2016 SAG-AFTRA COMMERCIALS CONTRACT
DRAFTING AGREEMENT

This drafting agreement ("Drafting Agreement") made by and between SAG-AFTRA (the "Union") and the ANA-4A's Joint Policy Committee on Broadcast Talent Union Relations (the "JPC") on this 3rd day of April, 2016.

The parties hereby agree as follows:

1. Section 6 – Persons Covered—Principal Performers. Insert Agreed Interpretation 13 as a new subsection Q. as follows:

   "Any performer performing choreographed materials, as a solo, duo or member of a group (whether recognizable or not) shall be treated and paid under the applicable principal performer or group dancer conditions and rates."

2. Section 20 – Minimum Compensation; Fees Per Commercial; Session Fees.

   (a) Insert Agreed Interpretation 2 as ¶ 3 in Section 20.A.1. before "EXAMPLES":

   "If a principal performer employed on-camera is recalled on a 2nd day to complete his/her work by performing services off-camera, he/she must be recalled as an on-camera principal performer and be paid as such unless he/she is notified in writing at the time of recall that he/she is being recalled as an off-camera principal performer."

   (b) Insert Agreed Interpretation 9 as subsection I. as follows:

   "It is agreed that each segment of a "piggyback commercial" shall be paid for as a separate commercial."

3. Section 21 – Doubling—Dubbing. Insert Agreed Interpretation 5 as the second sentence in ¶ 1 in Section 21.A.1:

   "When a principal performer doubles, in or out of category, he/she shall be paid not less than the applicable session fee plus use fees for each additional voice or part, except when a principal performer does such doubling as part of his/her role or as part of an act. If a principal performer performs both off-camera and on-camera and it is clear that it is the same person, he/she shall be paid as an on-camera principal performer only. If, however, it is not clear that the same person is doing both jobs, the principal performer shall be paid separately for each appearance."

4. Section 25 – Integrating of Commercials Into Different Commercials. Insert Agreed Interpretation 3 as ¶ 3 in Section 25.A:

   "Where the same off-camera commercial message is used with a number of different on-camera animations, each different animation shall constitute a different commercial."

5. Section 26 – Editing of Commercials. Insert Agreed Interpretation 14 as the second sentence in ¶ 2 in Section 26.E:

"Use fees shall, however, be payable on the basis of one commercial. "If during a single session, an on or off-camera principal performer renders services in a basic commercial whose format is designed to accommodate dealer identifications or tags, as well as in one or more dealer identifications or tags as permitted under Section 26, subsection B or C, payment of the session fee shall cover payment for the basic commercial and also for one such dealer identification or tag. The tag rate shall be payable for each additional dealer identification or tag produced at the same session."

6. Section 27 – Downgrading and Outgrading. Insert Agreed Interpretation 11 in 27.A.3. as follows:

"If a performer is engaged as a principal performer but his/her face does not remain in the commercial as exhibited, the principal performer shall be notified of such downgrading within 60 days after the completion of his/her employment, but in no event later than 15 working days after the first use of the commercial, and concurrently therewith shall be paid as an additional session fee. If such notice is timely given and payment is made to the principal performer as above provided, the downgrading shall be deemed effective retroactively to the date of such first use of the commercial and no use fees shall become payable for the use of the commercial. If such written notice is not given or payment made within the period above provided, the principal performer shall be paid as a principal performer for all uses of the commercial which occur prior to the giving of a written notice of such downgrading, but in no event shall such payment be less than the session fee. Whenever the face of a performer, engaged as an on-camera principal performer, does not remain in a final commercial but such principal performer's speaking or singing services do remain, such principal performer may be reclassified and paid as an off-camera principal performer."

7. Section 31 – Holding Fee—Fixed Cycle. Insert Agreed Interpretations 6 and 16 in Section 31.A. as follows:

"For the purposes of applying the provisions of this Section pertaining to the holding fee, each period of 13 consecutive weeks beginning with the first day of employment of any on-camera principal performer in a commercial is herein referred to as the "fixed cycle." All 13-week fixed and use cycles referred to in this Contract may be calculated by counting 13 weeks or 3 months less one day. Whenever reference is made in this Contract to weekly periods of use, sometimes referred to as "cycles," it shall be deemed to mean consecutive weeks, in accordance with the accepted interpretation in the radio and motion picture industries."

8. Section 32 – Definition of Wild Spot and Program Use.

   (a) Insert Agreed Interpretation 1 as ¶ 4:

   "Open-end commercials shall be considered separate commercials as to each advertiser using them and the scope of use shall be determined by the use of each

advertiser. For example, if an open-end commercial advertising bread is used as a spot by advertiser A in 3 cities and by advertiser B in 10 cities and is used on a program by advertiser C in New York and Chicago, such commercial is a wild spot as to advertiser A, a separate wild spot as to advertiser B and a Class A program commercial as to advertiser C."

(b) Insert Agreed Interpretation 4 as ¶ 5:

"Where a sponsored program, network or other, is not sponsored in a particular city, but is sold in that city directly to a television station, which in turn presents the program as a local participating program, commercials which are presented only on such programs shall be deemed wild spots and not program commercials. Where a program exhibited on the network without any network commercials is sold or licensed directly, or made available on a sustaining basis as a local participating program, the exhibition of commercials on such programs shall be deemed wild spot and not program usage."

(c) Insert Agreed Interpretation 7 as ¶ 6:

"(a) The term "local participating program" shall not preclude the use of local participating announcements as wild spots on a program exhibit on the network which contains network participating commercials and is not "sponsored" by any advertiser. In the case of a "segmented program," the above shall not preclude the use of such local participating announcements on any segment which is not "sponsored".

(b) Local use of commercials under (a) above shall be only on single non-interconnected stations and such local announcement shall be available to more than one advertiser in the same manner as local participating programs.

(c) Such use of local commercials as wild spots shall not apply when used on programs exhibited on the major portion of the network between the hours of 8:00 P.M. to 11:00 P.M. Eastern time.

(d) Where more than one advertiser is identified as the sponsor of a local program or a segment thereof, payment of program use rates will not be required for commercials of those advertisers. However, billboard copy instructions given to the station(s) must read "brought to you by the following participating advertisers." The Union is cognizant of the fact that stations may choose to edit agency billboard copy instructions to fit the stations' own requirements. As long as the instructions to the station(s) read "brought to you by the following participating advertisers," and, there are in fact multiple advertisers, program use rates will not be applicable for local program sponsorship. Payment of program use rates on a local program will be required only when an advertiser is identified as the sole sponsor of that local program or of any segment thereof."

9. Section 33 – Wild Spots—Compensation For Use. Insert Agreed Interpretation 6 as ¶ 3 in 33.A.2.:

"Whenever reference is made in this Contract to weekly periods of use, sometimes referred to as "cycles," it shall be deemed to mean consecutive weeks, in accordance with the accepted interpretation in the radio and motion picture industries."

10. Section 34 – Program Commercials—Compensation For Use.

(a) Insert Agreed Interpretation 10 as ¶ 6 in Section 34.A:

"Where a commercial has a permissible edited version under Section 26.A., for example a 30-second "lift" from a one-minute commercial and a principal performer, as a result of such editing, is omitted from the "lift" and such commercials are both utilized as Class A program commercials, the use payment for the principal performer omitted from the "lift" shall be determined by the number of uses of the commercial in which he/she appears regardless of the number of uses of the "lift." For example, in a 13-week cycle the one-minute commercial in which principal performer appears runs once as a Class A commercial; the "lift" in which principal performer does not appear runs 5 times in the same cycle as a Class A commercial. When the one-minute commercial runs a second time in that cycle as a program commercial, the principal performer shall receive the use payment required for the second use rather than the payment required for the seventh use."

(b) Insert Agreed Interpretation 6 in Section 34.A.7.:

"Whenever reference is made in this Contract to weekly periods of use, sometimes referred to as "cycles," it shall be deemed to mean consecutive weeks, in accordance with the accepted interpretation in the radio and motion picture industries."

11. Section 38 – Dealer Commercials. Insert Agreed Interpretation 19 as ¶ 1 in Section 38:

"In order for a commercial to qualify for payment under the Dealer commercials provision, the box "Dealer Commercial Type A and/or Type B" must be checked off on the performer(s) contract(s) (Exhibit A-1). This applies to *all* commercials not just Dealer Use Only commercials. If this box is not checked off on the employment contract at the time of session, the right to pay under the dealer use provisions must be obtained separately from the performer. Without either the contract check-off or a negotiation after the session, any use which could have been paid as Dealer Use must be paid as wild spot use."

12. Section 39 – Program Openings and Closings (Commercial Billboards).

(a) Insert Agreed Interpretation 8(a) and (b) in Section 39.A. as follows:

"A standard program opening and closing and standard lead-ins and lead-outs made for a designated program taken together may be deemed the equivalent of a single commercial and shall be paid for as a commercial hereunder. Such opening and closing, lead-ins and lead-outs may include reference to the advertiser's name, product or service and "the claim" for such product or service, as the term is commonly understood in the Industry, but may not include any commercial message on behalf of such product or service. A standard opening and closing for a designated program for a single advertiser shall be deemed a single commercial hereunder. Such opening and closing may contain reference to more than one product or service of the advertiser. ~~See also Section 39.A of the contract, Program openings and Closings (Commercial Billboards)~~ A standard opening and closing for a designated program for more than one advertiser shall require the payment of a full additional fee for each such additional advertiser. The use of a cross plug on behalf of another advertiser in an opening or closing shall also require payment of a full additional fee."

(b) Begin ¶ 2 of Section 39.A. with the following:

"The rates for such program openings and closings are. . ."

(c) Insert Agreed Interpretation 8(c) as new Section 39.D:

"D. Exclusivity shall not be required of any off-camera principal performer engaged solely for openings and closings."

13. Schedule A – Working Conditions—Principal Performers.

(a) Insert Agreed Interpretation 15 as the second sentence in Schedule A, Section I. P.1.:

"The reading of lines, acting, singing or dancing, in preparation for the principal performer's performance, in the presence and under the supervision of a representative of Producer, constitutes a rehearsal. Rehearsals shall be counted as work time. Rehearsals on non-production days shall be counted as work time and principal performers shall be paid the applicable session fee."

(b) Insert Agreed Interpretation 21 as new subsection 13 in Schedule A, Section I. EE.:

"Although 'precision driver' is a term that has been used in the industry for many years when employing drivers, 'precision driver' is not a term that exists in this Contract. The term 'vehicle driver' is the proper term to be used in lieu of the term 'precision driver.' In addition, as part of the hiring process, and to whatever extent possible, drivers should be provided information regarding the type of driving that will be required, and any specific skill requirements needed."

(c) Adjust I. F.5 to make On-Camera Performer wardrobe allowance equal to the Extras wardrobe allowance:

Non-evening wear — $~~17.65~~ 17.95 per costume change

Evening wear — $~~29.45~~ 29.90 per costume change

(d) Insert Agreed Interpretation 17 under Schedule A, Section I(C)(1)(s):

"A performer shall be definitely engaged if Producer requests the performer to "hold" a specific date."

14. Schedule B – Union Security—Principal Performers. Insert Agreed Interpretation 20 in Schedule B, as new Section I. M. and into Schedule D.18.H.:

"Regarding employment in "right-to-work" states: with the exception of the obligation to report the first employment of a performer under this Contract, union security provisions do not otherwise apply in right-to-work states. Employers are required to report the first employment of a non-union member to the applicable union, within 15 business days of the session date. The Professional Recognition—Preference of Employment provision does, however, apply in right-to-work states. Signatory employers hiring principals or extras in those right-to-work states *which have preference zones* must give preference to "qualified professionals" in those zones; a qualified professional does not have to be a union member."

15. Schedule C – Section 2.B. Edit "Table A" to read "Table F".

16. Schedule D – Extra Performers.

(a) Insert Agreed Interpretation 18 in Section II. 17.F.2.:

"In order to qualify as a bona-fide meal break for the purposes of determining when the next meal break is due, the time for the ND (non-deductible) meal must be announced prior to, or at the time of, the ND meal."

(b) Amend Section II. 13.B. by adding the following sentence to the end:

"Performer shall provide the name of his/her agent on the Exhibit A-2. Performer shall only be entitled to receive the agent's commission in his/her gross compensation if in fact performer is represented by an agent and such agent procured the employment."

17. Exhibit E – Audition Reports.

Add the director's name, if known;

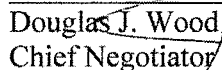
Remove any reference to age, ethnicity and disability; and

Change the word "Sex" to "Gender"

18. Exhibit I – SAG-AFTRA Commercials Contract ALLOCATION GUIDELINES. Amend paragraph G as follows:

> "Where contracts under paragraph A. (Guideline A) hereof include services covered by both the SAG-AFTRA Commercials Contracts and the SAG-AFTRA Radio Commercials Contract, allocations for covered services may be split 80% to services covered by the SAG-AFTRA Commercials Contract and 20% to services covered by the SAG-AFTRA Radio Commercials Contract. Where contracts include non-covered services and services covered by ~~both~~ the SAG-AFTRA Commercials Contract, ~~and~~ SAG-AFTRA Radio Commercials Contract, and/or SAG-AFTRA Corporate/Educational & Non-Broadcast Contract, allocations for covered services may be split 90% to services covered by the SAG-AFTRA Commercials Contract and 10% to services covered by the SAG-AFTRA Radio Commercials Contract and/or the SAG-AFTRA Corporate/Educational & Non-Broadcast Contract.

Except as modified herein and in the 2016 Commercials Contract MOA, the terms and conditions set forth in the 2013 Commercials Contract remain unchanged.

ANA-4A's Joint Policy Committee on Broadcast ~~Talent Union Relations~~	SAG-AFTRA
	
Douglas J. Wood, Chief Negotiator	David P. White, National Executive Director
Date: 4/3/16	Date: April 3, 2016