

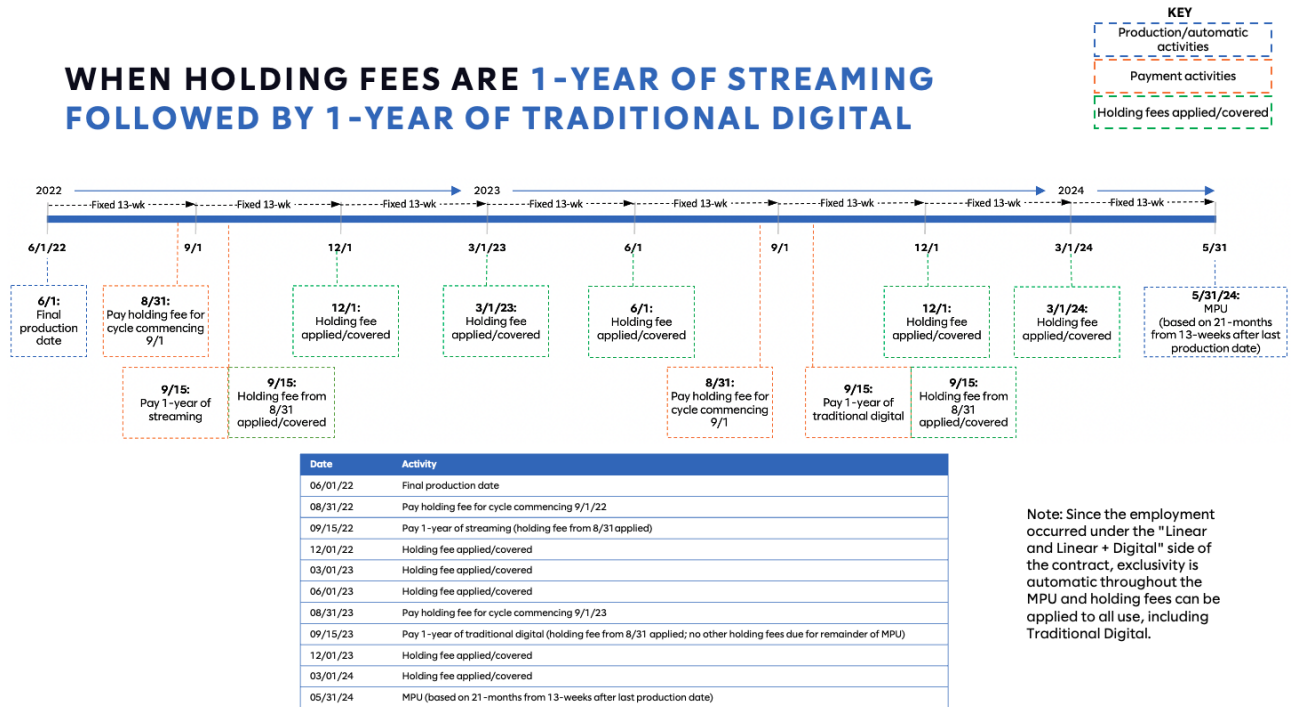


December 2022

JOINT FAQs REGARDING THE TRANSITION TO THE 2022 SAG-AFTRA COMMERCIALS CONTRACT'S NEW PAYMENT AND EDITING STRUCTURES & THE EXPIRATION OF THE TRADITIONAL CONTRACT

1. *Q) When does the Traditional Commercials Contract expire?*
 - A) The Traditional Commercials Contract expires on December 31, 2022. On January 1, 2023, the 2022 Commercials Contract is the only contract new commercials can be produced under.
2. *Q) When the Traditional Contract expires December 31, 2022 and is replaced in full by the 2022 Commercials Contract, what happens to active commercials that were produced under the Traditional Contract?*
 - A) All active commercials previously produced under the Traditional Contract continue to be paid under the Traditional Contract at the rate in effect at the time of the production until the expiration of the MPU.
3. *Q) What contract structure do I use to renew a commercial made under the Traditional Contract?*
 - A) Until December 31, 2022, a renewal upon expiration of the MPU would be negotiated with the performer under either the 2022 Traditional Contract or the new 2022 Contract. Beginning January 1, 2023, all renewals upon expiration of the MPU must be negotiated under the new 2022 Contract.
4. *Q) Until the Traditional Contract expires on December 31, 2022, do performers still need to be advised whether they are being hired under the Traditional Contract or the 2022 Contract? If so, at what point?*
 - A) Yes, until December 31, 2022, performers should be notified at the time of booking which contract they are being hired under and if a waiver is being used. Beginning January 1, 2023, all commercials must be produced under the new 2022 Contract payment structure so the only notification that would be required at booking would be whether you are producing under a waiver (e.g., Social Media/YouTube Waiver).
5. *Q) Until December 31, 2022, do all performers in a commercial have to be hired under the same structure (i.e., either the Traditional Contract or the new 2022 Contract)?*
 - A) Generally, yes – however, if a commercial was produced under the Traditional Contract in December 2022, but the VO is not recorded until January 2023, the VO would be engaged under the new 2022 Contract (while the other performers were engaged under the Traditional Contract).
6. *Q) If we produce a new commercial under the Traditional Contract prior to its expiration on December 31, 2022, but the first airing is after January 1, 2023, can we use the new 2022 Contract structure for use payments?*
 - A) Once a performer is hired under a particular contract structure, that structure is followed through the MPU. Therefore, the terms, conditions, and use payments due under the Traditional Contract would apply to the commercial through the MPU.
7. *Q) If footage from a commercial produced under the Traditional Contract is lifted into a commercial produced under the new 2022 Contract, under what contract are the principal performers in the Traditional Contract footage be paid for the new commercial? Is the answer the same for using footage produced under the new 2022 Contract in a spot produced under the Traditional Contract?*
 - A) Under both scenarios, the principal performers whose performance is contained in the lifted footage would be paid for the new commercial according to the structure under which the new commercial was produced.
8. *Q) What does a performer receive if they were an OCP for the base commercial, but only their hand remains in the shorter/longer version or paid edit?*
 - A) If the performer's face no longer appears in the shorter/longer version or paid edit, then no payment is due to the performer.

9. Q) What does a performer receive if they were an OCP for the base commercial, but in the shorter/longer version or paid edit they are now a VO?
- A) The performer who is now a VO in the shorter/longer version or paid edit would receive the OCP rate for the shorter/longer version or paid edit fee. A performer receives the shorter/longer version or paid edit fee based on their original category in the base commercial.
10. Q) When are holding fees due after paying one (1) year of Streaming followed by one (1) year of Traditional Digital?
- A) Below is a visual to explain when holding fees are due based on a final production date of June 1, 2022, with a 21-month MPU from 13-weeks after the last production date. Please note: Since the employment occurred under the "Linear and Linear + Digital" side of the contract, exclusivity is automatic throughout the MPU and holding fees can be applied to all use, including Traditional Digital. For more MPU examples, click [here](#).



If you have any questions, please contact the JPC or SAG-AFTRA.