

## NEED MORE HELP?

- Visit [sagaftra.org/fa](http://sagaftra.org/fa) for copies of our documents and a toolkit to help you through the process.
- SAG-AFTRA Contracts Managers and Financial Assurances Counsel are happy to meet with you or speak by phone.
- Help us learn about your company, and discuss the types of Financial Assurances that may be most appropriate to your project structures.

*To request a meeting, contact:*

**Theatrical Department**  
(323) 549-6828

**Legal Department**  
**Financial Assurances Counsel**  
(323) 549-6627

## TOP 3 THINGS TO KEEP IN MIND

- **For the best service**, submit all paperwork three weeks before the start of principal photography.
- **Budget for a residuals reserve or draft a collection agreement** if your distributors will not sign assumption agreements.
- **A positive history of compliance** with your SAG-AFTRA payment obligations is key to the level of financial assurances we will require.



## TO CONTACT US

**SAG-AFTRA**  
**Financial Assurances**  
5757 Wilshire Blvd. 7th Floor  
Los Angeles, CA 90036  
(855) SAG-AFTRA • (855) 724-2387



# FINANCIAL ASSURANCES

AT A GLANCE



[SAGAFTRA.org/fa](http://SAGAFTRA.org/fa)



## WHY FINANCIAL ASSURANCES?

SAG-AFTRA's Financial Assurances program is designed to help ensure performers are paid money due to them under our contracts.

*The program has two primary areas:*

- To **establish** responsibility for residuals payments; and
- To **obtain** a secured interest — often called a “mortgage” or “lien” — in the film and proceeds from its exploitation.

## HOW DOES IT WORK?

When you produce a film under a SAG-AFTRA contract, you submit documents that let us review the chain-of-title, corporate, financing and distribution structure of your project.

*After the review, we will request:*

- **Security Agreements** signed by anyone who owns rights in the film, its copyright and exploitation;
- **Intercreditor or Subordination Agreements** from other parties with secured interests;

- **Guaranty Agreements** from parent companies of the signatory producer, copyright owners or other financially responsible parties enabling production;
- **Assumption Agreements** from existing distributors; and
- If there are distribution territories where distributors will not sign assumption agreements:
  - A **residuals reserve** cash deposit toward future residuals, or
  - A **collection agreement** to administer residuals payments.

## HISTORY IS IMPORTANT.

The history of your working relationship with SAG-AFTRA, and that of the others involved in your project can affect the level of financial assurances we require.

*We look at:*

- Initial compensation and residuals payments;
- Claims history and responsiveness to claims; and
- Willingness to provide requested financial assurances documents.

## WHO HANDLES FINANCIAL ASSURANCES?

Your SAG-AFTRA **Contracts Department business representative** will receive all documents and is your central point of contact. They work with:

- **A Contracts Department Financial Assurances specialist** to help review; and
- **A Financial Assurances Counsel in our Legal Department** to assist with negotiation of requested documents, such as collection agreements.

## FINANCIAL ASSURANCES & SECURITY DEPOSITS.

We encourage you to have all financial assurances in place before the start of principal photography.

In any event, **please do not wait until you need your security deposit back to provide them.** This will delay the return process, because you must complete the financial assurances process as one condition to the return of the deposit.

Stay in touch with your SAG-AFTRA Contracts Department business representative and any Financial Assurances Counsel with whom you are negotiating documents to **resolve outstanding issues as soon as possible.**