



## **JOINT FREQUENTLY ASKED QUESTIONS (FAQS) REGARDING THE 2025 SAG-AFTRA COMMERCIALS CONTRACTS**

Last Updated: August 18, 2025

### **1. Section 8.B. – The Non-Professional Testimonial Waiver:**

- **Question:** Do the changes to the testimonial waiver also apply to the Audio Commercials Contract?
- **Answer:** Yes.
- **Question:** For the “Two Commercial Rule” for testimonials under Section 8.B., is it two (2) commercials per contract or two commercials total, regardless of medium?
- **Answer:** There is no “Two Commercial Rule” for the Testimonial Waiver. The new language that references a second commercial only applies where you paid the person for the first testimonial. Prior to 2025, that payment to the person would have disqualified them from future testimonial spots because after receiving payment for the first testimonial commercial they could no longer satisfy requirement #4 that “the person has not been paid to render services as a principal performer in a commercial...”. If no payment is made to the testimonialist, then they can appear in as many testimonial spots as you want to use them in. This was true under the 2022 Contract and is still true today. In 2025, we made it easier to use a person in a future testimonial even if they were paid for the first testimonial spot. Now, if you pay someone to be in your testimonial commercial (including all versions, paid edits, and addressable edits (as permitted under Section 37) of said commercial), you could use them in a second testimonial commercial (which was prohibited prior to 2025).

### **2. Section 17.A. – Restrictions on Use of Commercials:**

- **Question:** If commercials remain in social media or YouTube feeds and a Traditional Digital or Traditional Digital with Paid YouTube use payment was made, but are not yet at their MPU, can you confirm that no further payments would be due? For example, if a 1-year Traditional Digital cycle is paid covering 6/1/25-5/31/26 and the MPU expires 1/1/27, can the commercial remain on social media and YouTube between 6/1/26-12/31/26 without payment of an additional Traditional Digital usage cycle?
- **Answer:** No. Use must be paid through the MPU.

### **3. Section 20 – Minimum Compensation Fees Per Commercial; Session Fees:**

- **Question:** To clarify, do the rate increases of 5% effective 4/1/25, 4% effective 4/1/26, and 3% effective 4/1/27, apply to sessions and reuse for all commercials produced, edited from existing footage, or renegotiated as of those dates?
- **Answer:** The year one rate increase applies to commercials produced on or after 4/1/25, unpermitted edits that result in new commercials, and renegotiations. The year two rate increase applies to commercials produced on or after 4/1/26, unpermitted edits that result in new commercials, and to renegotiations. The year three rate increase applies to commercials produced on or after 4/1/27, unpermitted edits that result in new commercials, and renegotiations.

#### 4. Section 30.A. – Maximum Period of Use:

- **Question:** How is the MPU end date calculated?
- **Answer:** The MPU date is calculated as 10 business days from the first production day plus 2 years minus one day. For example, if the first production date was August 19, 2025, the MPU starts 10 business days thereafter on September 3, 2025 (factoring Labor Day). Therefore, the MPU will end on September 2, 2027.
- **Question:** What MPU calculation and rates would a Producer use for OCPs filmed prior to April 1, 2025 and a VO recorded after April 1, 2025? Does the 2022 Contract apply or the 2025 Contract?
- **Answer:** If an on-camera performer (OCP) was booked or engaged before April 1, 2025 and the VO was engaged and recorded after April 1, 2025, OCP receives the 2022 session fee and the VO receives the 2025 session fee. However, all performers would receive the 2022 use fees and MPU calculation under the 2022 Contract. This is because the Contract states that the new contract provisions are applicable to services performed by performers on or after April 1, 2025. The MPU and use fees are determined by the start date of production.
- **Question:** Is the holding fee due 3 months after the 10-business days after the first session date or is it due 3 months after the first session date? If they are due 3 months after the first session date and holding fees are continuously paid, and a holding fee would be due 10 business days prior to the MPU, would additional session or renewal fees (per cycle guarantee for example) be due 10 days later if continued usage of the commercial is needed after the MPU?
- **Answer:** The first fixed cycle begins on the first day of production, so holding fees will be due 13 weeks thereafter. While there is now a consistent start date for the MPU, the holding fee cycles and MPU do not always align.
- **Question:** In the SAG-AFTRA Summary, it notes that payroll services are to list on the wage statement the first day of on-camera photography. In the MOA, it notes to report on the wage statement the tenth business day after on-camera principal photography. Confirm which is correct?
- **Answer:** The MOA is correct.

## 5. Section 35 – Cable:

- **Question:** Can Producer upgrade from the use payment for a Single Cable Channel to National Cable use cycle?
- **Answer:** Yes. Provided you are in an active Single Cable Channel use cycle, you may upgrade by paying the difference. The cycle end date remains the same.
- **Question:** Can Producer run multiple Single Cable Channel use cycles at the same time—that is, can Producer pay for two different Single Cable Channels?
- **Answer:** No. You may not purchase multiple Single Cable Channel use cycles to run at the same time. If you purchased a Single Cable Channel use cycle and later decided to run the commercial on more cable channels, then you could upgrade from the Single Cable Channel use cycle to either a Local Cable use cycle tier or National Cable use cycle tier.

## 6. Section D.IV.11 – Liquidated Damages for Late Payment:

- **Question:** What if the Producer does not receive written notice from SAG-AFTRA or the performer of continued non-payment after 25 business days? After the 25 business days, does a Producer have to pay the \$13.09 per day even if it never received notice or only if it received notice?
- **Answer:** A Producer has to pay regardless of notice. Notice is not the trigger.
- **Question:** Did you eliminate the cap on the first tier of liquidated damages for late payment?
- **Answer:** The cap for the first tier is still in place. You may still pay the maximum late payment amount set forth in the Contract. However, if you fail to pay and the non-payment continues, additional late payments may be due.
- **Question:** After the first 25 business days, if the talent/agent has not notified Producer, will that be the maximum amount of late fees due? What if the talent/agent notifies at a later date (say, 90 days after due date)?
- **Answer:** There is no longer a pause between the 25 business-day late fees and the liquidated damages.
- **Question:** Is an email considered written notice to the producer?
- **Answer:** Yes.
- **Question:** Can the agent send written notice on behalf of the performer?
- **Answer:** Yes.
- **Question:** If only one performer sends written notice, do the additional liquidated damages only apply to that performer?
- **Answer:** No.
- **Question:** If neither the performer nor the Union gives written notice to the Producer of continued non-payment, is Producer obligated to pay anything beyond the maximum amount?

- **Answer:** Yes. Liquidated damages continue to accrue even if written notice is not sent.

**7. Appendix A.1.(a)(ii)(B)(1) and Appendix A.1.(b)(iv)(1) – Traditional Digital:**

- **Question:** If a Traditional Digital cycle is paid, can Producer upgrade to Traditional Digital with Paid YouTube?
- **Answer:** Yes. Provided you are in an active Traditional Digital use cycle, you may upgrade from Traditional Digital to Traditional Digital with Paid YouTube by paying the difference. The cycle end date remains the same.

**8. Appendix A.1.(a)(ii)(B) – Use:**

- **Question:** If a commercial is produced on the Linear+Digital side of the Contract and launches on Class A and one year of Traditional Digital on the same date, can three (3) holding fees be applied?
- **Answer:** Yes. The holding fees can be applied because linear use has occurred.
- **Question:** A commercial is produced on the Linear+Digital side of the Contract and launches with one year of Traditional Digital and a holding fee is paid. If one year of cable is initiated after the first holding fee was paid, can that holding fee (and future holding fees) be applied?
- **Answer:** Yes. While the holding fee was required when the commercial launched with only Traditional Digital use, when a linear use occurred (Cable) during that 13-week fixed cycle, the holding fee could then be applied. In addition, because the commercial has now had linear use, holding fees can be applied to future Traditional Digital use cycles even if no additional linear use occurs after the first Cable cycle.
- **Question:** A commercial is produced on the Linear + Streaming side of the Contract and launches with one year of Traditional Digital and a holding fee is paid. Thereafter, the advertiser's intended use changes and no linear or streaming use will occur. Can you release the commercial and initiate a new Traditional Digital use cycle?
- **Answer:** Yes. You may initiate an additional consecutive Traditional Digital use cycle(s), but the performer will no longer be exclusive and must be released.
- **Question:** Are you still able to produce commercials for use in Traditional Digital only?
- **Answer:** You are still able to produce commercials for Traditional Digital use only (i.e., Made-Fors). To do so, you check the Traditional Digital Only box on the Exhibit 1 employment contract. Holding fees are not automatically due, and there is no automatic exclusivity and no automatic right to non-consecutive use cycles. If you would like exclusivity or would like to use the commercial in non-consecutive use cycles, you must negotiate with the performer and holding fees must be paid and may not be applied.

- **Question:** If Producer contracts under the Linear+Digital side of the Contract, and the commercial is only used on Traditional Digital or Traditional Digital with Paid YouTube, are holding fees due and if so, can they be credited against use?
- **Answer:** Yes and no. Holding fees are due but they may not be credited against the Traditional Digital or Traditional Digital with Paid YouTube use.
- **Question:** If the commercial is produced under the Linear+Digital side of the Contract and initiates a one-year Traditional Digital use cycle, does the Producer have to pay holding fees every 13 weeks?
- **Answer:** Yes. If the commercial is produced on the Linear+Digital side of the Contract, Producer must pay holding fees every 13 weeks unless and until streaming or linear is purchased. Alternatively, if you only have Traditional Digital or Traditional Digital with Paid YouTube, you may release the commercial and still run consecutive Traditional Digital or Traditional Digital with Paid YouTube cycles, but the performer will not be held exclusive.
- **Question:** Can we still apply the session fee to use cycle payments?
- **Answer:** Yes. Like before, session may be applied to all use types, including Traditional Digital, if it occurs within 13 weeks of the session.
- **Question:** When is the effective date for the change that says that holding fees may not be applied to Traditional Digital or Traditional Digital with Paid YouTube?
- **Answer:** Effective immediately, for all commercials produced (including those produced prior to 4/1/25), holding fees may not be applied to Traditional Digital use cycles or Traditional Digital with Paid YouTube use cycles unless and until a streaming or linear use cycle is paid.

#### 9. Exhibit I – Commercial Contract Allocation Guidelines:

- **Question:** If paid YouTube is intended and included in the overscale multiservice contract, can a Producer take advantage of the new 40% allocation guideline?
- **Answer:** Yes. The 40% allocation guideline is available to all multiservice contracts where there is a right to use the commercial in Traditional Digital (including paid YouTube) but not linear or streaming.

#### 10. Artificial Intelligence (new Sections [XX] and [XX.1]):

- **Question:** If a performer receives a standard session fee for their in-person performance AND a 1.5 scale Digital Replica session fee shortly after (e.g., while in post for that commercial we realize we need the help of AI to achieve our goal and can't re-shoot), can we apply BOTH the original session fee and 1.5 scale Digital Replica session fee against use paid within that 13 week cycle?
- **Answer:** If the Digital Replica is used to generate a performance in the same commercial for which the performer rendered a live performance, then, no, you may not apply both the in-person session and the 1.5x Digital Replica session to use. If, instead, the Digital Replica is used to generate a future performance in a

different commercial, then the in-person session is applied to use of the commercial featuring the in-person performance and one session of the 1.5 scale Digital Replica session is applied to the use of the commercial featuring the performance generated by the Digital Replica.

- **Question:** If we use a Synthetic Performer in the same commercial, for which a human principal performer is engaged, but it is outside the scope of the Contract, do we make a contribution to the Plans under the Synthetic Performer provisions of the Contract?
- **Answer:** If Producer produces a commercial that is outside the scope of the Contract, as described in Section 5, then the Synthetic Performer provisions of the Contract would not apply.
- **Question:** What fees are due for the use of Synthetic Performers?
- **Answer:** A contribution is paid to the SAG-AFTRA Health Plan and SAG-Producers Pension Plan (or AFTRA Retirement Fund for Audio Commercials) in the amount of 1.5 session fees, P&H on the 1.5 session fees, and the contribution amount that would be due on scale use and holding fees had a human performer been used. The contribution amount is not the actual use and holding fees. The contribution calculation is similar to the Stock Footage Waiver. If, however, there is not a human on-camera principal performer, SAG-AFTRA (in consultation with the JPC) shall negotiate in good faith the amount payable to the Plans.
- **Question:** Do holding fees and MPU and other contract terms apply to the use of Synthetic Performers? Why would holding fees be due since holding fees are tied to exclusivity?
- **Answer:** Yes, if you produce a commercial under the Contract, the MPU is the same as if you engaged human performers. You do not pay holding fees. Rather, you make a contribution based upon what the holding and use fees would have been had you hired a human performer. You are making a contribution payment only.
- **Question:** If synthetic extra performers are created, what payments are due?
- **Answer:** If a human on-camera principal performer is included in the commercial, you would make a contribution to the Plans in the amount of 1.5 session fees and P&H on the 1.5 session fees since extra performers do not receive use and holding fees. If you are using synthetic extra performers in a crowd scene and you have already paid the 45 human extras, then no contribution to the Plans is due, just like no payments are due when you use other technologies to replicate background performers after paying 45 human extra performers. If, however, there is not a human on-camera principal performer, SAG-AFTRA (in consultation with the JPC) shall negotiate in good faith the amount payable to the Plans.

- **Question:** If synthetic extra performers are created and paid for a commercial that includes one principal performer and then those synthetic extra performers are integrated into a new commercial, what payment is due?
- **Answer:** Because the 1.5 session was already paid, you would make a one-time P&H contribution based upon an integration payment of a scale session payment.
- **Question:** What is the process for determining the P&H contribution due for use of Synthetic Performers in a commercial that does not contain at least one principal performer covered by the Contract?
- **Answer:** Reach out to the JPC and we will review the circumstance and facilitate the discussion with SAG-AFTRA regarding the appropriate contribution to be made. You should be prepared to explain why you are not engaging any human principal performers in the commercial.
- **Question:** Assuming Producer provided the required notice to create the Digital Replica during the production day and obtained consent to a reasonably specific description for a future performance, does Producer pay 1.5 scale session fees at the time the original spot that does not include the performance generated by the Digital Replica or do we pay a scale session to the performer on that shoot day, and pay 1.5 session at the time the future performance used by the Digital Replica is used in a commercial?
- **Answer:** On the day the human provides services, they will be paid scale for the day of work, including all work that happens that day. For example, if there is a one-day shoot for one spot, the human will receive a single scale session fee. If the Digital Replica is created using footage/recording from the production, no additional session fee is due. If the performer is reading an entirely different script (whether solely for the creation of the Digital Replica or for a second commercial), they would get an additional session payment. When Producer eventually uses that Digital Replica to generate a performance for a new spot, the human will receive 1.5 scale for the “virtual session” and scale holding and use fees for each spot that includes the performance generated by the Digital Replica (as well as editing fees, as applicable, in accordance with the editing provisions of Section 37).
- **Question:** If we did not know at the time of the production that we wanted to create a Digital Replica, and we determine later that we want to create a Digital Replica of the performer using existing footage in order to generate a performance in a future spot or to edit a performer’s features (e.g., modifying the mouth movement), do we then reach out to talent for permission, and pay 1.5 for the revisions/updates?
- **Answer:** You must use commercially reasonable efforts to notify and obtain consent at least 48 hours prior to the creation of the Digital Replica unless the Digital Replica is to be created in less than 48 hours, in which case you must use commercially reasonable efforts to notify and obtain consent from Performer not

less than 24 hours prior to creation or use of the Digital Replica. You must provide a reasonably specific description of the performance that you intend to generate with the Digital Replica and get consent before you can move forward with generating and using the performance.

- **Question:** If we know up front that we plan to create a Digital Replica and we have the performer read a test script on camera so that the tool can map the talent's face to make future adjustments more easily, would the talent need to be paid for reading that test script?
- **Answer:** Assuming you provided the proper notice and obtained the required consent, if the only service being performed that day is the creation of the Digital Replica via reading the face mapping script, then you pay the performer a scale session fee for performing services for the creation of the Digital Replica. When the commercial is used that includes a performance generated by the Digital Replica, the performer receives 1.5 session fee (of which one session maybe be applied to use) and use and holding fees based upon the category of performance generated (e.g., on-camera principal, off-camera principal, etc.).
- **Question:** What do we pay the performer if we bring in an OCP for audio recording, reading the new line, and use the LipDub tool to change the mouth to match?
- **Answer:** Assuming you provided the proper notice and obtained the required consent, the performer will receive a scale voiceover session for the audio recording. When you use the commercial that includes the on-camera performance generated using their Digital Replica and the LipDub tool, the performer will get 1.5 on-camera session fee plus scale on-camera use and holding fees for each spot that includes the on-camera performance generated by the Digital Replica.
- **Question:** There is another tool that can learn the OCP's voice pattern/style and change the voice of the performer instead of having them re-record. It can also translate and apply the English language dialog into another language in the talent's "voice". If that tool is used, what payments are due to the performer?
- **Answer:** Assuming you provided the proper notice and obtained the required consent, you pay 1.5 session and scale use and holding fees for each spot that includes the performance generated by the Digital Replica.
- **Question:** If Producer uses traditional editing technologies that include AI (e.g., VFX, CGI, Photoshop, blurring, painting out, etc.) to edit a commercial, does that trigger the payment obligations under the Digital Replica provisions of the Contract?
- **Answer:** No. There is a difference between creating a Digital Replica of a specific performer to generate a performance and using editing technologies that may incorporate AI components but that are not generating new performances or modifying a performer's physical traits (e.g., eye color, language, skin color, etc.).

No payments other than those that may be required under Section 37, Editing, are required.

- **Question:** If there is no negotiation to retain the Digital Replica after the MPU, are we required to permanently and irrevocably delete all copies of the Digital Replica and verify in writing that it has been done within 90 days of the expiration? Is it possible to keep a Digital Replica for potential future negotiated use?
- **Answer:** Yes. The requirement is to negotiate retention of the Digital Replica after completion of the MPU of the last commercial in which it was used. You can continue seeking consent to retain the Digital Replica for additional periods of time, but it can only be for a maximum of 24 months at a time – i.e., the consent is not perpetual but rather must be “renewed” every 24 months. There is no fee for a negotiated “hold” of Digital Replica files. Payments are only due if and when you use the Digital Replica to generate a new performance. The performer is not held exclusive during this time.
- **Question:** What will the check due date be based on for Digital Replica sessions?
- **Answer:** The due date is based on the first airdate of the commercial that includes a performance generated by the Digital Replica.
- **Question:** If I use a Digital Replica to generate a tag, what payment would be due?
- **Answer:** Assuming you provided the proper notice and obtained the required consent, the performer would receive 1.5 sessions for the use of their Digital Replica to generate the tag and the applicable number of tags created beyond one.
- **Question:** If I am using a performer’s Digital Replica to generate tags, can I make a blanket payment to the performer to cover a certain number of tags for upcoming promotions?
- **Answer:** Yes, you may pay for any number of tags that will be generated by the Digital Replica plus the 1.5 session.

#### 11. Digital Waivers:

- **Question:** Is the Low Budget Digital Waiver (LBDW) still available? Were there any changes?
- **Answer:** The LBDW now has the same contract expiration as the Commercial Contracts, and no changes to the waiver terms were made.
- **Question:** Does the LBDW apply to Traditional Digital and Traditional Digital with Paid YouTube?
- **Answer:** Yes, it applies to both.
- **Question:** Is the Influencer-Produced Sponsored Content Waiver still available? Were there any changes?
- **Answer:** Yes, the Influencer-Produced Sponsored Content Waiver is still available. The contribution rate is the same as the 2025 Contract.