



2022 SAG-AFTRA AUDIO COMMERCIALS CONTRACT
MEMORANDUM OF AGREEMENT

Memorandum of Agreement (“MOA”) made by and between SAG-AFTRA (“SAG-AFTRA” or the “Union”) and The Joint Policy Committee, LLC (the “JPC”) on this 5th day of April 2022. This MOA sets forth the agreed upon revisions to the 2019 SAG-AFTRA Audio Commercials Contract based upon the agreements exchanged by the JPC and the Union on April 5, 2022. Except as otherwise set forth herein, the terms and conditions set forth in the 2019 SAG-AFTRA Audio Commercials Contract remain unchanged.

1. Amend the Preamble and any applicable sections and Exhibits to change the name of the Contract to the 2022 SAG-AFTRA Audio Commercials Contract.
2. Amend Section 6 – Minimum Compensation to reflect the following changes:
 - a. Within 60 days of ratification of the Contract, wages and use fees shall be increased as set forth below, effective April 1, 2022:
 - (i) Increase wages and use fees under the Traditional Audio Contract by 4.88%.
 - (ii) Increase Audio Flex payments by 4.88%.
 - b. Effective June 1, 2022:
 - (i) Increase wages and use fees under the Traditional Audio Contract by 4.88%.
 - (ii) Increase Audio Flex payments by 4.88%.
3. Amend Section 22 – Contractors to replace the singers’ rates as follows:

When 3 to 8 singers are employed	<u>25% of the session fee paid for contractor’s services as a member of the group as set forth in Section 6.B.</u>
When 9 or more singers are employed	<u>50% of the session fee paid for contractor’s services as a member of the group as set forth in Section 6.B.</u>
4. Amend Section 25.F. – Auditions as follows:

The Audition Report Form shall also provide for the following information:

1. Intended use.
 2. A Declaration to be signed by an authorized representative of Producer stating: “This recorded audition material will not be used as a client demo, an audience reaction commercial, for copy testing or as a scratch track without payment of the minimum compensation provided for in the Commercials Contract and shall be used solely to determine the suitability of the performer for a specific commercial.”
 3. The name of the Performer who is hired, if known, at the time the Audition Report Form is filed pursuant to this Section 25.
 4. Whether the audition is for an on-camera or off-camera television commercial, or a radio commercial.
 5. A declaration that the confidentiality provisions set forth on Exhibit A¹ shall also apply to all auditions.²
 6. The name of the responsible person or persons who may be contacted by the Union to ascertain the use made of the recorded audition material, unless Producer has informed the Union in writing of the person designated to handle all such inquiries.
5. Amend Section 25 – Auditions to include a new subsections H., I., and J. as follows:
- H. When a Performer is given an audition call, the Producer shall notify the Performer of any waivers under which the commercial is being produced.

¹ Section 4 of Exhibit A shall also be amended as follows:

6. NON-DISCLOSURE/CONFIDENTIALITY

‘Confidential Information’ means trade secrets, confidential data, and other non-public confidential proprietary information (whether or not labeled as confidential) including any and all financial terms of, and products involved in the production and any and ~~scripts~~ all information regarding the creative elements (including, without limitation, scripts and storyboards) whether communicated orally, in written form, or electronically. Confidential information does not include information that was lawfully in Performer’s possession prior to being disclosed in connection with the employment of Performer, is now, or hereafter becomes generally known to the public, or that Performer rightfully obtained without restriction from a third party. Performer acknowledges that Performer has and will become aware of certain Confidential Information. Unless otherwise required by law, Performer agrees that, without Producer’s prior written approval, Performer shall hold such Confidential Information in the strictest confidence and that Performer will not disclose such Confidential Information to anyone (other than Performer’s representatives in the course of their duties to Performer, which representatives shall be bound by the same restrictions as set forth in this Agreement) or utilize such Confidential Information for Performer’s benefit or for the benefit of a third party. Notwithstanding the foregoing, nothing herein shall prohibit Performer from disclosing Confidential Information concerning Performer’s wages, hours, and other terms and conditions of employment as that term is defined under Section 7 of the National Labor Relations Act. For clarity, except as set forth above, Producer may not demand or request that Performer execute any nondisclosure agreement that has not been approved in advance and in writing by the Union.

² The Non-Disclosure/Confidentiality language as modified in Exhibit A shall be added to Exhibit D – Commercial Audition Report.

I. In the event of a self-tape or live-remote audition (“virtual audition”), Performers may not be required to possess or obtain equipment including props or paid services in order to audition.

J. For virtual auditions, Performers shall receive relevant audition copy (e.g., script) in a format that can be used with screen reading software 24 hours prior to the audition or at the time of audition notice, whichever is later.

6. Amend Section 33.A – Maximum Period of Use of Commercials – Actors, Announcers and Singers as follows: The maximum period during which a commercial may be used shall be not more than 21 months after the date of first use or the last date of employment of the actor, announcer or singer, whichever occurs first.

7. Amend Section 37 – Effective Date and Term to reflect the new term of the Contract as follows:

This Contract shall be for a three (3) year term commencing on April 1, ~~2019~~ 2022 and continuing to and including March 31, ~~2022~~ 2025, and shall continue in effect thereafter until terminated by either party by 60 days’ notice, in writing, to the other.

8. Amend Section 43 – Industrial or Theatrical Exhibition to clarify as follows:

If Producer desires to use a commercial for theatrical or industrial exhibition, the individual Performer’s contract shall contain a provision requiring additional compensation for such right of not less than 100% of the applicable session fee for all categories of principal performers payable when such exhibition occurs and shall constitute payment for 30 consecutive days following the first exhibition. An additional 60% of the applicable session fee shall be payable for any additional use which occurs beyond the 30th day. Separate additional fees in such amounts shall be payable for theatrical or industrial exhibition for each renewal period during which the commercial is used hereunder. Use of a commercial for theatrical or industrial exhibition may be worldwide.

9. Amend Section 57 – New Devices or Methods to add the following new paragraph:

Computer generated images or voices of a performer created by any technology now known or hereafter developed (i.e., “digital doubles”) may not be used to evade the provision of the Commercials Contract or Audio Commercials Contract.

10. Amend the second paragraph of Section 61.E – Transfer of Rights – Assumption Agreement set forth below:

Transferee hereby agrees, expressly for the benefit of SAG-AFTRA and its performers affected thereby, to make all payments including, but not limited to holding fees and use fees, as provided in said Contract and all Social Security, withholding, unemployment insurance and disability insurance payments and all appropriate contributions to the Screen Actors Guild-Producers Pension and Health Plans, IACF and AMF required under the provisions of said Contract and with respect to multiservice contracts, all guarantees and other compensation due to performers under such multiservice contracts for services covered by the Contract, whether or not the right to produce and/or use commercials is exercised, and to comply with all other relevant provisions of said Contract, including specifically Section 65.B as it relates to disclosure of and disputes over multiservice performer contracts and the arbitration provisions and procedures contained therein. Upon the Union's or the Plans' written request, Transferee agrees to timely provide to the Union and the Plans unredacted copies of all contracts relating to services provided under such performer contracts ~~any and all such payments and to comply with the provisions of said Contract, including specifically the arbitration provisions and procedures contained therein, with respect to the use of such commercials and required records and reports.~~ It is expressly understood and agreed that the rights of Transferee to utilize such commercials shall be subject to and conditioned upon the prompt payment to the performers involved of all compensation as provided in said Contract and the Union, on behalf of the performers involved, shall be entitled to injunctive relief in the event such payments are not made.

11. Amend Section 63.H. – Arbitration as follows:

It is the policy of the Union not to process unduly late claims. Claims regarding audition, travel or production-related session claims (e.g., overtime, wet pay, smoke pay, meal periods, etc.) shall be submitted to Producer no later than 6 months from the date of such audition, travel or session, or, if the claim is related to payment, 6 months from the date the payment is made. It shall be the understanding of the parties that the term “production-related session claims” is meant to identify those session-related claims where the contract violation can be ascertained at the time of session or at the time that the session payment is received. Claims regarding unpaid use shall be submitted to Producer no later than 6 months from the expiration of the applicable Maximum Period of Use or the date that performer is released from exclusivity, whichever is sooner. There shall be a 4-year statute of limitations for all other claims. The statute of limitations shall begin to run on the date that the performer knew or should have known that a claim existed.

12. Amend Section 65.A. – SAG-AFTRA Health Fund and AFTRA Retirement Fund to reflect an increase to the total contribution rate of 20.5% (JPC authorizers will receive a 1.25% waiver of the pension increase (for a total contribution of 19.25%). All increases shall be directed to the SAG-AFTRA Health Plan.

13. Amend Section 66 – Public Service Announcements/Government Agency Messages to add the following new paragraph to the end of Section 66: In the event that an Ad Council public service announcement is used after the expiration of its MPU, the performer or the Union shall notify the Ad Council of the unauthorized use. Upon delivery by the Ad Council to the Union of: (i) evidence of the communication to stations of the expiration date of the PSA; (ii) evidence of the sending of a take-down notice to the station(s); and (iii) an assignment by the copyright holder of its cause of action for copyright infringement as to Union represented performers in the PSA, the Union and performer shall withdraw the claim.

14. Add to Section 68 - Reason for Agreement a second paragraph that states: The Union will consider requests from JPC authorizers for a waiver of this Contract in the event of a hardship (e.g., potential loss of advertiser business by an authorizer agency). The union shall notify the JPC when such waivers are granted.

15. Amend Section 69.C – Employment of Minors as follows:

Calls for interviews for children of school age shall be after school hours, provided such calls are completed prior to 8:00 p.m.. Two adults associated with interviews must be present at and during any such call involving a minor. Producer shall conduct interviews in a manner which protects the health, well-being and dignity of the minor. Parents/guardians must be allowed within sight and sound during the interview. Virtual viewing may be used if available.

16. Amend Section 69.E.3. – Employment of Minors as follows:

When Producer engages a minor, Producer must designate one individual on each set to coordinate all matters relating to the welfare of the minor and shall notify the minor's parent/guardian of the name of such individual. A copy of the teacher's/tutor's/welfare worker's current credentials and identification shall be provided to the parent/guardian by the Producer for inspection no later than twenty-four (24) hours prior to the minor performer's initial call. Whenever possible, Producer shall provide internet access for minor performers for schoolwork.

17. Amend Sideletter #5 – Coverage Waiver for Commercials to add the Employee Waiver as follows:

The Union waives the application of this Contract to actual employees of the advertiser who are regularly employed and who are not professional entertainers who engage in entertainment or motion picture work regularly when they are photographed at their usual place of business in the course of their usual employment. When there are unique circumstances that exist at an advertiser's place of business that make it unusually difficult, disruptive or unsafe to record the

advertiser's employees in the course of their usual employment during business hours, the application of the Contract shall be waived as to recording of such employees at their usual place of business during non-business hours, subject to the other limitations contained in this section.

When there are unique circumstances that exist at an advertiser's place of business that make it unusually difficult, disruptive, or unsafe to record the advertiser's employees in the course of their usual employment during non-business hours and during business hours, the application of this Contract shall be waived as to recording of such employees at locations away from their usual place of business, subject to the other limitations contained in this section.

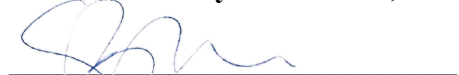
In either of the two above scenarios, the employees may be directed, including being directed to speak dialogue, provided that such direction replicates the employees' usual working conditions and that such dialogue replicates dialogue actually spoken by the employees while conducting their customary work duties.

The application of this Contract is not waived, however, with respect to those persons who render services for the advertiser in the regular course of his/her business, which services by their very nature are services normally rendered under and covered by this Contract.

The Union also waives the application of this Contract to executive officers of companies when they appear in a commercial for their company. The term "executive officers" is limited to persons currently holding the title Chief Executive Officer, President, Chairman of the Board, or another equivalent title.

Except as modified herein, the terms and conditions set forth in the 2019 SAG-AFTRA Audio Commercials Contract remain unchanged.

The Joint Policy Committee, LLC



Stacy K. Marcus
Chief Negotiator

Date: 5/6/2022

SAG-AFTRA



Duncan Crabtree-Ireland
National Executive Director

Date: May 6, 2022