (Session &amp; Use Fees).</p> <p><b>UK:</b> Artists shall have more than 24hrs notice of a casting session. First call casting should last no longer than 15 minutes. No payment due for the first call, only a Recall. A negotiated daily fee is payable per Recall.</p>
<b>Creative Session / Ad-Lib</b>	<p>When a performer is asked to devise dialog or an action not included in the script.</p> <p><b>SAG-AFTRA:</b> Performers must be informed prior to the casting session to prepare and will be paid a fee. If requested on shoot day, an additional 50% Session Fee will be due.</p>
<b>Cast Clearance / Station 12 (SAG-AFTRA)</b>	<p>Inquiry to SAG-AFTRA made by Producer or casting director to verify a performer’s union status for work in SAG-AFTRA productions. This is known as a <a href="#">Station 12 cast clearance</a>. The response can be: “No Record” meaning that the performer has never worked in a SAG-AFTRA production and they aren’t members; “OK” meaning that they are a member and their dues are paid up; “Must Pay” meaning that the non-union performer has worked in the jurisdiction sufficient times that they now have to join or pay dues; or meaning that they are a member but they owe dues they need to pay.</p> <p>A non-union performer’s employment must be reported to the union on a <a href="#">Taft-Hartley reporting form</a> within 15 days of their employment, or a penalty may be assessed. The Taft-Hartley form also provides the space to list the reason for hiring the non-union performer or how the performer otherwise meets the Preference of Employment requirements, see <i>below</i>.</p>
<b>Preference of Employment (SAG-AFTRA)</b>	<p>In certain specified parts of the US (Preference Zones or Extra Zones) Signatories must give preference in hiring to professional performers when producing commercials. If a signatory Producer hires a non-union performer in a Preference Zone, the Producer may be subject to a Preference fine if the performer hired doesn’t meet one of the Commercials Contracts’ listed Preference of Employment exceptions. The Taft-Hartley form is where the basis for hiring is listed.</p> <p>Signatory Producers must employ and pay all Principal performers under the terms of the Contract everywhere in the US regardless of their union status.</p> <p>Unlike Principal performers, Extras performers employed outside the designated Extras Zones are <u>not covered</u> by the Commercials Contract. Wages and working conditions for these Extras are subject to individual bargaining and wage and hour laws.</p>
<b>Union Security (SAG-AFTRA)</b>	<p>The Union Security provisions require a Signatory 1) to <b>report</b> to the union the employment of a non-union performer in a union production (on the Taft-Hartley form) and 2) to <b>hire</b> members of the union in good standing. The <b>reporting</b> obligation only relates to non-union performers working as principal performers in the U.S. and non-union performers working as extra performers within the Extras Zones and within the covered numbers of extras under the Commercials Contract. The <b>hiring</b> obligation means that the Signatory has to demand that performers who are classified as “Must Pay” or are delinquent in their dues must bring their accounts current or the Signatory may be subject to a fine. If a performer is classified as “No Record,” must be reported to the union but the performer is not obligated to pay dues in order to work. Once the performer is on record with the union, they become eligible to become a member of SAG-AFTRA.</p>

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

	<p>IMPORTANT NOTE: In “Right-to-Work” states, the Signatory must still report that a non-member was hired, but the union cannot fine an employer for hiring a performer that doesn’t join or is delinquent in their dues.</p>
<b>Scale (SAG-AFTRA or Union)</b>	<p>The minimum rates for performer payments are set by negotiation between the union and the employers. This rate will increase with a greater level of exclusivity. Performers’ representatives may negotiate “overscale” rates based on the popularity of the performer.</p>
<b>Session Fee (US) Basic Studio Fee (or Basic Session Fee for VO) (BSF) (UK)</b>	<p>A Session Fee is the payment due for the initial work done by a performer (rehearsals, filming, or recording).</p> <p><b>SAG-AFTRA:</b> For Linear TV or Streaming, the Session Fee covers 1st Holding Fee and establishes exclusivity.</p> <p>The session fee covers an 8 hour work day for on-camera work or 2 hours for off-camera performers, with overtime paid after that. Radio is a 90 minute session. If they film or record more than one spot per day, they are paid a session fee per additional spot, with any overtime calculated only on one spot. For multi-day shoots, the number of session fees a performer is due is either the total number of commercials they’ve shot OR the number of days they’ve worked, whichever is greater.</p> <p>Principal performers receive residuals or use fees for use of commercials in which their work appears or is heard. <i>(See Residuals and Usage below.)</i></p> <p><b>UK:</b> <b>On-Camera:</b> The BSF covers a 10 hour work day including a 1 hour meal break. <b>Voice-over:</b> The BSF covers a 1 hour session. Usual working hours are Monday-Friday 9am-6pm. <b>Singer:</b> All fees subject to negotiation. Standard session covers up to 90 minutes.</p>
<b>Overtime (SAG-AFTRA)</b>	<p><b>On-Camera:</b> overtime for hours worked beyond 8 is based on the performer’s hourly rate. 9th &amp; 10th hours (or any part thereof) are paid @ 1.5X of their hourly session rate; 11th+ hours paid @ 2x. The base rate for overtime may be adjusted by night premium, a hazard or stunt adjustment or an adjustment related to wet, snow, smoke or dust working conditions.</p> <p><b>Off-camera:</b> any time worked over 2 hours per script is paid another session fee; or any time worked over 90 min per commercial for audio commercials is paid another session fee.</p>
<b>Overtime (UK)</b>	<p><b>On-Camera:</b> Overtime is calculated at 20% BSF per hour or part of an hour worked over 10 hours. <b>Voice-over:</b> Overtime is payable on a pro-rata basis for each half-hour or part thereof for which the voice-over artist is used beyond 1 hour. Usual working hours are Monday-Friday 9am-6pm. Hours worked outside of these will require additional fees of not less than 50% of the BSF. <b>Singer:</b> All fees subject to negotiation. Standard session covers up to 90 minutes.</p>
<b>Weekend / Holidays</b>	<p><b>SAG-AFTRA:</b> Time worked on weekends and/or union-designated holidays is paid @ 2x scale. Time traveled on weekends and/or union-designated holidays is paid @ 1.5x scale.</p> <p><b>UK:</b> Weekends and public holidays shall require additional payment of not less than 100% of the BSF per session.</p>
<b>Demos / Non-air commercials</b>	<p>Typically used for non-broadcast audience reaction commercials (e.g. focus groups), copy testing or client demos. Performers must be notified at time of casting.</p>

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

	<p><b>SAG-AFTRA:</b> OCP demo rate is 75% of a session fee. VO demo rate is 50% of a session fee.</p>
<p><b>Fitting COVID Testing</b></p>	<p>Wardrobe Fitting and/or testing on a shoot day is considered work time included in the Session Fee.</p> <p><b>SAG-AFTRA:</b> <b>FITTING:</b> If the performers are required to be fitted or to appear in wardrobe on a non-work day, a Wardrobe Fitting payment is required for the actual time spent, with a minimum of 1 hour. Hourly rate is based on their Session Fee.</p> <p><b>COVID TESTING:</b> testing allowance on a non-work day is 1 hour's pay.</p> <p><b>UK:</b> A wardrobe or wig fitting, or similar purpose on a day outside of the period of engagement may be for 2 hours for a negotiated fee.</p>
<p><b>Rehearsals</b></p>	<p><b>SAG-AFTRA:</b> The reading of lines, acting, singing or dancing in preparation for the principal performer's performance in the presence and under the supervision of a representative of the Producer constitutes a rehearsal. Rehearsals on non-production days shall be counted as work time and principal performers shall be paid the applicable session fee.</p> <p>The Union agrees to freely grant waivers for the training of a principal performer in a particular skill (e.g. horseback riding). Compensation, if any, shall be agreed to between principal performer and producer, subject to Union approval.</p> <p><b>UK:</b> Should an Artist be required for a half-day rehearsal (i.e., up to 4.5 hours) where no recording takes place, the Artist shall receive a negotiated fee of no less than 50% of their BSF (or Shoot Fee).</p> <p>On a rehearsal day, for a call of more than 4.5 hours the Artist shall receive payment of their full BSF (or Shoot Fee).</p>
<p><b>Meal Periods (SAG-AFTRA)</b></p>	<p>Allowable meal periods shall not be counted as work time. Performer's first meal period of not less than ½ hour nor more than 1 hour shall commence within 6 hours following 1st call; 2nd meal period within 6 hours of the end of the 1st meal period. The meal period begins when the last performer gets their food. Meal period violation penalties will be due for late start times.</p>
<p><b>Rest Period (SAG-AFTRA)</b></p>	<p><b>Principals</b> are generally entitled to a 12 hour consecutive rest period between dismissal and first call (including travel, wardrobe, and makeup). There are several minor exceptions allowing reduction to 10 hours rest.</p> <p><b>Extras</b> may not work longer than 16 hours in any one day of 24 hours, including meal periods, travel time and actual time required to turn in props/wardrobe. The penalty is a full session fee for each hour, or part thereof, that exceeds the 16 hours, paid at straight time unless on a weekend or holiday.</p>
<p><b>Night Premium (SAG-AFTRA)</b></p>	<p><b>Principals:</b> hours worked between 8pm-6am require 10% premium payment for all hours worked including overtime.</p>

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

	<p><b>Extras:</b> hours worked between 8pm-1am require 10% premium payment; hours worked between 1am-6am require 20% premium payment.</p>
<b>Wardrobe / Props</b>	<p>If a performer is asked to bring their own wardrobe and/or props to a shoot, they are usually paid a fee for each item.</p>
<b>Travel</b>	<p>Performers travel to and from the place of reporting, or location/set.</p> <p><b>SAG-AFTRA:</b> Any travel outside the Studio Zone or to a distant location is subject to payment. The rules for travel are complex and are detailed in the Working Conditions sections of the Contract. They differ for Principals and Extras.</p> <p>Travel on weekdays is payable at scale. Weekends/holidays are paid at 1.5x scale. Travel payment shall not exceed 8 hours in one day.</p> <p>When traveling performers to a distant location, business class airfare is required if over 1,000 miles. Performers must be given accommodations, transportation, and meal allowance fees for all meals not otherwise provided by the Producer. Performers traveled to a distant location are paid a session fee for each travel and down day, as well as for work days.</p> <p><b>UK:</b> Where necessary traveling occurs by prior arrangement with the Advertiser/Producer on a day on which no services are rendered, the Featured Artist shall be paid 50% of the BSF.</p>
<b>Consecutive Employment (SAG-AFTRA)</b>	<p>Performers on overnight locations are entitled to a full day's pay for every day spent at the location, working or not.</p> <p>Other than on an overnight location, no performer engaged under the Commercials Contract is entitled to payment for consecutive employment.</p>
<b>Reimbursements</b>	<p>If a performer pays out of pocket for anything such as meals or airport transportation when traveling for a production, they may submit for reimbursement which is not usually taxable provided a receipt is submitted.</p>
<b>Stunt Adjustment (SAG-AFTRA)</b>	<p>Unless otherwise bargained for at time of engagement, a Principal performer not called as a stunt performer shall receive an adjustment of not less than an additional session fee per commercial in which they perform a stunt on any day. Stunt performers will often bargain a stunt adjustment based on the nature of the stunt to be performed.</p>
<b>Cancellation</b>	<p>Once the performer is hired/booked the call cannot be canceled without pay, except in a force majeure situation. If canceled, the performer is paid the agreed daily rate for each day booked. If the performer is booked with travel days, these are also payable.</p>
<b>Postponement (SAG-AFTRA)</b>	<p>With 24 hours' notice a Principal performer's session can be postponed for up to fifteen (15) days with ½ session fee due. There can be only one (1) postponement. An Extra performer's session cannot be postponed without pay except in Force Majeure situations.</p>
<b>Weather Permitting Calls</b>	<p>A call that is subject to weather conditions is a weather permitting call. Weather permitting calls do not apply to studio shoots, only to outdoor location shoots and must be issued prior to the commencement of photography on that day.</p> <p><b>SAG-AFTRA:</b></p>

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

	<p>A Principal performer receiving 2 times the session fee per commercial per day or less shall be paid a half-check upon the cancellation of any weather permitting call. This check shall entitle the Producer to hold the performer for up to 4 hours. A Principal performer shall receive a half-check for each additional 4 hours, or portion thereof, for which they are held by the Producer. An Extra gets a quarter-check for each additional 2 hours, or portion thereof.</p> <p>During this waiting period the Producer has the privilege of putting performers into costumes, rehearsing, or making other use of their services. If however, any recording or photographing is done, whether still pictures or otherwise, the performer shall be paid the full agreed daily wage.</p>
<p><b><u>U.S. Union &amp; California Department of Labor (DOL) Payday Rules</u></b></p>	<p>SAG-AFTRA &amp; AFM Commercial Productions: Session fee is due within 15 business days.</p> <p>SAG-AFTRA Co-Ed / Industrial Productions: Session fee is due within 30 calendar days.</p> <p>Non-union Print &amp; Video Production in California: Work on the 1st through the 15th paid on or before 26th of the month; Work on the 16th through the end of the month, paid on or before the 10th of the following month.</p> <p>Penalties for late payments may be assessed by both SAG-AFTRA and the state in which the work was performed.</p> <p>CA DOL penalties = a full day's pay for each calendar day payment is late up to a max of 30 days.</p>

<b>TERMS &amp; FEES ASSOCIATED WITH AIRING / HOLDING SAG-AFTRA COMMERCIALS (RESIDUALS &amp; USAGE)</b>	
<p><b><u>Holding Fees</u></b></p>	<p><b>THIS IS THE MOST IMPORTANT PAYMENT AND MUST BE PAID ON TIME. HOLDING FEES ARE DUE EXACTLY 13 WEEKS FROM PREVIOUS HOLDING FEE AND CANNOT BE PAID LATE OR COMMERCIAL WILL BE RELEASED.</b></p> <p>Holding Fees are payments made to Principal performers to “hold” their exclusivity (see below) to the product being advertised, and to retain the Advertiser’s right to continued use of the commercial.</p> <p>When a contractually required Holding Fee is not paid on-time, the commercial is considered released, the performer is no longer obligated to hold their exclusivity, and the Advertiser no longer has the right to air it. To reinstate the commercial for further use it becomes necessary to renegotiate with the performer/agent.</p> <p>Holding fee cycles commence at production and cover 13 weeks. The session fee covers the first Holding Fee cycle.</p> <p>Holding Fees are equal to a session fee (unless performer negotiated a higher rate at time of booking) and are payable to all on- or off-camera Principals EXCEPT FOR off-camera solo or duo singers or group performers where no exclusivity is obtained, non-identifiable voices, including character voices, non-identifiable pilots, performers engaged for seasonal commercials, and announcers in commercial billboards whenever Producer cannot choose an announcer but is required to use announcer assigned to the program or performers engaged for foreign use only.</p> <p>Extra performers are not entitled to Holding Fees.</p> <p>Exclusivity covers products that directly compete with the Advertiser’s product. If non-competitive products are also required, additional fees must be paid.</p> <p>Linear TV &amp; Streaming automatically includes exclusivity and requires payment of Holding Fees.</p>

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

	<p>Holding Fees/exclusivity does not apply to digital-only commercials unless exclusivity is required or they are run in non-consecutive cycles. Then Holding Fees must be paid every 13 weeks to Principals to secure such rights.</p> <p>2022 New Structure: Holding fees may be applied to all media use except for Made for Traditional Digital Only. Holding Fees that may otherwise come due during any one-year use cycle are deemed to be covered by the payment made for that one-year use cycle. When a one-year use cycle has been paid there is no further need to pay holding fees during that year.</p>
<b>Exclusivity</b>	<p>Scale Principal performers in a TV or Streaming commercial may not accept employment in commercials that advertise any directly competitive product or service. If an advertiser wants broader exclusivity, i.e., for non-directly competitive products or services, or on media types that don't automatically include it, additional fees for session and use will apply, based on the number of additional categories.</p> <p>There is no automatic exclusivity for commercials that are Made for Digital use (except Streaming under 2022 New Structure), however exclusivity may be bargained for at the time of hiring. Adding exclusivity after initial engagement requires permission from performers to ensure there is no existing conflict.</p> <p>Holding Fees are paid, in part, to maintain performers' exclusivity (see Holding Fees, above).</p>
<b>Fixed Cycles</b>	<p>Beginning with production on a commercial, each period of 13 consecutive weeks is called a 'fixed cycle'. Holding Fees are due no later than the first day of the fixed cycle. (See Holding Fees above.)</p> <p>Traditional Contract: The first fixed cycle ("FFC") for all on-camera principals is the earliest day on which services are performed by any performer, including rehearsals (not including auditions, fittings, tests). For VO performers, as long as the services are performed within 45 days of the FFC for on-camera performers, their FFC commences with the OCPs FFC.</p> <p>2022 New Structure: The first fixed cycle for all Principals is based on the <u>last</u> day of on-camera production (not including any recalls or retakes). Subsequent Fixed Cycles are every 13 weeks through the MPU.</p>
<b><u>Maximum Period of Use (MPU)</u></b>	<p>The total time span during which a commercial may be used.</p> <p>Traditional Contract: The MPU is 21 months, calculated from the first fixed cycle commencement date.</p> <p>2022 New Structure: The <u>MPU</u> is 21 months, calculated from date of 1st use, OR 13 weeks after the last on-camera production date whichever is earlier.</p> <p>If an Advertiser or Ad Agency wishes to continue use of a commercial beyond the 21 months, contracts must be renegotiated with all performers. It is up to the producer to initiate renewal negotiations.</p>
<b>Use Fees / Residuals</b>	<p>Payment to a Principal performer for use of a commercial beyond the session fee. Use fees are based on the type of media (e.g. Linear TV, Digital, Streaming, Foreign, etc.) and duration needed during the MPU.</p> <p>Use Cycles may be non-consecutive as long as Holding Fees are paid.</p> <p>Use fees are payable fifteen (15) working days from first use in any medium. If no use occurs during the 13 weeks following production, a Holding Fee is due.</p>

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

<b>Network / Class A (Linear TV)</b>	<p>National linear, non-cable programming, including Syndication, is paid per airing, in 13 week cycles. Payments include simulcast and non-streaming VOD (i.e. VOD accessed via your TV provider).</p> <p><b>2022 New Structure:</b> a scale Class A Cap of \$20k per OCP / \$15k per VO per 13 week cycle has been introduced, and is available to Agency and Advertiser signatories only.</p>
<b>Late Night Waiver (Linear TV)</b>	<p>Lower rates paid for airings between 2AM-6AM on the following Networks: NBC, ABC, CBS &amp; FOX.</p>
<b>Wild Spot (Linear TV)</b>	<p>Local programming broadcast on non-interconnected single stations. Rate is based on market (Traditional Contract) or as a flat rate per cycle (2022 New Structure). Includes simulcast and non-streaming VOD (i.e. VOD accessed via your TV provider).</p> <p><b>2022 New Structure:</b> Flat fee for 4 weeks (all markets), 13 weeks or 1 year (choice of all markets or excluding NY &amp; LA)</p>
<b>Cable (National or Local) (Linear TV)</b> <i>Includes simulcast and non-streaming VOD.</i>	<p><b>National:</b> Includes local cable, simulcast and non-streaming VOD (i.e. VOD accessed via your TV provider)</p> <p><b>National Cable Waiver:</b> Available as of 1/1/23 to Advertiser and Agency signatories. Covers subscriber count between 1,000,001-2,000,000</p> <p><b>Local:</b> Fewer than 1M subscribers in total.</p> <p><b>Traditional Contract:</b> Payment per cycle is based on cable networks' subscriber counts (maximum of 3000 units).</p> <p><b>2022 New Structure:</b> Flat fee for 4 weeks, 13 weeks or 1 year.</p>
<b>Dealer (Linear TV)</b>	<p>Dealer Use is for commercials made by the national manufacturer or distributor, then provided to independent dealers or dealer associations to use. Media time must be purchased by the local dealers to qualify for this rate.</p> <p><b>2022 New Structure:</b> Flat fee for 4 weeks, 13 weeks or 1 year.</p>
<b>Diginet (Linear TV)</b>	<p>Diginets are entertainment-based specialty networks which have been created specifically for sub channels, most commonly those dedicated to airing reruns of classic television series.</p> <p><u>Usage</u> is paid per airing at reduced rate or as a flat upfront fee per 13 week cycle.</p> <p><u>2022 Diginet list</u> (current as of 10/2022): Antenna TV, Bounce TV, BuzzrTV, Charge!, Circle, Classic Reruns TV, COMET, Court TV Mystery, Cozi TV, Dabl, Decades, Defy, FAVE TV, GetTV, Grit TV, Heroes &amp; Icons, ION Laff, MeTV, Movies!, NBCLX, Quest, RetroTV, Rewind TV, Stadium, StartTV, TheGrio (fka LIGHTtv), The TBD Network, This TV, True Crime Network (fka Justice), TrueReal &amp; Twist TV.</p>
<b>Spanish Program Use (Linear TV)</b>	<p>Spanish language commercials airing on Spanish language networks have separate flat-per-cycle use fees.</p> <p><b>Traditional Contract:</b> Wildspot &amp; Cable use are calculated based on airings and market weights.</p>

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

	<p><b>2022 New Structure:</b> Program/network use paid separate Spanish Language flat fee rate for 4 weeks, 13 weeks or 1 year. Wildspot &amp; Cable paid the same flat fees as English Language commercials.</p>
<p><b>Seasonal Commercial (Linear TV and/or Digital)</b></p>	<p>A commercial which must be related by audio or video reference to a particular season (e.g. Christmas, June Bride, Valentine’s Day, Oktoberfest, etc.).</p> <p>Performers must be notified of seasonal status at time of casting.</p> <p>Exclusivity is not permitted. If needed, the spot will not qualify as a Seasonal commercial.</p> <p>May be used for a period of 13 weeks, plus an optional additional contiguous 2 weeks in the season. If used longer, it shall not qualify as ‘Seasonal’.</p> <p>MPU shall be two (2) consecutive seasons, provided it was originally used as a seasonal commercial in the 1st season. One holding fee (not creditable) must be paid at the end of the first season to retain the right to use the spot in the 2nd season.</p>
<p><b>All other North American Use (Linear TV): Unwired Network Class B Class C</b></p>	<p><b>Unwired Network:</b> acquired and repackaged local station inventory from around the US resold to Advertisers as national inventory with a guaranteed minimum national audience per ‘unwired unit’. To be accepted as such under the Contract, Unwired networks must be approved by SAG-AFTRA.</p> <p><b>Class B:</b> Spots airing in 6-20 cities (NY, Chi, LA each count as 11 cities)</p> <p><b>Class C:</b> Spots airing in 1-5 cities</p> <p><b>2022 New Structure:</b> combines ITN/Unwired Networks, Class B, and Class C Program use from the Traditional Structure.</p> <p>Paid flat fee for 4 weeks, 13 weeks or 1 year.</p>
<p><b>Digital: Traditional (Internet &amp; New Media) Streaming (formerly OTT) Emerging Platforms / Gaming / Augmented Reality (AR) / Virtual Reality (VR)</b></p>	<p><b>Traditional Contract:</b> Internet (including Streaming) and New Media, considered different use types, are each paid separately in 4 week, 8 week or 1 year use cycles. There are different use rates for “Made For Internet and/or New Media” and “Move Over” (originally produced for TV).</p> <p><b>2022 New Structure:</b> Internet (<i>websites</i>) and New Media (<i>only functions 100% fully in the app, not on its corresponding internet site, e.g. Instagram, TikTok, SnapChat, etc.</i>) are combined into one category called <b>Traditional Digital</b>. Paid flat fee for 4 weeks, 13 weeks or 1 year. No exclusivity unless performers consent and Holding Fees are paid every 13 weeks. Cycles may be used non-consecutively during the MPU as long as Holding Fees are paid. Holding fees are <i>not</i> applied.</p> <p><b>Emerging Platforms/Gaming/AR/VR</b> is a new category in 2022. Fees, term (within MPU), editing, and exclusivity are all negotiable.</p> <p><b>Streaming</b> (e.g. Hulu, Apple+, Prime, Netflix, Paramount+, etc.) is its own category, and if paid also includes Traditional Digital and Emerging Platforms/Gaming/AR/VR use. Paid flat fee for 4 weeks, 13 weeks or 1 year. Automatically includes exclusivity, and Holding Fees must be paid (credited against use).</p>
<p><b>Industrial Use (Out of Home)</b> <i>Not to be confused with a video made under the Co-Ed / Industrial Contract</i></p>	<p>Payment covering use up to the expiration of the 21 month MPU of a commercial in non-broadcast settings (e.g. taxis, airports, stadiums, billboards, in-store displays, sales meetings/conventions, etc.). Covers worldwide use.</p>

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

<b>Foreign Use of a Commercial (Linear TV/Digital)</b>	Payment for commercial use outside the US, Canada or Mexico. Separate payments due for use in one or more of five (5) different areas of the world: the UK (3x session fees), Europe excluding UK (2x session fees), Asia-Pacific excluding Japan (2x session fees), Japan (1x session fee), & Rest of World (1x session fee). Total Foreign Worldwide use is 9x session fees. Payable upon first use in each area after which use is covered through the end of the commercial's MPU. An extension of 9 months may be added for an additional fee. Industrial Use is included within the paid foreign territory.
<b>Guarantee</b>	An amount paid either every 13 weeks (per-cycle) or for other specified time periods (Term) that guarantees a performer shall receive a specific amount for each cycle or for the Term. Any sessions, use and/or Holding Fees that become due as a result of use are calculated at scale or at an agreed-to multiple of scale and applied against the guarantee. Any fees thus earned in excess of the guarantee are paid out on top of the Guarantee amount. Celebrities are often engaged under a Guarantee to provide services under the Commercials Contract as well as services not covered by a union contract.
<b>Equity Performers in Commercials</b>	When a SAG-AFTRA commercial is created by utilizing footage from an Actors Equity Association theater production (b-roll or archival of the actual show), the performers therein are paid under the SAG-AFTRA Waiver for Equity Performers. Paid session and use for 6 months or 1 year.
<b>Integration Fee</b>	<b>Principals:</b> Additional payments are due to Principal performers for the incorporation of footage or tracks from one active commercial into new commercials. Rate is typically equal to a session fee per new commercial. Use fees are due for each new commercial. Versions created under the editing rules may not be considered new commercials for this purpose. (See <i>EDITING</i> below.)  <b>Extras:</b> paid a one-time integration fee equal to a session fee if their performance is integrated into a new commercial.

<b>TERMS &amp; FEES ASSOCIATED WITH AIRING COMMERCIALS PRODUCED NON-UNION (USAGE)</b>	
<b>Buyout Fee</b>	Fee negotiated between performers and Producer to cover where the assets defined within the contract can be used (media), for how long (term), and where (territory).
<b>Ancillary Use</b>	Client, Agency or Production Company PR, internal websites, archival use, showreels, award shows, etc. Term is typically worldwide, all media, in perpetuity.
<b>Options</b>	Contract terms not included in original use that may be added for an additional pre-negotiated fee (e.g. media, territory, asset). May also be for an additional term(s), for a typical increase of +10% from previous use fee.

<b>OTHER REQUIRED FEES</b>	
<b>Fringes / Markups</b>	General term for additional required fees and taxes paid on top of session & use/residual payments. These are in addition to wages paid to performers
<b>SAG-AFTRA Pension &amp; Health Plans Contributions (aka P&amp;H)</b>	A contribution to performers' benefits funds. These are mandatory under the union contracts, with payment required to be made by the Producer, never by the performer. This contribution is calculated as a percentage of performers' wages or compensation and is paid directly into the Funds by the Producer, on top of wages and use fees.  Performers must meet P&H Funds eligibility requirements to be able to receive P&H benefits.

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

	<p>P&amp;H contributions for large guarantee Celebrity Multi-Service Agreements are calculated on the portion of performer's gross compensation that is allocated to union-covered services, capped at \$1M of compensation per contract year. Sometimes contributions must be allocated between the SAG Pension Plan and the AFTRA Retirement Fund.</p> <p>P&amp;H contributions are due and payable within thirty (30) calendar days of the date wages are due or late fines will be incurred.</p> <p>The amount and timeliness of contributions are subject to rigorous audit by the P&amp;H Plans.</p> <p>Contribution Rate is usually raised whenever the SAG-AFTRA contract renews. The rate for JPC Authorizers is discounted from the rate charged to other, non-JPC signatories.</p>
<b><u>Workers' Compensation Insurance</u> (aka Workers' Comp)</b>	<b><u>Workers' Compensation</u></b> insurance is required under every state law in the United States. Payroll companies obtain U.S. Workers' Comp coverage on behalf of their clients as part of their role as Employer of Record.
<b>Payroll Tax</b>	Mandatory U.S. federal, state & local taxes partly paid by the Employer and partly withheld from Employee paychecks based on the wages and salaries of employees. The Employer taxes are used to finance social insurance programs: Social Security, Medicare, Unemployment Insurance and, depending on state law, sometimes Disability and Family Leave Insurance.
<b>Handling Fee</b>	Fee charged by payroll companies for their services in managing payroll functions.
<b>Service Fee for 3rd Party Union Signatories / Signatory Co-Producers</b>	Fee charged by 3rd party Signatory / Signatory Co-Producer for services rendered and obligations assumed when acting as the signatory to a union contract on behalf of non-signatory Advertisers or Agencies.

<b>POST PRODUCTION</b>	
<b>Commercial</b>	A short video (typically < 3 minutes) containing an advertising message promoting a specific Advertiser's brand, product or service.
<b>Master, Primary, Base Commercial (US) Final Clocked Commercial or Final Edit (UK)</b>	Commercial designated as the main or primary version in a campaign.
<b>Lift Direct Cutdown (UK)</b>	Shorter versions created from footage cut from a master. <b>SAG:</b> Different takes of scenes from the same production may be included (with limitations) and the voice-over and/or music may be changed to fit to picture. <b>UK:</b> exact cut-down of the final edit or final clocked commercial
<b>Version Alternative Edits (UK)</b>	<b>SAG:</b> See <i>Editing</i> below. <b>UK:</b> Edit where there might be a different pack shot
<b>Alias</b>	An Alias is a version with an identical cast as the Primary or Lift with which it is associated, and is considered to be the same spot for performer payment purposes, although there is a different Asset Identifier (ISCI/Ad-ID/title/Clock #) assigned. Usually the Alias designation is used for a version with different supers or product shots, or masters created to the specs requirements of different social media platforms.
<b>Upgrade</b>	When a performer who was originally hired as an Extra performs during production in such a way as to qualify them as a Principal (e.g. speaking dialog, interacting with other Principals, etc.), they become entitled to Principal pay for the day's work.

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

	<p>If that footage should be included in the final version of the commercial, the performer would be entitled to any Holding or Use Fees that might become due as a Principal. If not included, no additional payment would be due and no re-grade notice to the performer would be required.</p> <p>In addition, any Extra whose identifiable face appears in the foreground as the result of post-production editing and whose performance demonstrates the product or service is re-categorized as a Principal (“upgraded”) and becomes entitled to Holding Fees and residuals.</p>
<b>Downgrade</b>	<p>A performer hired as an OCP, part of whose performance, but not their face, remains in the final commercial may be downgraded, after which they are no longer entitled to residuals.</p> <p>A one-time downgrade fee, equal to a session fee, is paid for the downgrade. No use fees are thereafter due, provided the performer is notified before first use of the spot.</p>
<b>Outgrade</b>	<p>If in the final commercial a Principal no longer appears at all, no use fees are due, provided the performer is notified before first use of the spot.</p>
<b>Reclassify</b>	<p>If a performer is hired as an on-camera Principal, and the only part of them that remains in the final spot is their voice (or hands if sign language), they are reclassified as an off-camera Principal with use fees paid accordingly.</p>
<b>“New” &amp; “Non-New” Versions</b>	<p>When a commercial is for a new-to-the-market product, using the word “New” on-screen and/or in the VO is only allowed for the first 6 months. Then the spot must be changed to ‘non-new’ with all references to ‘New’ removed on/off-screen. Considered the same commercial for payment purposes. A SAG-AFTRA VO performer recording a different script for the non-new version receives a session fee.</p>

<b>EDIT CATEGORIES -- SAG-AFTRA 2022 COMMERCIALS CONTRACT ('2022 NEW STRUCTURE')</b> (Includes commercials produced under the Social Media / YouTube Waiver)	
<b><u>Shorter / Longer Edits</u></b>	<p>Allows for shorter/longer versions to be created through editing without triggering a new commercial. An unlimited number of these “paid-as-one” versions may be made.</p> <p>May use any footage from the same production provided it relates to the same script/storyboard and is not an Unpermitted Edit. There is no requirement that they be a direct lift from the master.</p> <p>For each Principal appearing, their 1st &amp; 2nd versions are covered by the session fee, their 3rd version is paid a full session fee, and all subsequent versions are paid at 30% of a session fee.</p>
<b>Permitted Changes</b>	<p>Changes to tags, dealer ID, legal/network requirements, dates, factual information, offers or supers, rearrangement of on-camera material, changes to voice over or music, foreign language voiceover or changes to intro and/or ending to another product in the same product line or to a different variant of the same product as long as the change is in the nature of a “tag”.</p> <p>No additional payments are due to any Principals unless they are engaged to render services in connection with the Permitted Change. Then they are paid the applicable tag rates for each such change.</p>
<b><u>Paid Edits</u></b>	<p>Includes product changes beyond tagging, same product line/variant, change/add setting during same production via green screen/CGI, new footage if same script/product but changing wardrobe/props to match setting.</p>

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

	<p>Performers shooting multiple variations are paid a session fee for each.</p> <p>Edit fees for Principals appearing in each paid edit: 1st edit = 1x session fee, 2nd edit = 75% session fee, 3rd edit = 50% session fee, 4th+ edits each paid 30% session fee.</p>
<b>Addressable Edits</b>	<p>Specifically produced to show in multiple variations, each dynamically inserted at the level of individual households.</p> <p>Footage/soundtrack must be from original production. Edit may not change commercial concept or message. May change setting/props, different products in the same product line, or variant of product beyond the nature of a tag.</p> <p><b>OCP:</b> paid one-time fee equal to a 200% on-camera Principal session fee.</p> <p><b>VO:</b> Paid a one-time edit fee equal to 200% off-camera Principal session fee if no services are rendered, and paid a 50% off-camera session fee for each Addressable edit created when services are rendered. If services are rendered on some but not all Addressable Edits, they receive both a 50% fee for each version they create, and a one-time edit fee of 200%.</p> <p><b>Extras:</b> paid a one-time fee equal to 50% of an unlimited use Extra fee.</p> <p>SAG-AFTRA may request documentation for verification.</p>
<b>Unpermitted Edits</b> <i>Creates a new commercial</i>	<p>A commercial will be considered a new spot if there is a change to the concept, message, and/or incorporating new Principal(s) and/or footage not from original production (lifted from a different commercial or campaign). Separate use fees apply.</p>

<b>ESSENTIAL REQUIRED PAPERWORK</b>	
<b>Casting Specs</b>	<p>Outlines the specifications required for performers including role, product, exclusivity, what SAG-AFTRA Contract they will be hired under (if union), any special requirements/skills needed, intended use, etc. Important to put these in writing for clarity and in case there are any disputes later. Nationality, race or age must be expressed as “Must be able to play XX.” If a role depicts a person with a disability, the specific disability must be included in the casting specs. The working conditions should also be included if they will include any work in wet, snow, smoke or dust conditions or any stunts or hazardous work.</p>
<b>“Taft-Hartley” Report Form</b>	<p>Form required to report to the union the employment of a non-union performer on a SAG-AFTRA production. Must be filed within 15 business days of employment to avoid a Union Security violation fine.</p> <p>In addition, to avoid a possible Preference fine, the report may include an explanation as to why a non-union performer was hired instead of a union performer, e.g. the role has specific and special requirements, making it difficult to find SAG-AFTRA members at the place of casting.</p> <p>Once a <a href="#">Taft Hartley report</a> is filed, a non-union performer may become eligible to join the union after a short waiting period.</p>
<b>SAG-AFTRA Standard Employment Contracts</b>	<p>SAG-AFTRA has <a href="#">standard employment contracts</a> that must be used for all Union commercial productions. These are different based on the contract under which performers are being hired (e.g. Traditional Commercials Contract or the 2022 New Structure), and on the category of performance (e.g. Principal or Extra). Payroll companies may slightly adjust the standard</p>

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

	SAG-AFTRA employment contracts, as long as these include all union-required information, terms & conditions and are approved by the union.
<b>Non-Union Talent Release</b>	<p>Legal agreement used to obtain a performer's permission to use their name, image, likeness, voice, quotes, performance, etc. in a non-union production or for non-union-covered services. Agreement should specify all details of intended use of content being produced, including number of versions, term, territory and media, etc. This is also appropriate for union performers when performing any non-union covered services (e.g., a stills shoot), or non-union extras hired outside the Extras Zones or within the Extras Zones but in excess of the number of extras covered by the Contract.</p> <p>Lawyers will generally recommend that every performer give written consent for any and all uses of their performance, name and/or likeness, whether they are union members or not. (See <i>Rights of Publicity and Privacy</i>)</p>
<b><u>Session Report</u></b>	Form completed at the end of a production day or days, reporting all relevant information for a shoot and/or recording session. It includes basic details such as names of all performers hired, dates worked and traveled, and location where work was done. It must be promptly submitted to the payroll company with copies of the performer contracts, photos, time reports and supporting tax/employment documents to allow for timely processing and issuing of payment to performers.
<b><u>Member Report</u></b>	Form which may be completed at the end of a singer and/or musicians' recording session which serves as a substitute for both the performer contract(s) and the session report. It must be submitted to the union(s) and the payroll company with the supporting tax and employment documents to allow for timely processing and issuing of payment to performers.
<b><u>Completion Report(s) / Final Cast List(s)</u></b>	<p>Form that details the disposition of all performers who were originally filmed/recorded for the spot. The purpose is to identify by name and category of performance (including upgrades and downgrades), those who remain in the final spot(s), as well as to identify anyone who may have been downgraded, outgraded or reclassified. Performer use payments will be based on this form, so accuracy and timely submission to the payroll company is of the utmost importance.</p> <p>Also includes all 3rd party rights info such as music, stock footage/photo licensing details, etc., for a complete picture of what is included in each commercial(s). This is necessary for clients so they know how, when and where they may use the commercials, and if additional use rights may need to be acquired.</p>
<b><u>Wage Theft Protection Act (WTPA) Forms</u></b>	Employers in NY, CA, District of Columbia, and Minnesota are required by law to provide employees with a WTPA Form at the time of hiring and no later than the first day of work. The forms provide specific and comprehensive information about the employer, wages, calculation of overtime, deductions from wages, payment schedule, workers' compensation insurance and Paid Sick Leave (as applicable). Even if a comprehensive WTPA form is not required, many states require written notice of rate of pay and payment schedule. CA only requires the WTPA forms for non-exempt non-union employees.
<b><u>Large Guarantee Authorization (LGA)</u></b>	Form which may be required by a payroll company when paying compensation to performers on a guarantee (with or without usage applied), and/or when making P&H contributions only in connection with overscale/Influencer/celebrity term contracts.
<b><u>Talent Advice Form</u></b>	Form which acts as a payment authorization for use payments.
<b><u>Tax Forms (All Performers working in the U.S)</u></b>	Performers are required to submit <u>W4s</u> (individuals) or <u>W9s</u> (corporations) in order to have their payments processed. Foreign entities are also required to submit tax documents ( <u>W-8</u> ).

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

	Performer's SSN is required for P&H-only payments, whether that performer is paid through a loan out corporation or directly as an individual.
<b>Employment Eligibility Forms (US)</b>	A completed and signed <a href="#">I9 Form</a> with supporting documents is required for every individual employed in the US.
<b><u>State Law Forms &amp; Notices</u></b>	States and municipalities often require forms and notices related to local laws and employee benefits. These vary substantially between work locations and requirements should be checked with legal counsel.

<b>MUSIC</b>	
<b>Original Score</b>	Music composed specifically for a creative project or content. May be commissioned as a work for hire or may be licensed.
<b>Work for Hire</b>	Advertiser enters into a "work-for-hire" agreement with the composer and is granted ownership of the composition. Advertiser may use that composition however they would like with no restrictions.  Any recording of the composition may require payment to the performers (musicians and/or singers), depending on whether the recording itself was bought-out or licensed. This is subject to negotiation, as well as Advertiser's signatory status to the AFM (musicians) and/or SAG-AFTRA (singers) contract.
<b>Licensed Music</b> <i>(existing popular / known song)</i>	A popular or existing song, licensed to use with the creative. Advertisers have no ownership of the composition and may only use it as agreed to with the Owner/Licensors. There are usually two (2) ownership entities who must agree to the licensing: Publisher(s) and Master rights holder(s). License fees, subject to negotiation, are based on specific media, term & territory, how many versions on which it may be used, as well as popularity of the song and/or artist.
<b>Publisher</b>	The owner(s) of the composition (music, lyrics, melody). There may be more than one owner. Each can have a specific percentage of ownership. All must consent to the licensing.  If any changes to the song are to be made, permission will be needed from the rights holder(s).
<b>Master Recording</b>	A particular recorded version of a composition. Requires licensing separately from that of the composition. Should an Advertiser choose to record their own version of the song, no master licensing fees would be due.
<b>Most Favored Nations (MFN)</b>	Term used to guarantee that no party of interest will receive less than the highest fee paid to any other party of interest.
<b>Parody</b>	Parody music, or musical parody, involves changing or copying existing (usually well known) musical ideas, and/or lyrics, or copying the particular style of a composer or performer, or even a general style of music. Permission will be needed from the rights holders to create a parody.
<b>Music Purchase Agreement</b>	Contract used when purchasing music made as a work for hire, giving purchaser ownership of the composition.
<b>Music Licensing Agreement</b>	Contract used when licensing music, specifying terms under which the track may be used (term, territory, media, number of versions, etc).
<b>Stock Music / Needledrop</b> <i>(generic library tracks)</i>	Pre-existing music composed and recorded to be licensed. May be used as-is or adjusted to fit the picture. Advertisers have no ownership of the track. Fees based on term/territory/media. Generally the lowest cost option for music.

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

<b>Public Domain</b>	<p>A work in the Public Domain is no longer subject to copyright protections. Any lyrics or composition published in 1926 or earlier is in the public domain in the USA. Note that in most other countries music enters the public domain 70 years after the death of authors (in the case of music the composer or lyricist).</p> <p>This only applies to the original composition of the music and lyrics. It does not apply to any particular arrangement or performance or master recording of the music. The particular recording of a work may be subject to copyright protections.</p>
<b>AFM Musicians</b>	<p>Advertisers or their Agencies may be signatory to the <a href="#">AFM</a> contract. In that case, music recorded in the US for an Advertiser's commercial must be performed by AFM musicians, and residuals for use must be paid.</p> <p>For licensed music originally recorded under an AFM contract, musicians must be contracted and paid for commercial use under the AFM Commercial Announcements Contract.</p>
<b>Contractor (AFM)</b>	<p>Required by AFM when there are 10+ musicians hired to record and must be present during the entire recording session. The Contractor may be one of the side musicians but this is not required. The Contractor category requires payment of separate session and use fees in addition to any payments that may be due a Contractor who is also a side musician on the track.</p>
<b>Public Performance Organizations: ASCAP BMI SESAC</b>	<p><a href="#">American Society of Composers, Authors &amp; Publishers</a> <a href="#">Broadcast Music, Inc.</a> <a href="#">Society of European Stage Authors &amp; Composers</a></p> <p>Public performance organizations who collect fees for the public performances of musical works and distribute publishing royalties to the owners of those musical works.</p> <p>Fees are paid by TV &amp; Radio stations, businesses, concert venues, bars, nightclubs, sports arenas, amusement parks, etc. for performing music in public, whether live or over a speaker.</p> <p>Royalties derived from those fees are paid to the copyright owners of the musical works (publishers and copywriters). Advertisers who commission original works may register to be copyright owners of the composition, and may receive a share of the royalties.</p>

<b>USE OF EXISTING MATERIALS</b>	
<b>Rights to use existing materials originally produced under a union contract in a SAG/AFTRA commercial</b>	<p>Producer agrees that no part of the photography or sound track of a principal performer from a theatrical, television or industrial motion picture or any other production made under the jurisdiction of the Union, and that no part of any audio recording, or of any other production of a principal performer made under the jurisdiction of SAG-AFTRA (including singers unless they are in an unidentifiable group) shall be used in commercials without separately bargaining with the principal performer and reaching an agreement regarding such use prior to any utilization of such photography or sound track under this Contract. The foregoing shall apply to photography only if the principal performer is recognizable, and as to stunts only if the stunt is identifiable.</p> <p>The minimum compensation to which the principal performer may agree in such bargaining shall be the applicable session fee and applicable use fees provided by this Contract. Group singers in an unidentifiable group shall be paid applicable use fees as provided in this Contract. If Producer fails to separately negotiate as provided above, the principal performer shall be entitled to damages for such unauthorized use.</p>

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

<b>3rd party rights</b>	3rd party rights may attach to other materials or images included in a commercial. These include materials that are licensed or which require written permission for use, e.g. stock photos/footage, music, artwork, graffiti, famous buildings, tattoos, etc. Ownership is retained by the rights holder, and licensed for use (paid or unpaid). The rights obtained from the rights holder may be unlimited or may have limitations on term, media, and/or territory, etc. These usage terms must be tracked in order to stay compliant to the license agreements.
<b>Rights of Publicity and Privacy</b>	<p>Privacy and publicity rights protect the ability of a person or their estate to control certain uses of their name, likeness, or other recognizable aspects of their persona and identity.</p> <p>Written consent should be obtained from anyone/everyone who appears in commercial materials. When licensing stock for commercial use, the stock house should have necessary releases on file, specifically allowing for commercial use. Editorial use does not automatically grant a right to commercial use.</p>
<b>Stock Footage &amp; Photography</b>	<p>Pre-existing moving footage and still photographs available for licensing from stock companies.</p> <p><b>Still Photography:</b> People featured in pre-existing still photographs <i>if made for any advertising purpose and if made on behalf of a signatory Producer/Advertiser</i> are covered by the SAG-AFTRA Commercials Contract if they qualify as Principal performers.</p> <p><b>Video Footage:</b> People appearing in pre-existing video footage made for an advertising purpose filmed in the US may be subject to SAG-AFTRA fees (<i>see also Stock Footage Waiver</i>)</p> <p>Licensed footage from professional or collegiate sports (e.g., NFL, NASCAR, MLB, NCAA) is exempt from coverage under the Commercials Contract except with respect to featured players (i.e. individual players in a close-up shot or otherwise featured prominently and personally highlighted in the footage).</p>
<b>Royalty Free (RF) vs. Rights Managed (RM)</b>	<p><b>Royalty-free</b> material is generally subject to copyright or other intellectual property rights but the rights holder may have granted the rights to use the material without the need to pay royalties or license fees for certain uses.</p> <p>Generally, <b>Rights-managed</b> licensing refers to a copyright license which allows the licensor to use a photo/footage within the terms specified by the license.</p> <p>It is critically important that all licenses are carefully reviewed to ensure that all necessary rights are acquired.</p>
<b>User-Generated Content (UGC)</b>	General term for footage and photographs found on the internet (e.g. YouTube, Instagram, TikTok, etc.) made by non-professionals for non-commercial purposes. True UGC (not commissioned to be created by, for or on behalf of an Advertiser or Agency) is not subject to SAG-AFTRA. Written consent for use is still required from the person who shot the footage/photo, as well as any/all people appearing in video/photo, and for any 3rd party rights contained therein. Fees and terms for use may be freely bargained.

<b>INFLUENCERS</b>	
<b>Influencer</b>	<p>"Influencer" as the meaning is commonly understood in the advertising industry shall refer generally to an individual who has amassed a substantial social media following and who may be engaged to create and appear in Influencer-Produced Sponsored Content.</p> <p>Fee and terms are freely bargained. Wage and hour laws may be applicable.</p>

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

<p><b>Influencer-Produced Sponsored Content</b></p>	<p>Influencer-Produced Sponsored Content is audiovisual content self-produced by an Influencer to promote an Advertiser’s product or service.</p> <p>If the entity that engages the Influencer is signatory to the SAG-AFTRA Commercials Contract, the content created may only be used on the Influencer’s and/or Agency’s and/or Advertiser’s websites, on social media platforms and/or on YouTube.</p>
<p><b><u>Influencer Agreement</u> – between non-signatory Advertiser and SAG-AFTRA member Influencer</b></p> <p><i>Agreement may not be used to circumvent the terms and conditions of any other SAG-AFTRA agreement or membership rule.</i></p>	<p>This Agreement is intended to provide a way for Influencers to cover their work under the union and, if not already a member, to become eligible for union membership and benefits.</p> <p>Influencer is either a SAG-AFTRA member or will apply to become one within 30 days following the first day of employment.</p> <p>Influencer must engage directly only with a non-signatory Advertiser (not through an Advertising Agency).</p> <p>Material must be self-produced by the Influencer through the Influencer’s own business entity/loan-out company.</p> <p>Terms of engagement must be set-forth in a standalone contract and may not be included in a contract that also provides for any other SAG-AFTRA covered services, e.g., television commercials or motion pictures.</p> <p>Reporting via <a href="#">Taft-Hartley Form</a> is required for non-member Influencers. Liquidated damages may be assessed for any breaches.</p> <p>Influencer owns the content. Cannot be made as a work-for-hire for Advertiser or any other party.</p> <p>Content may include only the Influencer (no one else), must be self-produced by the Influencer through the Influencer’s own company acting as Producer, and released or exhibited on the Influencer’s and/or Advertiser’s own websites, Social Media, and/or YouTube Channel(s).</p> <p>For any use in other media, Producer or Influencer must notify SAG-AFTRA. If the intended use is in any other media covered by a SAG-AFTRA agreement, Producer must bargain the terms and conditions of use with SAG-AFTRA.</p> <p>P&amp;H allocation is based on at least 20% of the contracted amount, to be paid by the Influencer’s business entity.</p>
<p><b><u>Influencer Waiver</u> – between Signatory Agency or Advertiser and Influencer</b></p> <p><i>Waiver may not be used to circumvent the terms and conditions of any SAG-AFTRA collective bargaining agreement or membership rule.</i></p>	<p>Available to Advertiser and Agency signatories to the Commercials Contract.</p> <p>The Influencer or Advertiser may own the content.</p> <p>No requirement for an Influencer to have a loan-out company. Individual influencers will be paid as employees.</p> <p>Influencers or their agent must be notified at or before the time of hire of intention to produce under the Waiver.</p> <p>Union or nonunion Influencers may be hired. If nonunion, Taft-Hartley form must be filed, but no preference fine will be due.</p>

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

	<p>The content may contain people other than Influencer, but they are not covered under this agreement, and written consent should be obtained from everyone featured.</p> <p>Content written, filmed or produced by any party engaged by the advertiser or agency (other than the Influencer) (i.e., production company, ad agency, PR firm, etc.) shall not be covered by this Waiver. The advertiser or agency may provide the Influencer with notes, suggested messaging, or other guidance relating to the content as long as it is not scripting the content in its entirety.</p> <p>This Waiver may not be used if the Influencer’s contract with the advertiser also includes services covered under another SAG-AFTRA collective bargaining agreement (for example, television commercials or motion pictures). Other non-covered services, such as print and personal appearances, are permitted. Any Influencer-Produced Sponsored Content produced under this Waiver subsequently used in whole or part in any other media covered by a SAG-AFTRA collective bargaining agreement requires payment of no less than the full use fees for that medium (e.g., television or industrial use). Consent of the Influencer is required prior to any television use.</p> <p>P&amp;H allocation is based on 20% of the contracted amount. The parties may negotiate how the contribution will be deducted from or paid in addition to the gross compensation, provided that the compensation and contribution amounts are clearly and separately stated in the Influencer’s contract. However, the P&amp;H payment must be made by the signatory.</p>
<b>MPU (Maximum Period of Use)</b>	<p>One year from the date of posting. May be less depending on the term needed/negotiated. Advertiser or Producer must separately negotiate with Influencer for any use past the MPU.</p> <p>However, if the Influencer-Produced Sponsored Content appears on a website, social media platform, or on YouTube after the expiration of the MPU, but is not relevant to any current campaign and remains in the feed tied to its original posting date, no further payment shall be required provided that Producer complies with the Influencer’s request, if made, to remove it.</p>
<b>Use in other media (e.g. pre-roll, TV)</b>	<p>Notice must be given and full use fees for that media will be due. Consent required for TV or Streaming (exclusivity).</p>
<b>Things that Influencers are not allowed to do under the Waiver</b>	<p>Stunts, hazardous work, nudity or sexually explicit content.</p>

<b>CELEBRITIES / ATHLETES</b>	
<b>Multi-Service Contract (MSC) or Multi-Service Agreement (MSA)</b>	<p>Oftentimes, celebrities are hired to do more than just perform in commercials (covered services). They may also agree to provide non-covered services such as still photo shoots, social media posts, personal appearances, media interviews, etc.</p> <p>All union wages that would otherwise become due for usage are calculated at the scale or overscale rate specified in the MSC and applied to the portion of the guarantee specified for covered use.</p> <p>Payment due for usage that exceeds the amount allocated for covered services is paid out on top of the MSC’s guaranteed amount. P&amp;H is allocated based on covered services, with a minimum of 50% allocation (with some exceptions). P&amp;H payment dates are tied to contract installment dates, with penalties due for late payments.</p>

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

<b>Long-form Contract vs. Deal Memo</b>	Long-form contracts contain all terms and conditions when hiring a celebrity. Since these can take time to negotiate with all relevant parties (performer, agents, managers, Agency, Advertiser, lawyers), it is common to have a shorter deal memo in place which outlines the services, schedule and fees agreed upon while the long-form details are worked out.
<b>Pay or Play</b>	Pay or Play is the commitment by an Advertiser/Producer to pay the performer even if they decide later that the performer's services won't be required.

<b>MISCELLANEOUS</b>	
<b>Employee (US)</b>	Generally, individuals who work under the control and direction of another person or entity. May be eligible for, or legally entitled to, benefits such as workers' compensation and unemployment insurance, health insurance, paid sick leave, family leave and/or disability insurance. Subject to required tax withholding from their paycheck based on their W-4 or W-8 Form and related state documents. Employees can be "exempt" from overtime requirements or "non-exempt" and therefore legally entitled to overtime under federal and state laws.
<b>Independent Contractor (US)</b>	Defining who can be classified as an independent contractor is complex. The party engaging the individual should consult with their lawyer about such a classification. Independent Contractors are not generally eligible for Employer-provided benefits or the legal protections of an Employee. No taxes are withheld from their payment and no Employer taxes are paid.  Performers are classified as Independent Contractors in Canada.  <i>Please note: Does not include individuals (including Influencers) when they are engaged under a U.S. union contract.</i>
<b><u>Vendor</u></b>	3rd party company engaged to perform a job or provide a service. Not eligible for benefits. No taxes deducted from payment.
<b>PII (Personally Identifiable Information)</b>	Any representation of information that permits the identity of an individual to whom the information applies to be reasonably inferred by either direct or indirect means. Further, PII is defined as information: (i) that directly identifies an individual (e.g., name, address, social security number or other identifying number or code, telephone number, email address, etc.) or (ii) by which an agency intends to identify specific individuals in conjunction with other data elements, i.e., indirect identification. (These data elements may include a combination of gender, race, birth date, geographic indicator, and other descriptors). Additionally, information permitting the physical or online contacting of a specific individual is the same as personally identifiable information. This sensitive information, while required for employment, must be handled with care and may not be shared without consent or a legal right. Payroll Services and many Advertisers have PII compliance guidelines that must be followed to protect this information. A number of states have very stringent laws protecting against the unauthorized distribution or use of PII and violations carry significant penalties.
<b>Unauthorized / Illegal use</b>	Use of a commercial beyond the MPU, and/or after any rights have expired, and/or use of a commercial in a media and/or territory not contracted and paid for.
<b>Non-covered services</b>	Non-covered services are not under SAG-AFTRA jurisdiction. May include still photography for print, digital, OOH use, personal appearances, panel discussions, media tours/interviews, podcasts, social media posts (non-video/audio), autographed merchandise, NFTs, etc. May hire union or non-union performers.

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.

<p><b>Productions not covered under SAG-AFTRA Commercials Contract:</b> Foreign Stills Media Tour/Interviews Podcasts</p>	<p><b>Foreign commercial productions</b> (outside of the US and its Territories): Permitted for signatories as long as it is not for the purpose of evading the contract. Legitimate reasons are typically significantly lower production cost (not lower performer cost) or specific location, weather, or season requirement (e.g. Eiffel Tower, snow in July). Local performers may be bought out for specified term, media, and territory. However, if any SAG-AFTRA performers or any non-waived performers hired in the US by a signatory are traveled to a foreign location, they must be contracted and paid under SAG-AFTRA, but local talent are not.</p> <p><b>Still shoots:</b> Shoots where performers (union or non-union) are shot with a still camera, not for use in a commercial, are not covered under the contract. This includes still shoots that are shot on the same day as moving footage. Those hours do not count towards SAG-AFTRA-covered hours and are tracked/paid separately without P&amp;H.</p> <p><b>Media tour/interviews, podcasts:</b> Since these are not commercials, they are not covered under the SAG-AFTRA Commercials Contract.</p>
<p><b>Digital Doubles</b></p>	<p>Computer generated images or voices of a performer created by any technology. May not be used to evade the Commercials or Audio Commercials contract.</p>
<p><b>NDA (Non-Disclosure Agreement) Confidentiality Clause</b></p>	<p>Clause that is part of the SAG-AFTRA contract whereby performers agree to keep non-public information shared with them about the project confidential. Advertisers/Agencies may have their own NDA forms, but SAG-AFTRA members are not permitted to sign any agreement except that which has been approved by the Union for union-covered services.</p>
<p><b>TOR (Transfer of Rights)</b></p>	<p>When transferring SAG-AFTRA commercials, industrials or guarantee contracts from a union signatory (Transferor) to another party (Transferee), either signatory or non-signatory, the <a href="#">TOR form</a> documenting spots and contracts being transferred and date of transfer must be signed by Transferor, Transferee, and approved by SAG-AFTRA. Entity assuming the rights also assumes the obligations and must abide by all SAG-AFTRA rules for the commercials being transferred. If the Transferee is not a signatory, SAG-AFTRA must approve the transfer before the Transferor can shift responsibility for the spots, programs and/or contracts. The Transferee agrees to take on financial responsibility for all transferred commercials and must provide the union with necessary financial information in order for the Transferor to be released.</p>
<p><b>Industry Associations</b> JPC ANA AAAA (4As) AICP/AICE IAB</p>	<p><a href="#">Joint Policy Committee</a> <a href="#">Association of National Advertisers</a> <a href="#">American Association of Advertising Agencies</a> <a href="#">Association of Independent Producers or Editors</a> <a href="#">Interactive Advertising Bureau</a></p>
<p><b>Commercial or Asset Identifiers</b> Ad-ID ISCI (Industry Standard Coding Identification) Clock # UCID (Universal Creative Identifier)</p>	<p>All commercials or assets and their versions should always have unique identifiers to ensure the proper spots are being delivered to the appropriate media and trafficked properly. There are different accepted or required methods of identifying commercials, depending on where in the world it is produced, and in which media it will appear.</p> <p>For commercials airing on broadcast TV in the US, Ad-Ids are required. For commercials airing on Traditional Digital platforms, the asset identifier may be created by the Advertiser.</p>

The information provided in this glossary is not legal or tax advice and should not be relied upon for those purposes. Although every effort was made to be as accurate and comprehensive as possible, that simply is not possible in our fast moving industry, accordingly, please consult with your advisors before making final decisions concerning your advertising.