

2016 SAG-AFTRA COMMERCIALS CONTRACT
MEMORANDUM OF AGREEMENT

Memorandum of Agreement (“MOA”) 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 1 – Recognition and Coverage. Amend Article I, Section 1 as follows:

“B. Extra Performers.

The Union is also recognized by the Producers, and each of them, as the exclusive bargaining agent for all extra performers employed by the Producer in the production of commercials, as the term “commercials” is defined in Section 4, in zones as defined in Section 1 of Schedule D hereof.

C. Employment by a Producer.

In order for a performer to be “employed by a Producer” as required by Paragraphs A and B above, the performer must be employed by a *bona fide* producer of commercials covered by the Commercials Contracts. The Union reserves the right to reject or revoke the signatory status of any company if that company is not a *bona fide* producer of commercials.”

2. Section 2 – Effective Date and Term: Amend as follows:

“This Contract shall be for a three (3) year term commencing April 1, ~~2013~~ 2016 and continuing to and including March 31, ~~2016~~ 2019, and shall continue in effect thereafter until terminated by either party by 60 days’ notice, in writing, to the other.”

3. Section 4 – Definitions.

(a) Amend Section 4, Definitions, as follows:

“...Commercials are short advertising or commercial messages made as motion pictures, 3 minutes or less in length, ~~and intended for showing over television.~~ Advertising or commercial messages include any narration, dialogue, songs, jingles, or other matter which depict or mention the advertiser’s name, product or service. They include program openings and closings which mention the advertiser’s name product, or service. They include program openings/closings which mention the advertisers name, product or service. Advertising and commercial messages over 3 minutes in length shall be subject to separate negotiations between the Union and Producer.

The term “commercials” also includes short advertising messages ~~intended for showing~~ on the Internet and/or New Media which would be treated as commercials if shown on television and which are capable of being used on television in the same form as on the Internet and/or New Media. If a dispute arises as to whether material used on the Internet and/or New Media qualifies as a commercial, as defined above, either party may submit the dispute to a joint committee established by the Joint Policy Committee and the Union. The joint committee shall consist of an equal number of persons appointed by the Joint Policy Committee and by the Union. If the joint committee fails to resolve the dispute within 30 days, either party may submit the dispute to arbitration.”

(Add reference to Sideletter # __, page __)

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(b) Add New Sideletter as follows:

March 31, 2016

Mr. David White
National Executive Director
SAG-AFTRA
5757 Wilshire Blvd.
Los Angeles, CA 90036

RE: SECTION 4 – DEFINITIONS

Dear Mr. White:

Whether something is capable of being used on television in the same form as on the Internet is one of several factors (e.g., length and/or interactivity) to be considered when determining whether something is a “commercial.”

Examples:

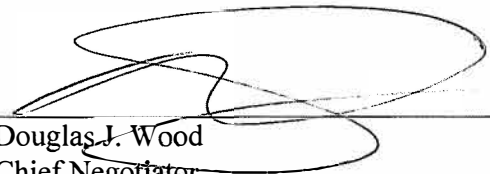
If the content in question is :37 seconds in length and because such length cannot be aired on television, (i.e., a :37 second time unit is not offered for placement by television networks or stations), such length cannot be the sole reason such content is not a commercial.

If the content in question includes a “click for more info” or “click to play” button such button cannot be the sole reason such content is not a commercial.

SAG-AFTRA also acknowledges that the study referenced in Section 66 of the Contract will include a mutual effort to develop a definition for a commercial that provides clarity to both the union and Producers for consideration at JCRC proceedings, arbitrations, and in negotiations for the 2019 CBA.



David P. White
National Executive Director
SAG-AFTRA



Douglas J. Wood
Chief Negotiator
ANA-4A's Joint Policy Committee
on Broadcast Talent Union Relations

4. Add New Sideletter as follows:

March 31, 2016

Mr. Douglas J. Wood
ANA-4A's Joint Policy Committee
on Broadcast Talent Union Relations
c/o Reed Smith LLP
599 Lexington Avenue, 29th Floor
New York, NY 10022

RE: CO-ED CONTRACT AND JCRC

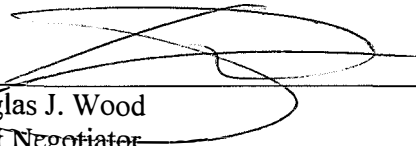
Dear Mr. Wood:

At the 2016 Commercials Contracts negotiations, the Joint Policy Committee ("JPC") contended that determinations that may be reached under the Corporate Educational & Non-Broadcast Contract ("Co-Ed") regarding the definition of "commercial" as it appears in that contract may unfairly prejudice signatories to the Commercials Contracts and that such determinations should therefore be made exclusively by the Joint Commercial Review Committee under the Commercials Contract. The Union contended that the process by which agreements are reached under the Co-Ed is not a mandatory or proper subject of bargaining under the Commercials Contract.

Nevertheless, in the interest of achieving an amicable resolution to the negotiations, the Union agreed as follows: The Union agrees to notify the JPC in the event a claim is brought to the Co-Ed Industry Union Standing Committee regarding whether certain content constitutes a "commercial". In the event that a determination is made under the Co-Ed that certain content constitutes a 'commercial' under that agreement, whether by agreement at the Industry Union Standing Committee or by arbitration, the Union will provide notice of that determination to the JPC. Furthermore, the Union and the JPC agree not to submit or otherwise rely upon such determination in any arbitration conducted under the Commercials Contract.



David P. White
National Executive Director
SAG-AFTRA



Douglas J. Wood
Chief Negotiator
ANA-4A's Joint Policy Committee
on Broadcast Talent Union Relations

5. Section 6 – Persons Covered—Principal Performers.

- (a) Amend 6.N. as follows: “The application of this Contract to persons fulfilling the requirements of this Section 6 is limited only by the provisions of Section 8, Waiver as to Certain Non-Professional Persons. Except as otherwise set forth in this Contract, Members of the public who appear in testimonial or hidden camera commercials, non-professionals, minors, etc., shall receive the wages, working conditions, and other benefits provided by this Contract.”
- (b) Add new subsection 6.P. as follows: “6.P. Except as otherwise set forth in this Contract, prop masters, riggers and other like crew who do not appear in a commercial are not persons covered under the Contract.”

6. Section 7 – Still Photographs.

- (a) Amend title as follows: “Section 7 – Still Photographs and Stock Footage.”
- (b) Amend ¶ 1 as follows: “A. Persons appearing in commercials in “stop action” photographs, “squeeze action” photographs, or in photographs involving similar techniques or results, and persons appearing in commercials in still photographs and stock footage made for any advertising purpose, which photographs and/or stock footage as used in the commercial would bring such persons within the definition of the term “principal performer” as provided in Section 6, Person Covered, shall be entitled to sums equal to session and use fees as provided herein.”
- (c) Add new subsection B as follows: “B. The Union waives the application of this Contract for persons appearing in footage licensed from professional or collegiate sports associations, leagues, or other similar organizations (e.g., NHL, NFL, MLB, NBA, NASCAR, MLS, and NCAA), except with respect to featured players (i.e., individual players in a close up shot or otherwise featured prominently and personally highlighted in the footage).”
- (d) Amend ¶ 3 as follows: “It is the intent and spirit of this provision that still photography and stock footage used in commercials shall not be used in a manner which evades this Contract.”

7. Section 8 – Waiver As to Certain Non-Professional Persons.

- (a) Add new subsection B (and renumber the existing subsection B as subsection D) as follows: “B. Non Professional Testimonial Commercials. See Sideletter XX.”
- (b) Add new subsection C as follows:

“C. Live Event, Man on the Street and/or Hidden Camera Commercials. This waiver shall expire on March 31, 2019 and shall not be citable or precedential in future negotiations or in the interpretation of any other provision of the Contract. Producer may film or record activities of persons in public without covering such

persons under the Contract, provided such persons are neither scripted to speak any dialogue nor cast for the commercial(s):

Notwithstanding the foregoing, this waiver is limited to the following:

i. Live Events – “Live Events” attended by at least 20 persons who are neither hired nor cast by Producer to attend the event. However, such Live Events (1) shall not be staged for the purpose of producing a commercial(s); and (2) non-covered participants at the live events may not receive individual direction but may be directed as a group.

ii. Man on the Street - A “Man on the Street Commercial” means a commercial where an interviewer interviews people on the street, at public venues, or at live events and asks them questions or makes statements or gestures to elicit a response or reaction from them. The interviewer is a Covered Person for purposes of the Contract whether or not they appear or perform in the commercial(s).

iii. Hidden Camera Commercials - A “Hidden Camera Commercial” means a commercial(s) comprised of footage captured by a hidden camera(s) without direction to the individual(s) being filmed. An individual(s) appearing in such footage shall not be a Covered Person(s) for purposes of the Contract. Any person(s) appearing in the capacity of an interviewer(s), however, shall be a Covered Person(s) whether or not they appear in the commercial.

As a material condition of the waiver, Producer shall notify the Union that it has applied the waiver and provide the Union with an electronic or physical copy of the commercial(s) within 60 days of the first exhibition of the commercial.”

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- (c) Add New Sideletter as follows:

March 31, 2016

Mr. Douglas J. Wood
ANA-4A's Joint Policy Committee
on Broadcast Talent Union Relations
c/o Reed Smith LLP
599 Lexington Avenue, 29th Floor
New York, NY 10022

Re: EXPERIMENTAL COVERAGE WAIVER FOR NON-PROFESSIONAL
ENDORSERS

Dear Mr. Wood:

During the 2016 Commercials Contracts negotiations, the JPC contended that it was necessary for signatory Producers to engage non-performer testimonial endorsers without coverage of the collective bargaining agreement in certain circumstances. The Union expressed concern that allowing such non-coverage could negatively impact overall employment under the Commercials Contracts and result in the engagement of professional performers without coverage of the collective bargaining agreement, which the JPC confirmed is not the intent of allowing such provisions.

Nevertheless, on an experimental basis, and with a sunset date of March 31, 2019, the Union agrees that coverage shall be waived for persons providing testimonial endorsements ("endorsers") for a product, service or advertiser under the following conditions:

- (1) The employer is a JPC authorizer;
- (2) The resulting commercial complies, as applicable, with the Federal Trade Commission's Guides Concerning Use of Endorsements and Testimonials in Advertising;
- (3) The Producer must make clear in the casting notice, if any, and/or hiring process that Producer is seeking non-professionals;
- (4) The person has not been paid to render services as a principal performer in a commercial, a play, a television program, a theatrical motion picture, or an entertainment program made for the Internet or New Media. The person shall sign a declaration in the form attached as Exhibit A, a copy of which shall be

provided to the Union within sixty (60) days of the first airing of the commercial;

- (5) The person is not widely known to the public at large and does not qualify as a “celebrity” as that term is generally understood in the Industry;
- (6) The person’s appearance in the commercial consists of him or her describing their experiences and/or opinions of the product, service or advertiser being advertised. Any experiences and/or opinions must be independently verifiable and typical of those of a reasonable consumer in a similar situation would experience. The person may not deliver slogans or taglines;
- (7) Coverage shall also be waived for person(s) appearing, whether in a speaking or nonspeaking role, in the same commercial who have a relationship with the endorser (e.g., a family member or a treating physician appearing in the same commercial as a patient/endorser who is describing his or her experience with a life-saving medication). Such persons, however, must also qualify for a waiver of coverage under subsections (3), (4) and (5) of this sideletter;
- (8) Except as provided above, every other person in the commercial shall be covered by the full terms of the Commercials Contracts; and
- (9) In the event the foregoing conditions are not met, the person(s) shall be a covered person and receive the full benefit of the applicable Commercials Contract.

The foregoing waiver is intended to allow Producers the ability to create a commercial around the story of a particular non-professional user of an advertiser’s product or service.

By way of example, the following commercials are examples of testimonials that would qualify under this waiver:

EXAMPLE: Advertiser solicits stories from its customers regarding their experience with the advertiser’s stain removal stick. From among the stories received, the advertiser selects Kathleen, a non-professional, and decides to create a commercial regarding Kathleen and her story. In the commercial, Kathleen recounts her actual experience with the stain removal stick and describes how it saved the day when her daughter spilled ketchup on her prom dress right before going to prom. In the commercial both Kathleen and her daughter would not be covered persons under the Contract.

If advertiser had selected a professional from among the stories received, such professional would be a covered person.

If instead the advertiser elected to cast professional performers to tell Kathleen's story, the commercial would not qualify.

EXAMPLE: A commercial featuring Mike who received lifesaving treatment at a hospital, together with his treating physician and his mother. In the commercial, Mike discusses his experience at the hospital; the doctor discusses the treatment that saved Mike's life, and the mother discusses how the physician and hospital saved her son. Mike, the physician and his mother are not covered persons under the Contract.

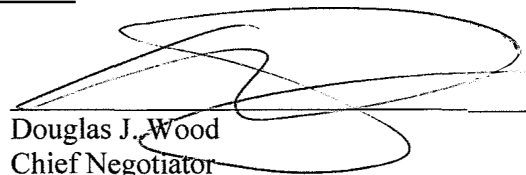
By way of example, the following are examples of commercials that would not qualify under this waiver:

EXAMPLE: A commercial where an advertiser removes the markings from a car and brings individuals in and asks them to examine the car and guess what the make of the car is. In this example, the individuals are not actual users of the car and therefore cannot provide a testimonial under FTC regulations.

EXAMPLE: Producer casts for "real people" who use the advertiser's toothpaste. Producer creates a commercial using Kim, a "real person" user of the toothpaste where she discusses general attributes and benefits of the toothpaste. Kim must be covered under the Contract because: (a) the casting notice was not specifically for a non-professional, and (b) she is not describing her actual and verifiable personal experience with the product as required by FTC regulations.



David P. White
National Executive Director
SAG-AFTRA



Douglas J. Wood
Chief Negotiator
ANA-4A's Joint Policy Committee
on Broadcast Talent Union Relations

Exhibit A to Sideletter XX of the SAG-AFTRA Commercials Contract
SAG-AFTRA Non-Professional Endorser Declaration

Commercial Information	
Signatory Producer:	
Commercial Title:	
Advertiser:	
Product:	
Commercial AdID:	
Date(s) of Principal Phot.:	
Endorser Information	
Full legal name:	
Home Address:	
Tel./Email:	
I hereby certify to you as follows:	
<p>(1) <u>All of the statements attributed to me are expressions of my personal beliefs. I endorse the product(s) or service(s) advertised in the commercial, and prefer such product(s) or service(s) to other competitive brands. If applicable, I promise to comply with the Federal Trade Commission's Guides Concerning the Use of Endorsements and Testimonials in Advertising.</u></p> <p>(2) <u>I have not been paid to render services as a principal performer in a commercial, a play, a television program, a theatrical motion picture, or an entertainment program made for the Internet or New Media.</u></p>	
Signature: _____ Date: _____	
<p>NOTICE TO ENDORSER: <u>The Producer of the commercial for which you are rendering services as a non-professional endorser is signatory to the SAG-AFTRA Commercials Contract, which specifies terms and conditions of employment for performers rendering services on commercials made for television, radio, Internet and New Media exhibition. By executing this declaration, you are agreeing that the Producer need not comply with the SAG-AFTRA Commercials Contract with respect to the terms and conditions of your employment. Accordingly, SAG-AFTRA will not represent you in the event of any dispute you may have with the Producer.</u></p>	
<p>NOTICE TO PRODUCER: <u>Sideletter XX to the SAG-AFTRA Commercials Contract allows signatory producers to exclude non-professional endorsers from coverage of the contract under specific conditions. Please make sure you review Sideletter XX and are familiar with its terms. If the requirements of Sideletter XX are not met, you will be required to comply with the full terms and conditions of the SAG-AFTRA Commercials Contract even if this declaration has been executed.</u></p>	
<p><u>As a material condition of this waiver, you are required to provide this declaration, fully completed and executed, to SAG-AFTRA within 60 days of the first airing of the commercial, to XX@sagaftra.org or by mail to Non-Professional Endorser</u></p>	

Declarations c/o Lori Hunt, SAG-AFTRA, 5757 Wilshire Blvd, 7th Floor, Los Angeles, CA 90036. If you do not, you will be required to comply with the full terms and conditions of the SAG-AFTRA Commercials Contract.

- (d) Add the following as new subsection D:

“The Union recognizes there are particular scenarios where the creative for a commercial necessitates the use of non-professionals that are otherwise not exempt from coverage under this Contract pursuant to subsection A., B. or C. above. The Union will in good faith consider granting waivers for the use of non-professionals for these commercials.”

EXAMPLE For a commercial celebrating first responders who have received an award, the Union will consider waiving coverage over the first responders themselves.”

- (e) Replace the existing subsection B (renumbered per the foregoing proposal to subsection E) with the following:

“In addition to the categories listed in subsections A., B., C. and D. above, see Schedule D.II.2. for additional waivers that apply to Extras.”

8. Section 17 – Restrictions on Use of Commercials; Additional Services. Amend 17.A. as follows:

“The rights granted to Producer in commercials shall be limited to the right to use, distribute, reproduce, and/or exhibit such commercials over television, and/or Internet, and/or New Media. Producer shall have the right to use the name and likeness of the principal performer and his/her acts, poses and appearance in such commercials for the purposes of publicizing the business of Producer in trade publications (including digital trade publications) and in reels for nonbroadcast use provided such reels are not rented, sold, or utilized as give-aways, award shows, case studies and in reels (provided such reels are not rented, sold, or utilized as give-aways), and for historical/archival use.”

9. Section 18 – Public Service Announcements/Government Agency Messages. Amend 18 ¶ 1 as follows:

“The Union, cognizant of the importance of public service announcements and government agency messages to the welfare of our Country, will follow a liberal policy in granting waivers for additional compensation for the use of messages produced and used under the auspices and/or on behalf of the various Federal, State and local governmental agencies, non-profit public service organizations, 501(c)(3)-charities, and museums. The Federal, State or local governmental agencies, non-profit public service organizations, 501(c)(3)-charities, or museums that are the subject of the public service announcement or government agency message shall be permitted to display advertiser logos/IDS on their website (including the landing page). Producer shall obtain the principal performers’ consent to the presence of advertiser logos/IDs on the landing page

at the time of engagement. Producer may include such agreement in the Special Provisions section of the applicable employment contract.”

10. Minimum Compensation. Except as otherwise provided, effective April 1, 2016, increase by 7% all contract rates for principal and extra performers including, without limitation, wages, adjustments, allowances, and liquidated damages (whether owed to the performer or to the union).

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

- (a) Amend the last sentence of Section 20.A.1. as follows: “All such payments shall be made not later than ~~42~~ 15 working days after the services are rendered.”
- (b) Amend the last sentence of Section 20.B.4. as follows: “All such payments shall be made not later than ~~42~~ 15 working days after the services are rendered.”
- (c) Amend Agreed Interpretation 12 and add to Section 20.G.1. as follows: “Directorial changes: in accordance with past practice, directorial changes based upon the director’s discretionary judgment and creative skills may be made in the course of photography or recording without such changes constituting additional commercials, provided that such changes relate to the specific storyboard, script and fundamental concept of the commercial. Payment for Alternate Scenes and Lines is required by Section 20.G. only when the alternate scene or line is reflected in a script or storyboard or when it does not relate to the fundamental concept of the commercial.”

12. Section 24 – Union Standards. Amend 24.A.1. as follows:

“Except as otherwise permitted hereunder, Aa Producer will not either engage in the production of a commercial or any part thereof (including film footage or sound track) as to which one or more principal performers is employed by a person not signatory to this Contract or a Letter of Adherence hereto (a “nonsignatory”) or acquire a commercial or any such part thereof as to which one or more principal performers was employed by a nonsignatory, unless, in each case, Producer determines, after reasonable investigation, that such principal performers have been and will be either (1) afforded the wages, hours, working conditions, and other economic benefits provided in this Contract or (2) afforded wages, hours, working conditions, and other economic benefits having substantially equivalent economic cost to such nonsignatory. In the event the commercial is a non-air commercial, Producer shall, upon written request from the Union, report to the union the name of such nonsignatory, the number of commercials, copy tests and client demos to be recorded and other pertinent data to enable the union to administer this Contract.”

13. Section 26 – Editing of Commercials. Amend Section 26.K. as follows:

“Special Offers and Promotions

- 1. “A commercial for ~~the same product or service of~~ an advertiser may be changed to reflect different special offers and promotions, sales or give-

~~aways, sweepstakes or sales events, whether offered or conducted by the advertiser or any designated outlet(s). Such changes may include a reference to a feature of the designated outlet, if any, but may not involve a mention of any other branded product or service. Separate session fees shall be payable to the on and off-camera performers employed to render services in making each such change, but any different versions so created may be considered one commercial for the purpose of use fees. This subsection shall not be available to advertisers whose outlets exclusively sell products or provide services of the advertiser.”~~

~~2. The same types of changes may be made involving mentions of different items customarily sold by a regional or national advertiser, provided that no more than one version made under this Section 26.K.2 may be aired in the same market. Separate session fees shall be payable to on and off-camera performers employed to render services in making each such change, but the different versions so created may be considered one commercial for the purposes of use fees. Any principal performer variations shall be paid a session fee for the first variation and 50% of a session fee for each subsequent variation. For the use of all such variations in any one cycle, each such principal performer shall receive payment equal to the amount due for the aggregate number of units or cities in which all variations are televised during the same cycle.”~~

~~2. With respect to both subsections 1 and 2 above, the following shall apply:~~

~~(a) Only one reference to any special offer or promotion may be made in the commercial, although such reference may appear anywhere in the commercial.~~

~~(b) The reference to the special offer or promotion must be in the nature of a “tag” as that term is commonly used in the industry.~~

~~(c) The commercial must be produced by, and the media time bought by, the advertiser.~~

~~(d) Multiple variations may run in the same market at the same time.~~

~~(e) Each commercial is subject to a 2-week promotional limitation.”~~

14. Section 29 – Reservation of Rights. Amend as follows:

“The Union reserves the right to establish, upon 10 days’ written notice to Producer and the JPC, and Producer and the JPC agrees to accept, rates for commercials to be made and used in one designated city, the minimum fees for which shall in no event exceed the rates provided herein.”

15. Section 30 – Maximum Period of Use of Commercials (“MPU”). Amend Section 30.D ¶ 1 (with conforming changes to A-1) as follows:

“The period of time during which a commercial may be used, specified in subsection A hereof, shall be deemed to be automatically renewed for an equivalent period of time unless any principal performer employed in such commercial shall, not more than 120 days and not less than 60 days prior to the expiration of such period of time, give written notice by mail or email to the Broadcast Business Affairs Department of the advertising agency named in his/her employment contract or in the Production Report filed by Producer with the Union ~~at the address shown in such contract or report~~ of such principal performer’s election not to grant such right of renewed use. The employment contract and production report shall reflect both a physical address and an email address where such notices can be directed. If notice is provided by email, that email must request a read receipt from the recipient. If no advertising agency is named, the notice may be given to the advertiser named in the employment contract or in the Production Report. Copies of the notice shall be sent to the Union electronically to an address designated by the Union. However, whether or not the notice was sent to the Union shall not be deemed conclusive evidence of whether the notice was sent in compliance with this Contract. Upon request, the Union will provide a copy of the notice to Producer, talent agent or performer within 15 working days.”

16. Section 32 – Definition of Wild Spot and Program Use. Amend the last sentence of ¶ 1 as follows:

“All other uses of a commercial, ~~including use as “hitch hikes” and “cow catchers,”~~ shall be program uses.” The parties agree that this change is non-substantive and does not affect the interpretation of the collective bargaining agreement.

17. Section 33 – Wild Spots—Compensation For Use. Add new subsection 33.A.1. as follows:

“All compensation paid to performers for covered services hereunder grants Producer the right to simultaneously stream or otherwise transmit commercials on the Internet and/or New Media. The foregoing applies to simultaneous streaming, simultaneous cellular transmission and any other means of simultaneous transmission that currently exists or may hereafter be developed. This provision will sunset on March 31, 2019.”

18. Section 34 – Program Commercials—Compensation for Use.

- (a) Increase Class A Network by 2%
- (b) Add new ¶ 5 to 34.A. as follows: “All compensation paid to performers for covered services hereunder grants Producer the right to simultaneously stream or otherwise transmit commercials on the Internet and/or New Media. The foregoing applies to simultaneous streaming, simultaneous cellular transmission and any other means of simultaneous transmission that currently exists or may hereafter be developed. This provision will sunset on March 31, 2019.”

- (c) Amend the title of Section 34.B.3 as follows: “ION TV / BounceTV / MeTV / Laff / Grit / Escape / Cozi TV / Antenna TV / This TV.”
- (d) Add new subsection 34.D reflecting the language of the 10/30/06 letter to Douglas J. Wood re: Unwired Network Waiver with the modifications reflected below:

~~“Per the request of the JPC, the SAG-AFTRA National Board (“the Board”) has approved a waiver to allow payment for commercials on qualifying unwired networks as Class A rather than Wild Spot, under conditions described more fully below.~~

~~This waiver originated in 2001 as a waiver for Independent Television Network (“ITN”), a media company that purchases non prime time commercial time on local stations around the country and then sells that time to national advertisers as a packaged “network” of national commercial time. In order to facilitate payment of talent for commercials airing on ITN, SAG and AFTRA agreed in 2001 to allow for payment at 150% of the Class A rate per national unit, rather than as Wild Spot, based upon ITN’s representation that commercials would not air more than 1/5 times on average per national unit, and not more than 1/5 times in the major hiring markets or Los Angeles, New York and Chicago. The Board extended the ITN waiver in 2003, 2006 and 2009. As you are aware, other media companies have expressed interest in applying for a similar waiver. Rather than approach these waivers on an ad hoc basis, the Board has approved a general waiver for unwired networks that will be available to those unwired networks that qualify under the terms described below. The Board has also added a second tier allowing for 2 airings per unit with payment at 200% of the Class A rate in order to accommodate variations in the business models of these additional unwired networks. Please take note that the SAG-AFTRA staff Union must approve each unwired network before it any Producer may utilize the waiver, to confirm that the frequency of commercial airings will comply with its terms.~~

An “unwired network” acquires and repackages local broadcast station inventory from around the country to resell to advertisers as national inventory by guaranteeing the advertiser a minimum national audience per “unwired unit” purchased by the advertiser. Pursuant to the Unwired Network Waiver, commercials that air on a qualifying unwired network may be paid as Class A program use, rather than Wild Spot under the following conditions:

- (A) In order to qualify under Tier One of this waiver, an unwired network will guarantee that the average number of uses in each Demographic Market Area (“DMA”) will be no more than 1.5 per unwired unit, using a weighted average based on the DMA’s percentage of total U.S. viewers. A Tier One unwired network must also guarantee that in the major hiring markets (Los Angeles, New York, and Chicago) the number of uses will not exceed 1.5 per unwired unit.

- (B) In order to qualify under Tier Two of this waiver, an unwired network will guarantee that the average number of uses in each DMA will be no more than 2 per unwired unit, using a weighted average based on the DMA's percentage of total U.S. viewers. A Tier Two unwired network must also guarantee than in the major hiring markets (Los Angeles, New York, and Chicago) the number of uses will not exceed 2 per unwired network.
- (C) In order to qualify under either tier, an unwired network shall first provide SAG-AFTRA with information corroborating that the number of airings per unit of commercials on its network qualifies under the tier it seeks to pay under. At any given time, an unwired network may qualify to pay under Tier One or Tier Two, but may not combine tiers.
- (D) Each Tier One unwired unit must be paid at 150% of the performer's rate for a single Class A Use. Each Tier Two unwired unit must be paid at 200% of the performer's rate for a single Class A use.
- (E) Unwired network uses must be paid in the same 13-week cycle and in the same manner as other Class A use, if any. The additional 50% (for Tier One) or 100% (for Tier Two) must be paid at the end of the Class A cycle in which the use(s) occurred; for purposes of calculating that portion of the fee, the use(s) are considered to be the last ones in the cycle, regardless of when the use(s) actually ran within that cycle.
- (F) The unwired networks will provide the Union with timely detailed reporting on the use of all commercials on the unwired network, including information that distinguishes which commercials ran as a part of the unwired network, and which ran only in local markets. The information will be directed to ~~the attention of David Viviano at SAG-AFTRA~~ the Union and will be provided no later than 12 business days after the conclusion of every calendar month in which any commercial ran that is to be paid under the provisions of this Unwired Network Waiver.
- (G) Should it be determined that, because of the frequency of commercial airings, an unwired network that has paid under Tier One does not qualify under Tier One, but qualifies under Tier Two, additional compensation will be paid to all commercials that have aired on that unwired network in the calendar month within which it did not qualify under Tier One to bring payment into compliance with Tier Two. Additionally all future payments for commercials that air on that unwired network shall be paid under Tier Two until and unless ~~the Board~~ the Union determines otherwise.

- (H) Should it be determined that, because of frequency of commercial airings, an unwired network that has paid under Tier One or Tier Two does not qualify under either tier, additional compensation will be paid to all commercials that have aired on that unwired network in the calendar month during which it did not qualify to bring payment into compliance with the 2013current Commercials Contract, as though there had been no waiver was in effect. Additionally, all future payments for commercials that air on that unwired network shall be paid without the benefit of this waiver until and unless the Committee-Union determines otherwise.
- (I) Except as provided herein, all provisions of the 2013 SAG-AFTRA current Commercials Contract shall apply to commercials aired on a qualifying network on the same basis as any other commercial.
- (J) The Board Union retains the discretion to revoke or modify this waiver as to any employer whose commercials air on an unwired network that breaches its obligations under this waiver.
- (K) ~~This waiver will be in effect up to and including March 31, 2016.~~

~~The Board has approved this waiver in the interest of maintaining productive labor industry relations and minimizing administrative burdens for SAG-AFTRA, and the JPC's member companies. We trust that the JPC will publicize the existence of this waiver to its member companies as it sees fit and that in doing so it will simultaneously educate them regarding its limits and requirements. This waiver shall not serve as legal precedent for the interpretation of contract language or the resolution of future disputes between the parties and shall not be admissible as evidence in any legal proceeding except to enforce its terms. SAG-AFTRA expressly reserves its position on all legal and contractual issues relating to this waiver.~~

(e) Amend 34.C. as follows:

- i. Amend ¶ 1 as follows: "The Unions have granted a waiver to permit a lower rate for commercials which air on late night broadcast TV networks (ABC, CBS, NBC, FOX). The following represents the rates and terms applicable to that waiver."
- ii. Delete 34.C.5. in its entirety: "~~The Unions will review this waiver at six month intervals. If such review causes the Union to change the status of this waiver, 30 days' notice will be given to the network. This waiver shall in no event expire later than March 31, 2016.~~"

19. Section 35 – Cable.

- (a) Increase all national cable use fees by 6% in addition to any general rate increase in wages.
- (b) Add the following as the second ¶ of 35: “All compensation paid to performers for covered services hereunder grants Producer the right to simultaneously stream or otherwise transmit commercials on the Internet and/or New Media. The foregoing applies to simultaneous streaming, simultaneous cellular transmission and any other means of simultaneous transmission that currently exists or may hereafter be developed. This provision will sunset on March 31, 2019.”

20. Section 36 – Internet.

- (a) Amend ¶ 1 of 36.A.3 as follows:

“Provided the right to television and/or New Media use of the commercial has not terminated, Producer may initiate Internet and/or New Media use of the commercial for 4-week cycles of use, 8-week cycles of use, or 1-year cycles of use, in any combination, until termination of the maximum period of use.”
- (b) Amend 36.A.4. as follows:

“Compensation

 - (a) 4-Week Cycle of Use – not less than 125% of the applicable session fee.
 - (b) 8-Week Cycle of Use – not less than ~~150%~~ 175% of the applicable session fee.
 - (c) 1-Year Cycle of Use – not less than ~~400%~~ 425% of the applicable session fee.”
- (c) Amend 36.B.1. as follows:

“Performer shall be compensated at not less than the minimum rates for session set forth in Section 20 and not less than the minimum use rates set forth below. Session fee may be credited against Internet use, if such use occurs within 13 weeks of the initial session date.

 - (a) 4-Week Cycle of Use – not less than 125% of the applicable session fee.
 - (b) 8-Week Cycle of Use – not less than ~~133%~~ 150% of the applicable session fee.

(c) 1-Year Cycle of Use – not less than ~~350%~~ 375% of the applicable session fee.

21. Section 37 – New Media.

(a) Amend 37.A.4. as follows:

“Cycles of New Media Use

Provided the right to television and/or Internet use of the commercial has not terminated, Producer may initiate New Media use of the commercial for 4-week cycles of use, 8-week cycles of use, or 1-year cycles of use, in any combination, until termination of the maximum period of use.”

(b) Amend 37.A.5. as follows:

(a) 4-Week Cycle of Use – not less than 125% of the applicable session fee.

(b) 8-Week Cycle of Use – not less than ~~150%~~ 175% of the applicable session fee.

(c) 1-Year Cycle of Use – not less than ~~400%~~ 425% of the applicable session fee.

(c) Amend 37.B.1 as follows:

“Performer shall be compensated at not less than the minimum rates for session set forth in Section 20 and not less than the minimum use rates set forth below. Session fee may be credited against Internet use, if such use occurs within 13 weeks of the initial session date.

(a) 4-Week Cycle of Use – not less than 125% of the applicable session fee.

(b) 8-Week Cycle of Use – not less than ~~133%~~ 150% of the applicable session fee.

(c) 1-Year Cycle of Use – not less than ~~350%~~ 375% of the applicable session fee.

22. Section 36 – Internet and Section 37 – New Media. Add new subsection C. to Sections 36 and 37 as follows:

“C. The Union and the JPC will pilot test alternative methodologies for calculating use fees due to principal performers appearing in commercials exhibited on Internet and/or New Media platforms. The bargaining parties will use good faith efforts to begin the pilot test project within 90 days of the conclusion of negotiations with the goal of

completing the pilot test project not later than August 1, 2018. The JPC and the Union shall each recommend to their respective trustees that the AICF and IACF approve funding for the pilot test.”

23. Section 42 – Foreign Use of Commercials. Amend 42.A. ¶ 2 as follows:

“If Producer wishes to acquire the right to exhibit commercials (including, if geofenced to the applicable territory, on the Internet and in New Media), outside the United States, its commonwealths, territories and possessions, Canada and Mexico, the individual principal performer’s contract shall contain a provision granting such right at additional compensation to the principal performer of not less than the following amounts:”

24. Section 44 – Payment. Amend 44.A. as follows:

“Payment of the session fee for services rendered for each commercial shall be made not later than ~~42~~ 15 working days after the day or days of employment and for any audition payments due, not later than ~~42~~ 15 working days after the day or days of audition.”

25. Section 44 – Payment. Add new subsection N, Translation, by moving the following language from Schedule C, Section 8:

“A principal performer may not be required at a session or audition to translate the script into any other language. If a principal performer agrees to translate at the request of Producer, Producer shall pay the principal performer for such service at an audition or session, as the case may be, an additional amount equal to 50% of the minimum session fee, and the Audition Report Form or production time report, whichever is applicable, shall so indicate.”

26. Section 47 – Pension & Health.

- (a) Amend the first paragraph, second sentence of 47.A. as follows:

“Producers shall contribute an amount equal to ~~16.8%~~ 18% of all gross compensation (as herein defined) paid to principal performers (including deceased performers) with respect to commercials produced on and after April 1, ~~2013~~ 2016. Such contribution shall be allocated as follows: 0.50% to the IACF, ~~16.05%~~ 17.25% to the Pension and Health Plans and 0.25% to the Administrative Maintenance Fund (defined below). Of such ~~16.05%~~ 17.25%, ~~5.75%~~ 6.35% will be allocated to the Pension Plan and ~~40.3%~~ 10.9% to the Health Plan. The allocation of the ~~16.05%~~ 17.25% between the Health Plan and the Pension Plan may be changed any time during the term hereof by those who have been appointed to the Boards of Trustees of said Plans, acting as agents for the signatories of this Agreement and not as fiduciaries of the Plans based on actuarial studies.”

- (b) Amend the third paragraph of 47.L. as follows:

“...The JPC, at its sole expense, shall retain a reputable independent auditor and provide to the Union within 90 days after the completion of the annual audit a copy of the annual audit detailing the AMF receipts and expenditures including, but not limited to, all contributions to ad expenses of the AMF. The independent auditor shall additionally provide its professional opinion to the Union as to whether the AMF’s expenditures are consistent with the limitations as set forth in this subsection. For clarification, the delivery and findings of the audit, as with the remainder of the AMF provision, shall be subject to grievance and arbitration. The JPC agrees to defend, indemnify and hold harmless the Union and the Plans from any and all claims, actions and/or proceedings arising out of or in connection with any aspect of the AMF including, but not limited to, any claims pertaining to the obligation of Producers to contribute to the AMF or the use of AMF contributions.”

27. Section 56 – Transfer of Rights—Assumption Agreement. Add new subparagraph D. as follows:

“Notwithstanding the foregoing, in the event that an advertiser or agency becomes signatory to the Contract, or in the event that a non-signatory advertiser transfers all or a portion of its business from a non-signatory agency to a signatory agency, the Union shall waive application of this Contract to commercials that were produced prior to becoming a signatory or prior to transferring business to a signatory agency on the following condition: The advertiser, or its agency, shall provide to the Union a list of all such commercials within 60 days of the advertiser or agency becoming signatory or transferring business to a signatory agency. The Contract will fully apply to such commercials, however, if they are edited or modified other than as permitted by Section 26, Editing of Commercials, subsequent to the advertiser or agency becoming signatory or transferring business to a signatory agency.”

28. Section 58 – Arbitration. Amend 58.I. as follows:

“Any and all waivers and/or arbitration decisions rendered under this Contract, regardless of whether any JPC authorizer is a party to such decision, shall be immediately provided to the JPC upon receipt by the Union.”

29. Section 68 – Most Favored Nations. Amend 68.A. as follows:

“The Union agrees to apply the same Contract provisions and waivers to all employers who become JPC authorizers after the commencement date of the Contract. The Union agrees that it will notify the JPC of any contracts entered into with and/or waivers granted to other employers that have provisions more favorable than this Contract. The JPC may, at its election, extend such terms to JPC authorizers, including any terms and conditions of such waiver or contract terms. The foregoing shall not apply with respect to local or regional codes or to terms negotiated with local or regional advertisers or agencies. The

~~JPC may then request a meeting of the Industry Union Standing Committee to discuss whether to extend such terms to JPC authorizers.”~~

30. Schedule A – Section I.F.4. – Makeup, Hairdress, Wardrobe and Wardrobe Allowance.
Amend Schedule A, Section I.F.4. as follows:

“Where make-up or hairdress, other than ordinary street makeup or hairdress, is required by Producer, a professional shall be provided for the purpose of applying, maintaining and removing such makeup and hairdress.”

31. Schedule A – Section I.I.1 – Casting and Auditions.

- (a) Amend Schedule A., Section I.I.1(a) as follows: “An audition for a given commercial or commercials must be scheduled by Producer for a specific time and the principal performer or his/her representative notified thereof. A call to the principal performer’s representative shall be deemed sufficient. Performers shall be notified of the primary areas of conflict prior to audition. Such notification may be in generic terms that do not identify the advertiser or its specific product or service.”

- (b) Amend Schedule A., Section I.I.1.(i) and Section 1.2 as follows:

“(i) ~~Improvisations~~ Creative Session Calls During Auditions:

If the audition constitutes a creative session call, the performer shall be advised prior to the audition and paid pursuant to Section 1.2.A. herein.

~~If a principal performer is to be required to improvise during an audition, he/she shall be so advised prior to the audition. When principal performer is required to improvise during an audition, such audition shall be deemed an ad lib or creative session call from the inception of such audition call and the principal performer shall be paid for such services as set forth in Section 1.2(a), Ad Lib or Creative Session Calls.”~~

“2. ~~Ad Lib or Creative Session Calls:~~

The session shall be deemed a creative session call when principal performer is required to devise action or provide dialogue not suggested by a script, storyboard or by specific direction. The principal performer shall be paid for such services as follows:

- (a) Where the principal performer is not required on such call to perform services in the production of commercial or commercials, the principal performer shall be paid a minimum fee of \$251.10 which shall be deemed compensation for 1 hour. ~~Of such improvisational services~~ For all time spent in excess of 1 hour, the principal performer shall be paid in ½ -hour units, at the rate of \$125.55 per unit.

(b) Where the principal performer is required on such call to perform services in the production of commercial or commercials, the principal performer shall be paid, in addition to his/her session fee, an additional 50% of such session fee for each commercial in connection with which he/she renders such creative services and such additional fee or fees may not be credited.

~~(c) Definition: Ad Lib or Creative Session Call. Any request of a principal performer to devise dialogue shall be deemed an ad lib or creative session call. Where no dialogue is involved, the session shall be deemed an ad lib or creative session call when principal performer is requested to devise action not provided by the script, storyboard or by specific direction.~~

~~(d)~~(c) User-generated/crowdsourced commercial contest entries, solicited, accepted and displayed by Producer during the contest period via Internet and/or New Media under Section 36.B.9 or 37.B.9 shall not trigger any application of this Contract including, without limitation, ~~Ad Lib or Creative Session Call~~ fees.

NOTE: ~~Ad Lib or Creative Session Call~~ payments at audition are calculated at 40% of the session fee.

32. Schedule A, Section I.AA.12. – Minors. Amend Schedule A.I.AA.12, Education, as follows:

“When Producer employs minors of school age who are currently enrolled in an elementary or secondary school for a booking of 3 or more days on which school is otherwise in session for the minor, Producer shall provide 3 hours of education on each such school day as part of the regular working day. Producer shall provide a teacher/tutor who has current teaching credentials in either the state of employment or the child’s home state, and who is qualified to teach the subjects which comprise the child’s curriculum. A copy of the teacher’s/tutor’s current credentials and identification shall be provided to the parent/guardian by the Producer for inspection.”

33. Schedule A.I.S.(1) and Schedule D.N.3. – Work on Holidays.

- (a) Amend Schedule A.I.S.(1) as follows:

“1. If a principal performer works on any of the following holidays: New Year’s Day, Martin Luther King, Jr.’s Birthday, Washington’s Birthday (President’s Day), Memorial Day, July Fourth, Labor Day, Veterans Day, Thanksgiving Day or Christmas, he/she shall receive double what he/she would receive for a weekday. Whenever any of said holidays falls on a Sunday, such holiday, for all purposes herein, shall be deemed to fall on the Monday next succeeding.”

- (b) Amend Schedule D.N.3(a) as follows:

“(a) New Year’s Day; Martin Luther King, Jr.’s Birthday; Washington’s Birthday (President’s Day); Memorial Day; July Fourth; Labor Day; Veterans Day; Thanksgiving Day; and Christmas Day shall be recognized as holidays. If any of

the above holidays falls on a Sunday, the following Monday shall be deemed the holiday.”

34. Schedule D – Extras.

- (a) Modify Schedule D. Section III.D.6.A. as follows:

Increase the Stand-in rate to 10% above the general rate increases in wages (Rate will be inserted into the Schedule D, Section 6.A. table between Hand Model and Commercial Extra Performer).

- (b) Amend D.III.8.D., Payment for Wild Footage as follows:

8.D. Payment for Wild Footage – Single Day

Notwithstanding anything contained elsewhere in this Section 8, where Producer employs an extra performer (including drivers hired in the State of Michigan) during a single day for the purpose of shooting footage which is not being photographed for use in any particular commercial or commercials (“wild footage”) such photography thereafter may be integrated into several commercials for the same advertiser made subsequently and may be used for a period not to exceed 21 months, provided that each and all of the following conditions of employment are fulfilled by the Producer:”

- (c) Add a new III.8.E. as follows and re-letter the existing sections E through I:

“E. Payment for Running/Wild Footage for Drivers – 2 or More Days

The following special provisions shall apply to a driver who is employed for 2 or more days for running/wild footage in motor vehicle commercials:

- (i) Driver shall be provided a principal performer A-1 Employment Contract and the employment category shall be marked “Driver”.
- (ii) Driver shall be compensated at the same rate for on-camera principals, per 8-hour day, plus applicable overtime and Pension and Health.
- (iii) This provision shall apply to a driver who:
 - (A) Is hired in Los Angeles, New York, or any of the extra zones, regardless of where he/she works.
 - (B) Works in Los Angeles, New York or any of the extra zones.
 - (C) Does not meet qualifications of a principal performer.
 - (D) Is hired in the State of Michigan.

- (iv) Such driver shall be entitled to “turnaround” time between shoot days, as provided in Section E. (Rest Period) of Schedule A. (Working Conditions – Principal Performers). However, the required rest period will be 10 hours (not 12); otherwise the driver must be paid liquidated damages of \$500, as provided in paragraph 3 of Section E.
- (v) Any footage shot under this Section E. may be integrated into an unspecified number of commercials for the same advertiser, and used for 21 months, without payment of any integration fees. Use beyond the first 21 months in the same or different commercials would require payment of an additional session fee at the then current rate for each subsequent 21-month period.
- (vi) Driver must be notified in advance that he/she is being engaged under these terms. It is also recommended that a provision be inserted in the Special Provisions section of the driver’s contract. The following language is an example:

Performer is being engaged as a driver at the rate equal to the current session fee applicable to on-camera principal performers, under Section D.III.8.E. for production and use of “Running/Wild Footage.”

(d) IV. 10.A. – “Extra performers shall be paid within ~~42~~ 15 working days.”

35. Exhibit A-1 – Standard SAG-AFTRA Employment Contract for Commercials. Amend to include the following confidentiality clause as Standard Provisions # 6:

“‘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 all scripts 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 non-disclosure agreement that has not been approved in advance and in writing by

the Union.” This provision is not intended to supersede any confidentiality provisions in celebrity agreements.

36. Exhibit A-2 – Standard SAG-AFTRA Employment Contract for Performers Engaged as Extras in Commercials.

Amend to include the following confidentiality clause as ¶ preceding the signature line: “‘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 all scripts 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. Extra Performer acknowledges that Extra Performer has and will become aware of certain Confidential Information. Unless otherwise required by law, Extra Performer agrees that, without Producer’s prior written approval, Extra Performer shall hold such Confidential Information in the strictest confidence and that Extra Performer will not disclose such Confidential Information to anyone (other than Extra Performer’s representatives in the course of their duties to Extra Performer, which representatives shall be bound by the same restrictions as set forth in this Agreement) or utilize such Confidential Information for Extra Performer’s benefit or for the benefit of a third party. Notwithstanding the foregoing, nothing herein shall prohibit Performer from disclosing Confidential Information concerning Extra 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 Extra Performer execute any non-disclosure agreement that has not been approved in advance and in writing by the Union.”

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37. Amend Sideletter 2 as follows:

“April 1, 2009~~16~~

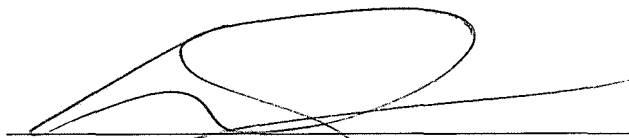
Mr. John T. McGuire
Senior Advisor
c/o SAG-AFTRA
1900 Broadway
New York, NY 10023

Re: DIVERSITY IN CASTING DOUBLES

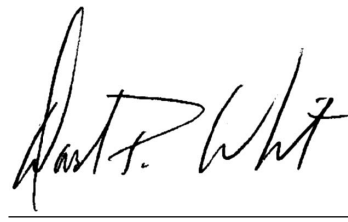
Dear John:

During negotiations between the JPC and ~~SAG~~ SAG-AFTRA for the 2009~~16~~ Commercials Contract, the JPC confirmed its commitment to the policy reflected in Section 14.D requiring the consideration of women, minorities and performers with disabilities for stunt doubling roles and for scripted and unscripted stunts on a functional nondiscriminatory basis. The JPC further agreed that it would be desirable to educate stunt coordinators regarding Section 14.D.

Accordingly, the JPC will meet with SAG-AFTRA ~~Screen Actors Guild and AFTRA~~ within ~~90 days~~ six months following the ratification of the 2009~~16~~ Commercials Contracts to discuss reasonable measure by which the JPC will undertake to educate stunt coordinators regarding the requirements of Section 14.D and the policy that underpins it. The JPC will, at a minimum, send a bulletin to its members encouraging them to distribute the language of Section 14.D to stunt coordinators they engage, but will also give serious consideration to other measures that may be suggested during the above referenced meeting with ~~SAG- and~~ SAG-AFTRA.”



Douglas J. Wood
Chief Negotiator
ANA-4A's Joint Policy Committee
on Broadcast Talent Union Relations



David P. White
National Executive Director
SAG-AFTRA

38. Sideletter 7 re: Experimental Coverage Waiver for Made For Internet and Made For New Media Commercials. Delete Sideletter 7 in its entirety.
39. Sideletter 8 re: Section 26.K. Special Offer & Promotions Waiver. Delete Sideletter 8 in its entirety.

40. Insert New Sideletter re: Experimental Social Media Waiver. Add the following waiver as a sideletter:

March 31, 2016

Mr. Douglas J. Wood
ANA-4A's Joint Policy Committee
on Broadcast Talent Union Relations
c/o Reed Smith LLP
599 Lexington Avenue, 29th Floor
New York, NY 10022

RE: EXPERIMENTAL SOCIAL MEDIA WAIVER

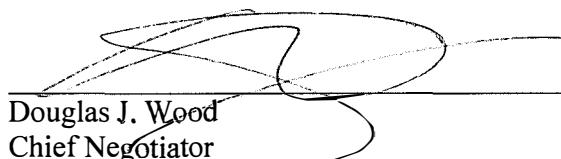
Dear Mr. Wood:

Notwithstanding anything to the contrary contained in this Contract, the following terms and conditions shall apply to Internet and/or New Media commercials produced for use on social media platforms (including, but not limited to, Facebook, Instagram, Vine, SnapChat, Tumblr, Twitter, and LinkedIn):

- (i) Producer may film and record multiple commercials for the same product, service or advertiser in a single session for a single session fee that may not be credited.
- (ii) Each commercial shall have a 30-day use cycles and a one-year maximum period of use.
- (iii) The fee per commercial for each 30-day cycle shall be 15% of a session fee.
- (iv) Producer shall not obtain any exclusivity from principal performers and no holding fees shall be due to principal performers.
- (v) Section 26, Editing of Commercials, Section 36.A.2. and Section 37.A.2. shall not apply to commercials produced pursuant to this waiver.
- (vi) This waiver shall sunset on March 31, 2019.



David P. White
National Executive Director
SAG-AFTRA



Douglas J. Wood
Chief Negotiator
ANA-4A's Joint Policy Committee
on Broadcast Talent Union Relations

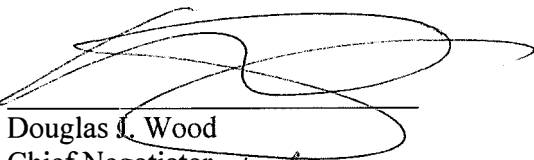
41. Section 65 – Alternate Method of Compensation. Amend Section 65 as follows:

“The parties will study alternative methodologies for calculating fees due to principal performers appearing in commercials. In addition, over the 2016 to 2019 term of this Contract, the parties agree to conduct a study of industry and technological changes so that the parties may consider the results of such study at a future negotiation. The bargaining parties will use good faith efforts to begin the project within 90 days of the conclusion of negotiations with the goal of completing the project not later than August 1, 2018. The parties shall each recommend to their respective trustees that the AICF and IACF approve funding for the project. The parties shall proceed on these studies on the basis of mutual cooperation and agreement.”

42. Rates are effective April 1, 2016. For services performed in commercials made after April 1, 2016, all retroactive payments must be made not later than 30 days following ratification by the Union.
43. The new working conditions and all other non-economic provisions shall be effective not later than 30 days following ratification by the Union.


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

ANA-4A's Joint Policy Committee
on Broadcast Talent Union Relations


Douglas J. Wood
Chief Negotiator

Date: 4/3/16

SAG-AFTRA


David P. White
National Executive Director

Date: April 3, 2016