



Commercials Low Budget Digital Waiver FAQ

Q: What is the effective date of the waiver?

A: Immediately.

Q: Is Producer required to get permission from the union in advance before using this waiver or provide a final edit to the union for review?

A: No advance approval is required. Go produce! And it is not necessary to send in a copy of the commercial, although the union may request one if a claim is filed.

Q: Can the waiver be used for television commercials?

A: No, the waiver is only for commercials made for Internet and/or New Media.

Q: Can the waiver be used for audio commercials?

A: No, the waiver only applies to the SAG-AFTRA Commercials Contract.

Q: Who is allowed to produce under the waiver?

A: It is only available to JPC authorizers and advertisers and advertising agencies that are signatories to the SAG-AFTRA Commercials Contract. The waiver is not available to 3rd party signatories.

Q: What is included in the \$50,000 budget limit?

A: The \$50,000 includes the production line only (including, for example, talent, director, producer, props, wardrobe, and location fees). Post-production costs (including, for example, editorial, agency travel, dub and shipping costs) are not included.

Q: What if I am producing multiple Internet/New Media commercials and my total budget exceeds \$50,000?

A: The \$50,000 budget is per commercial.

Example 1: A Producer is shooting two (2) Internet commercials over the course of two (2) days with a total budget of \$100,000. The production would qualify for the waiver because the cost per commercial is within the \$50,000 budget.

Example 2: A Producer is shooting five (5) New Media commercials in one day with a total budget of \$150,000. The production would qualify for the waiver because the cost per commercial is within the \$50,000 budget.

Example 3: A Producer is shooting a TV commercial and an Internet commercial, with a total budget of \$300,000. If, using commercially reasonable efforts, the Producer can determine that \$50,000 of the total budget is attributable to the Internet commercial, the waiver would apply with respect to the Internet commercial only.

Q: In the event of unanticipated budget overages do we lose the waiver?

A: No. From time-to-time unforeseen circumstances will have an adverse impact on the budget, and the Producer should not be penalized for these unforeseen circumstances. Examples of such unforeseen circumstances include your typical acts of Force Majeure (such as weather, illness, acts of God, and injury).

Q: Should producers use the SAG-AFTRA Commercials Contract standard employment agreement (i.e., A-1 or A-2)?

A: Yes, please continue to use the standard A-1 and A-2s for production and note the negotiated fees in the Special Provisions portion of the form.

Q: What does the Preference provision of the waiver mean?

A: The goal of the bargaining parties in establishing the waiver is to increase the employment of professional performers in Internet/New Media commercials while also providing relief to signatory advertisers and advertising agencies. That being said, the union recognizes that in some instances (e.g., because of production location or costs) it may be difficult to hire professional performers. As a result, a Producer is permitted to hire non-professional performers, and will

not be fined for Preference of Employment or Union Security. The Producer must, however, file a Taft-Hartley for each of the non-union performers.

Q: If a commercial produced under this waiver airs beyond the 1-year-use-period on a site other than a social media platform, is Producer required to negotiate with the performers for this use?

A: Yes.

Q: When, exactly, should notification be made to performers or their agents that this job is subject to the waiver?

A: For principal performers, this information should be in the casting breakdown or stated to performer/performer's agent prior to receiving an audition call time. Extra performers must be informed prior to booking the job.