



**SAG·AFTRA®**

2017 TV/THEATRICAL CONTRACTS  
Referendum Booklet



July 16, 2017

Dear SAG-AFTRA Member,

SAG-AFTRA recently concluded negotiations with Alliance of Motion Picture and Television Producers (AMPTP) on successor agreements covering motion pictures, scripted primetime dramatic television and new media production. We are proud to present the result to you for your ratification, and we urge you to VOTE YES.

Significant improvements were secured in the residuals rate paid to performers for exhibition of their performances on streaming platforms like Netflix and Amazon. Under the new terms, actors will receive residuals for exhibition on subscription video on-demand platforms earlier, now after 90 days instead of after one year. The new formula delivers a 300-percent increase in residuals to performers within their first two years when their work is exhibited worldwide on Netflix.

SAG-AFTRA achieved a historic breakthrough in the rules governing travel for television performers, including an up to five-fold increase in the fees due to series performers who work at locations away from home. The travel rules for television have been rationalized and clarified, closing many loopholes and ambiguities that have allowed for abuse.

Series performer option rules were greatly improved, with the effect of reducing exclusivity periods for many series performers during which they can be held off the market.

In an unprecedented breakthrough, the new deal improves the overtime provisions for background actors working in the West Coast Zones so that they match New York standards while protecting against the attempted removal of night premiums in the New York Zone.

Additionally, the committee improved the pay rate for photo doubles and achieved superior terms for background actors employed under the CW Supplement. The committee also secured an additional 5-percent increase in the first year of the contract for stunt coordinators working under flat deal contracts in television. Additionally, there is a first-year increase of .5 percent in the contribution rate applicable to the SAG Pension Plan and the AFTRA Retirement Fund, bringing the total benefits contribution rate to 17.5 percent. The union may also elect to convert an additional one-half percent from the wage package in each of the second and third year.

Highlights of the tentative agreement include:

- Total package valued at \$256 million over three years.
- Three-year agreement commencing July 1, 2017, and expiring June 30, 2020.
- Wage increases of 2.5 percent in the first year, 3 percent in the second year and 3 percent in the third year.
- Half-percent increase in the current rate of employer contributions paid to the SAG Pension Plan and AFTRA Retirement Fund in the first year of the agreement, raising the total contribution rate to 17.5 percent, effective July 1, 2017.
- Secured an additional .2 percent increase in funding to the SAG-AFTRA industry cooperative funds, which will support monitoring animal safety on sets, safety training and sexual harassment prevention training.
- Achieved recognition of Middle Eastern North African as a diverse category in the casting data report.
- Agreement to study the design and implementation of an electronic reporting system for performer work times.
- Improved residuals for programming made for SVOD (subscription video-on-demand).
  - First residual is now due in 90 days rather than one year.
  - Increase in the residual rate.
  - First-ever residuals compensation for foreign use.
- Improvements to money and schedule breaks.
- Improvements to the advertiser-supported streaming residuals.
- Outsized increase of 18 percent for background actors working under the CW supplement.
- Terms requiring that all background actors be paid double-time starting after 10 hours of work.

This contract was shaped by you, the member, through the months-long wages and working conditions process. In the negotiating room, we prioritized the issues you told us were most important to you, both in protecting existing provisions or seeking new gains.

Please review the Summary of the Tentative Agreement reached for the 2017 TV/Theatrical Contracts carefully. Whether submitted online or by mail, your ballot must be received by 5 p.m. PDT on Monday, August 7, 2017. If you do not wish to vote online, you may request a paper ballot by calling Integrity Voting Systems at 844.798.3760 before 12 noon PDT on Wednesday, August 2 and a paper ballot package will be mailed to you. If ratified by the membership, these new agreements will become effective retroactive to July 1, 2017 and will remain in force through June 30, 2020.

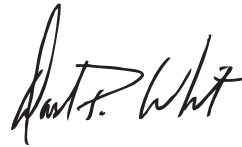
We understand that members may have additional questions, which is why we've scheduled informational sessions to review the terms of this agreement and answer questions you may have. Please see the list of member informational meetings included in this packet. Please check [sagaftra.org](http://sagaftra.org) and watch your email for notices from SAG-AFTRA with information about meetings in your area. If you have questions regarding the tentative agreement, please email: [TVTheatricalContracts2017@sagaftra.org](mailto:TVTheatricalContracts2017@sagaftra.org) or call (800) 518-6623.

On behalf of the SAG-AFTRA National Board of Directors and the TV/Theatrical Negotiating Committee, we are pleased to recommend you VOTE YES to ratify the 2017 SAG-AFTRA TV/Theatrical Contracts, covering motion pictures, scripted dramatic television and new media productions.

In unity,



Gabrielle Carteris  
President  
National Chair, TV/Theatrical Negotiating Committee



David White  
National Executive Director  
Chief Negotiator



## STATEMENT OF SUPPORT

### *Ratify the Tentative Agreement with AMPTP*

#### **SAG-AFTRA National Board of Directors Votes 77% to Approve and Recommend a YES Vote**

Dear SAG-AFTRA Member,

We conducted unprecedented levels of outreach in preparation for this negotiation to be sure we heard from our members all over the country and understood the challenges you face every day. The result was a disciplined proposal package that focused our bargaining power on the issues that matter most, shaped by an engaged membership that participated in bargaining your own contract. The result shows the importance and impact of our solidarity.

These contracts include gains on subjects that our union and its predecessor unions have tried and failed to make progress on in multiple prior attempts over the decades. They provide substantial wage increases and improved funding of our benefit plans. They also secure residual improvements that are vital to protecting our members' ability to earn a living now and in the future.

The result is a package valued at \$256 million, which represents a 3.6-percent improvement over baseline earnings. By comparison, our last deal, which was at that time the most valuable television and theatrical deal ever, was valued at \$200 million, which represented a 3.3-percent improvement.

Below are some highlights of the gains you have the opportunity to lock in by voting YES:

#### **SUBSTANTIAL INCREASES IN WAGES AND BENEFIT PLAN FUNDING**

Your negotiating committee has secured every available dollar for you and obtained new revenue to support our benefit plans. Minimums improved by 2.5 percent, retroactive to July 1, 2017. In the second and third years of the deal, the increases will be 3 percent unless the SAG-AFTRA National Board elects to divert a half percent of the wage increase into a benefit fund contribution rate increase, in which case the wage increase will be 2.5 percent.

Flat deal stunt coordinators working in television under Schedule K-III will receive a 7.5-percent increase instead of a 2.5-percent increase, retroactive to July 1, 2017, and will receive the general increase thereafter.

The rates of contribution to the SAG Pension and AFTRA Retirement funds will increase by a half percent, retroactive to July 1, 2017. As stated above, the National Board can further improve those contribution rates, resulting in as much as a 1.5-percent total increase to the Pension Plan and Retirement Fund contribution rates. This rivals the highest increases ever bargained to these contribution rates. In an environment where low investment returns are pressuring the finances of our Pension Plan and Retirement Fund, these improvements will help us sustain the health of these plans.

## **MASSIVE GAINS IN THE RESIDUAL FOR CONTENT MADE FOR PLATFORMS LIKE NETFLIX AND AMAZON**

The improvements we negotiated to the residuals for programs made for high-budget subscription video-on-demand platforms like Netflix and Amazon deliver, for example, a 225 percent increase in residuals to performers within the first two years of domestic exhibition of their performances on Netflix and a nearly 340-percent increase for worldwide exhibition. The improvements take the form of an additional first-year residual payment, a new foreign residual, increases to the ceilings that apply to the calculation of these residuals and the addition of a subscriber factor that enhances the residuals for programs on the largest of these platforms, namely Netflix.

## **ADDITIONAL RESIDUALS IMPROVEMENTS**

The residual for free streaming of television programs on the internet improved by nearly 10 percent, moving from 5.5 percent to 6 percent of minimum for a 26-week period effective in the second year of the deal. This is the residual that applies, for example, when a network streams one of its shows on its website after the expiration of the seven or 17-day free-streaming window. Two of the money breaks applicable to advance payment of residuals also increased, which means less of your initial compensation can be used as an advance payment of your residuals, so more residuals are ultimately paid to you. All of the residual formulas based on minimums (e.g., reruns of basic cable programs in basic cable) will also increase with the minimum improvements noted above.

## **BREAKTHROUGH IN THE TRAVEL RULES FOR TELEVISION**

Our members made clear that inconsistent application of the ambiguous and heavily disputed travel rules have created uncertainty and consternation and deprived our members of benefits that they are entitled to, particularly in television. For television series regulars, the contract failed to supply minimums for relocation allowances, which have been individually negotiated at amounts that are far too low.

Now, in television we have a newly codified set of travel rules that in some areas reflect current practice and in others

reflect significant improvement. The result is an unambiguous net gain for performers. In addition, television series regulars will now find minimums stated for relocation allowances for the first time at amounts that far exceed what individual negotiations have produced in the marketplace.

These changes come in an area where SAG-AFTRA and its two predecessor unions have attempted improvements unsuccessfully in multiple prior negotiations.

## **BREAKTHROUGH IN PARITY BETWEEN EAST COAST AND WEST COAST BACKGROUND**

For decades, we have sought to close the gap between the better terms that apply to background actors working on the East Coast under Schedule X-II and the lesser terms that apply to background actors working on the West Coast under Schedule X-I. In this contract, we have closed one of the last major gaps separating the two schedules by improving the overtime rules in Schedule X-I to the standard of Schedule X-II. Now, background actors working under Schedule X-I will receive double time beginning with the 11th hour of the day instead of receiving time and a half for the 11th and 12th hours of the day.

## **ADDITIONAL BACKGROUND GAINS**

Background actors on both coasts made gains in this deal. The minimum rate for photo doubles will increase to the stand-in rate, which means an immediate 17-percent increase for members working in that category. On programs made for the CW, the terms of Schedules X-I and X-II will now apply instead of the Network Code terms for background, which means an 18-percent upfront increase for those programs along with applicable zones and caps. Finally, we created a new voucher form for Schedules X-I and X-II that will help background actors decrease their risk of identity theft by allowing the use of a SAG-AFTRA identification number in lieu of a Social Security number where the Social Security number is not otherwise required by production or background casting.

## **LIMITATION ON OPTION PERIODS FOR SERIES REGULARS**

Another area where our members told us they needed relief is series performer exclusivity. Presently, series performers can be held to exclusivity obligations meant for a world of 22-episode series orders on shows with orders as small as six to 10 episodes, and the duration of that exclusivity is frequently extended for as long as two years by lengthy option periods and uncompensated option extensions.

SAG-AFTRA focused in this cycle on limiting option periods. Now, for television performers earning less than \$32,000 per episode, a producer must exercise an option within one year of the last day of principal photography of the season and may only extend that option twice for up to six months per extension by paying the performer's prior season negotiated episodic fee for each such extension. These extensions were previously uncompensated because producers



recouped the extension fees from subsequent compensation due to the performer. Now, the extension fee is not recoupable and must be paid in addition to all other compensation due to performer.

## CONCLUSION

This new contract will guarantee substantial raises, protect the funding of our Pension Plan and Retirement Fund, achieve huge gains in residuals, make breakthrough improvements in the areas of travel and exclusivity and win historic gains for background actors. It represents the culmination of an engaged and member-driven process. On behalf of the SAG-AFTRA National Board of Directors, we proudly endorse this tentative contract and urge you to VOTE YES.

In unity,

A handwritten signature in black ink, appearing to read "Gabrielle Carteris".

Gabrielle Carteris  
President  
National Chair, TV/Theatrical Negotiating Committee

A handwritten signature in black ink, appearing to read "David White".

David White  
National Executive Director  
Chief Negotiator



## Summary of the 2017 Television and Theatrical Tentative Agreement

This Summary is of the Tentative Agreement reached between SAG-AFTRA and the Alliance of Motion Picture and Television Producers (“AMPTP”) for successor agreements to the SAG-AFTRA/Producers Codified Basic Agreement (“CBA”) and SAG-AFTRA Television Agreement (“Television Agreement”).

- I. TERM OF THE AGREEMENT: The term of the Tentative Agreement shall be for 3 years, commencing on July 1, 2017 and terminating on June 30, 2020.
  
- II. MINIMUM WAGES:
  - A. Except as noted below, all minimum wage rates shall increase by 2.5% retroactive to July 1, 2017, by an additional 3% effective July 1, 2018 and by an additional 3% effective July 1, 2019. These increases shall be compounded.
  
  - B. Either or both of the wage increases effective July 1, 2018 and July 1, 2019 may be reduced to 2.5% in the event that the union decides to increase the SAG Pension and AFTRA Retirement contribution rate by an additional .5% in that year or years.
  
  - C. Minimum wage rates for flat deal stunt coordinators employed under Schedule K, Part III on television programs will increase by 7.5% retroactive to July 1, 2017 (in lieu of the 2.5% general increase). Stunt coordinators will receive the general increase in the second and third years of the Tentative Agreement.
  
- III. PENSION, RETIREMENT AND COOPERATIVE FUNDS:
  - A. The total contribution rate to the SAG Pension Plan and AFTRA Retirement Fund will increase by .5% for motion pictures the principal photography of which commences on or after July 1, 2017.
    1. The combined contribution rate for the SAG Pension Plan and the SAG-AFTRA Health Plan shall thereby increase from 17% to 17.5%. The combined contribution rate for the AFTRA Retirement Fund and SAG-AFTRA Health Plan shall also thereby increase from 17% to 17.5%.
  
    2. The above-stated increase to the AFTRA Retirement Fund will be contingent upon the trustees approving the “decoupling” of the increase from the beneficiary accrual rate. In other words, the additional contributions will add to the Retirement Fund’s revenue without increasing its liability in the form of additional benefit accrual.
  
  - B. The Union may elect to increase the contribution rates to the SAG Pension Plan and AFTRA Retirement fund by .5% in either or both of the second and third years of the agreement, in which case the wage increases for that year or years will be reduced by .5%.

- C. The 15.5% contribution rate for pilots and presentations and the first two seasons of one-hour series under Sideletter K and the 13.5% contribution rate for Supplemental Market residual payments under Section 5.2A of the CBA will both remain unchanged.
- D. The contribution rate to the SAG-Producers Industry Advancement and Cooperative Fund (“IACF”) and the AFTRA Industry Advancement Cooperative Fund (“AICF”) will increase by .2% to a total of .5% retroactive to July 1, 2017. Initially, the additional contributions will be earmarked for the “No Animals Were Harmed” program of the American Humane Association, which is responsible for monitoring animal safety on set, the safety training initiatives referred to in XII(P), below and the sexual harassment prevention training referred to XII(Q), below. On July 1, 2020, 50% of the additional contributions will become available for use in the discretion of the trustees of the respective cooperative funds.
- E. The parties renewed the mechanism established in the 2014 round of bargaining for dividing television programs into those that contribute to the SAG-Producers Pension & Health Plans and those that contribute the AFTRA Health & Retirement Fund such that 57% of contributions go to the former and 43% go to the latter. All covered television pictures now contribute to the SAG-AFTRA Health Plan, but the distinction remains important for Pension Plan and Retirement Fund purposes.

#### IV. HIGH BUDGET SUBSCRIPTION VIDEO ON DEMAND

- A. Summary: Prior to 2014, initial compensation for all pictures produced for New Media was freely bargained with only limited applicability of terms from the CBA and Television Agreement. In 2014, terms for certain High Budget programs made for Subscription Video On Demand platforms like Netflix and Amazon were improved to resemble Television Agreement terms (“HBSVOD programs”). Under the Tentative Agreement, residuals paid for the continued availability of HBSVOD programs on the original platform will become due sooner, there will be a “subscriber factor” applied that enhances the residual for the largest platforms, there will be a new residual for foreign availability and the ceilings applicable to certain high-budgeted feature-length content will receive outsized increases. The net result is a significant improvement: For example, the new formula delivers a 225% increase in residuals due to performers for the first two years of domestic exhibition of their performances on Netflix, or a nearly 340% increase for worldwide exhibition on Netflix.
- B. Prospective Application: The new terms are applicable only to programs that are subject to license agreements entered into on or after July 1, 2017. Even where principal photography of a HBSVOD program commences on or after July 1, 2017, the new terms will not apply if the program is made pursuant to an existing license agreement entered into before that date. Such programs will either be subject to the terms negotiated in 2014 or, if the program was grandfathered under the 2014 terms, to the pre-2014 terms.
- C. Use Paid for by Initial Compensation: Presently, performers’ initial compensation on a HBSVOD program pays for one year of availability. Pursuant to the Tentative Agreement, initial compensation will pay for only 90 days of availability, at which point the first residual will be due. Subsequent residuals shall continue to be due annually.

- D. Addition of Subscriber Factor: HBSVOD residuals will continue to be calculated as a percentage (that declines each year) of the performer’s compensation for the episode up to a cap. But rather than the current 3 tiers, pursuant to the Tentative Agreement, that figure will be multiplied by a “subscriber factor” that can increase or decrease the residual based on the subscribership of the platform as follows:

Subscriber Tier	Domestic Subscribers	Additional percentage of domestic residual
1	Under 1 million	20%*
2	1 million to 5 million	40%
3	Over 5 million but fewer than 20 million	65%
4	20 million to 45 million	100%
5	Over 45 million	150%
*Initial compensation will continue to pay for the first year of exhibition for programs produced for initial exhibition on a platform with fewer than 1 million domestic subscribers.		

- E. Foreign Use Residual: Presently, initial compensation and any subsequent residual payment for a HBSVOD program pays for worldwide availability, with no additional payments due for foreign availability on the original platform’s related or affiliated foreign platforms. (In other words, the fact the program is exhibited by Netflix UK does not trigger any additional residual.) Pursuant to the Tentative Agreement, Producer will owe an additional residual for such availability on the related or affiliated foreign platform as follows:

1. After 90 days of availability (measured using the date of first availability on the domestic platform), the Producer will owe an additional percentage of the residual due for domestic exhibition as follows:

Exhibition Year	Additional Percentage of Domestic Residual
Year 1	35%
Year 2	35%
Year 3	35%
Year 4	25%
Year 5	25%
Year 6	25%
Year 7	20%
Year 8	20%
Year 9	20%
Year 10	15%
Year 11	15%
Year 12	15%
Each Year Thereafter:	10%

2. As an exception to the foregoing, when the Producer of an HBSVOD program made for a platform with 45 million or more subscribers only licenses it for use on the related foreign HBSVOD platform in territories comprising 15% or less of the value of all foreign markets, a revenue-based residual<sup>1</sup> of 3.6% of distributor's gross receipts applies in lieu of the fixed residual<sup>2</sup> described above. For HBSVOD programs made for platforms with fewer than 45 million subscribers, the 3.6% residual applies whenever worldwide SVOD rights to related and affiliated foreign platforms are not granted in the license.
- F. Adjustment to Ceilings for HBSVOD Residuals: The ceilings applicable to 30-minute, 60-minute, and 120-minute programs will increase by 5% for HBSVOD programs produced under the Tentative Agreement. In addition, the ceiling applicable to a 90-minute HBSVOD program will increase to \$3,966 (from \$3665), to avoid falling further beneath the cap applicable to a one-hour program.
- G. Feature-Length Content: For pictures budgeted at \$30 million or more that are 85 minutes or longer and made for initial exhibition on a HBSVOD platform with 20 million or more subscribers domestically, the ceiling applicable to calculating performers' residuals will increase to \$4,350, providing an enhanced residual to performers working on such content.
- V. OTHER NEW MEDIA
- A. Advertiser-Supported Video-on-Demand:
1. The residual owed for each of the two 26-week periods of advertiser-supported streaming of a program in the first year after the expiration of the initial streaming exhibition window will increase from 5.5% of Total Applicable Minimum to 6% of Total Applicable Minimum effective July 1, 2018.
  2. The residual applicable for streaming beyond the initial 13-week period covered by initial compensation for a Derivative New Media Program will increase from \$20 to \$22 (for programs 10 minutes or shorter) and from \$25 to \$27 (for programs more than 10 minutes) effective July 1, 2018.
- B. New Media Information: Producers must provide a defined set of information including budget, location, timing, number of episodes being produced in a season for series and contact information to SAG-AFTRA for all covered New Media projects.

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<sup>1</sup> A "revenue-based residual" is calculated by taking a percentage of the distributor's gross receipts (which is typically the license fee) and distributing it among the cast.

<sup>2</sup> A "fixed residual" pays a fixed amount to the performer that is not tied to the value of a license fee achieved by the producer and is typically due per run.

VI. TRAVEL (TELEVISION ONLY)

- A. Summary: The rules governing travel for performers in television are heavily disputed because of ambiguous contract language and inconsistent practice. Pursuant to the Tentative Agreement, these rules will be clearly set forth and significant improvements achieved in several areas. None of these changes are applicable to theatrical motion pictures. Except as otherwise provided in VI(B), below, the changes shall be effective with the first payroll period following ratification of the Tentative Agreement.
- B. Relocated Series or Term Performers: For series or term performers who work but do not reside at Producer's Base (see VI(C)(2), below) under contracts entered into on or after January 1, 2018, the following new minimums will apply in the event that Producer elects to bargain a Relocation Allowance with the series or term performer. In lieu of bargaining a Relocation Allowance, the producer may elect to provide lodging, per diem after salary commences and transportation to and from set for the duration of the series or term performer's engagement.
1. For a series with an order of 13 or fewer episodes, the Relocation Allowance must equal at least \$10,000 for each of the first four seasons of a series or term performer's engagement.
  2. For a series with an order of more than 13 episodes, the Relocation Allowance must equal at least \$10,000 for each of the first two seasons of a series or term performer's engagement.
  3. Producer shall be required to provide air travel and related expenses at the beginning and end of a series or term performer's engagement in any season in addition to any Relocation Allowance.
- C. Clarified Travel Rules:
1. "Overnight Location" will mean any location where the Producer requires the performer to remain away from his or her residence and be lodged overnight. Except as provided in VI(C)(2) ("Producers' Base") and (3) ("Los Angeles") below, a performer on an overnight location shall be entitled to the following:
    - a. Per Diem pursuant to Section 35(B)(2) of the Television Agreement;
    - b. Lodging;
    - c. Transportation to and from the overnight location;
    - d. Payment of a \$500 travel allowance for each day of travel that is not otherwise paid for;

- f. Portal to Portal Workday, i.e., the performer's work time commences with pick-up at the hotel at the beginning of the day and ends with drop-off at the hotel at the end of the day; and
  - g. Producer may bargain for up to two "idle days" prior to the commencement of performer's contractual salary, in which case Producer shall pay a per diem of \$100 per day. (Previously, Producer could bargain for up to 3 "idle days" at \$75 per day before placing performer on contractual salary.)
2. "Producer's Base" means the geographic area (e.g., New York, Atlanta, New Orleans, Chicago, etc.) where the majority of principal photography takes place during a season of a television series. The rules for traveling to Producer's Base will be the same as for an Overnight Location, above, except as follows:
- a. For all performers traveling to Producer's Base, the workday may be calculated on a "set-to-set" basis, i.e., the workday commences upon arrival at set (not pick-up at the hotel) and ends upon dismissal from set (not drop-off at the hotel).
  - b. For series or term performers working at Producer's Base, no travel allowance or other compensation is due for time spent traveling to or from Producer's Base (see VI(C)(1)(d) above) and Producer need not provide transportation to and from set. (For clarity, performers other than series or term performers at Producer's Base must be transported from hotel to set and receive an allowance for travel time that is not otherwise compensated.)
3. Notwithstanding the foregoing, for work taking place in Los Angeles and its environs (note that items (a) and (b) are unchanged from existing rules and item (c) is an improvement):
- a. Producer may calculate the workday on a "set-to-set" basis for all performers.
  - b. Producer will not be required to pay per diem, lodging, provide transportation to and from set, provide a travel allowance or other compensation for time spent traveling to or from Los Angeles or provide transportation to or from set (reporting rules for Los Angeles resident performers will apply).
  - c. Producer shall be required to provide transportation (e.g., airfare and related ground transportation) to and from Los Angeles.
4. Producers have committed to providing either transportation or lodging when performers cannot safely drive themselves due to exhaustion or inclement weather, including at Producer's Base.
- D. Travel Claims: In connection with the foregoing resolution of the travel rules, SAG-AFTRA agreed to waive and dismiss certain claims brought on travel issues as well as whatever other

pay for a return travel day on which the performer does not render services according to the arbitrator's forthcoming award in a grievance filed against the television program *Murder in the First*.

- VII. SERIES PERFORMER OPTIONS: For series television performers making less than \$32,000 per episode, the rules governing options will be modified as follows:
- A. Option Exercise Deadline: It is now clear that Producers are prohibited from bargaining option exercise dates that are more than one year after the last day of principal photography of the last episode of the prior season.
  - B. Option Period Extensions: It is now clear that Producers are prohibited from bargaining for the right to extend the option period more than twice or for more than six months per extension. Producer is also prohibited from bargaining option extension fees that are less than the series performer's prior season negotiated episodic fee, nor may Producer bargain for such fees to be recouped, i.e., they must be paid in addition to any other amounts owed to the performer.
  - C. Option Claims: In connection with the foregoing resolution on the option period, SAG-AFTRA agreed to waive and dismiss certain claims brought on the option period issues as well as whatever other claims SAG-AFTRA could previously have brought on the same basis.
- VIII. BACKGROUND
- A. Overtime for Background Actors Working in the West Coast Zones: Background actors working in the West Coast zones under Schedule X-I of the CBA will now enjoy the overtime provisions of Schedule X-II, i.e., instead of paying the 11th and 12th hours of the work day at time and a half, with double time due thereafter, Producer must pay double time beginning with the 11th hour.
  - B. CW Supplement: Programs produced for The CW under Section 83 of the Television Agreement will now use the same terms (Schedule X-I for the West Coast zones, Schedule X-II for the East Coast zones) as other programs produced under the Television Agreement, which means an upfront 18% increase in the minimum rate, as well as application of the zones and caps.
  - C. Photo Doubles: Photo doubles working under Schedules X-I and X-II will now receive at least the stand-in rate, an upfront increase of nearly 17%.
  - D. Vouchers: A new standard form voucher has been added to Schedules X-I and X-II that allows for members to use their SAG-AFTRA identification number in lieu of their Social Security number where the Social Security number is not otherwise required by the producer or background casting company. There is presently no standard voucher for Schedule X-I and the new form will replace the existing Exhibit H to Schedule X-II.

IX. DIVERSITY: A new category of “Middle Eastern/North African” will be added to the Casting Data Reports.

X. SCHEDULE AND MONEY BREAKS

A. Schedule B and C Breaks: Improved for theatrical motion pictures from \$6,200 to \$6,350 and for television pictures from \$5,000 to \$5,150 both for contracts entered into on or after July 1, 2018.

B. Overtime Money Break for 3-Day Television Performers: Improved from \$3,000 to \$3,150 effective for contracts entered into on or after July 1, 2018. After the improvement, overtime for a 3-day performer will be calculated on the basis of not more than \$3,150 (instead of \$3,000) even if the performer’s actual salary is higher.

C. TV Advance Payment of Residuals for “All Other Purposes” under Section 18(d)(2) of the Television Agreement: Improved from \$9,000 to \$9,500 effective for contracts entered into on or after July 1, 2018. After the improvement, subject to the limitations and terms of Section 18(d), Section 47 and the Sideletter Re: Programs Made for New Media and provided the advance pay details are articulated in the performer’s individual contract, Producers may only bargain to treat compensation paid in excess of \$9,500 as an advance payment of residuals for exhibitions such as syndication, foreign free television, and extended availability of HBSVOD programs on SVOD platforms.

D. TV Advance Payment of Theatrical Release under Section 19(d)(2) of the Television Agreement: Improved from \$9,000 to \$9,500 effective for contracts entered into on or after July 1, 2018, subject to the limitations of Section 19(d)(1) and provided the advance pay details are articulated in the performer’s individual contract. After the improvement, Producers may only bargain to treat compensation in excess of \$9,500 as an advance payment of residuals due for the theatrical exhibition of television programs.

E. TV Pilot Options under Section 24(a)(3) of the Television Agreement: Improved from \$9,000 to \$10,000 effective for contracts entered into on or after July 1, 2018. After the improvement, in order to avoid the limitations on pilot options imposed by Section 24(a)(3), Producer must pay performer at least \$10,000 for the pilot.

F. TV Subsequent Contract Year Options under Section 24(b)(1) and (3): Improved from \$9,000 to \$10,000 effective for contracts entered into on or after July 1, 2018. After the improvement, in order to secure an option on a series performer, Producer must pay series performer at least \$10,000 per week or per episode.

XI. STUDIES, BULLETINS AND DISCUSSIONS

A. Safety Bulletin: The AMPTP will bulletin their companies to confirm that when performers do not believe they can drive themselves safely due to fatigue or inclement weather, the



Producer should provide transportation or lodging. Additionally, SAG-AFTRA will be holding meetings with company executives in charge of safety to review these issues

- B. Electronic Reporting Study: The parties will study development of an electronic system for recording and reporting performer work times, with funding to be sought from the IACF and AICF.
- C. Performance Capture Meeting: The parties will jointly conduct an educational session to explore the technologies and practices surrounding the use of performance capture.
- D. "Pinning" Bulletin: The AMPTP will bulletin its companies on a practice that particularly afflicts recurring guest stars commonly known as "pinning," whereby a producer expresses interest in a performer for a certain date or dates but does not actually engage the performer. The bulletin is a reminder that "pinning," or any similar term that does not actually reflect an engagement of a performer, does not prevent a performer from obtaining conflicting employment and that retaliating against a performer for obtaining such conflicting employment is expressly prohibited.
- E. Mid-Term Session for Discussion Items: SAG-AFTRA and the AMPTP agreed to defer discussion of certain issues to a mutually agreeable date during the term to be determined:
  1. Late notice of call times.
  2. Requiring promotion in social media, especially with respect to minors.
  3. Proper payment of per diems and timing of per diem payments.
  4. Production time reports.
  5. Performer misidentification issues related to use of partial Social Security numbers.

## XII. PRODUCER PROPOSALS

- A. Diginets: In 2014, the parties agreed that Producers could pay a revenue-based residual instead of a fixed residual for the exhibition of certain television programs on "diginets."<sup>3</sup> The revenue-based residual, however, was only available after certain holdback periods had elapsed. Pursuant to the Tentative Agreement, the parties will remove the holdback periods and allow the revenue-based residual of 6% of distributor's gross receipts to be applied to television series or pictures as soon as they are out of production. The minimum per program payments that apply when the producer is licensing the program to a related

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<sup>3</sup> "Diginets" are comprised of secondary broadcast channels. They arose after the conversion from analog to digital broadcast made it possible to compress multiple signals into spectrum that previously contained a single signal. Examples include Antenna TV, CoziTV and MeTV.

or affiliated entity will increase from \$150 to \$225 for a half-hour program, \$300 to \$450 for an hour program, \$450 to \$600 for a 90-minute program and \$600 to \$750 for a 2-hour program.

- B. Basic Cable Second Sales: In 2014, the parties agreed that Producers could pay a revenue-based residual for the second license of a made-for-basic-cable television series that had completed its initial run on its original basic cable station and been cancelled. The revenue-based residual, however, was only available after certain holdback periods had elapsed and not for a second sale back to the original basic cable station. Pursuant to the Tentative Agreement, the parties will remove the holdback periods and the exception for second sales back to the original basic cable station, allowing Producers to access the revenue-based residual of 6% of distributor's gross receipts as soon as the made-for-basic-cable series is out of production.
- C. Foreign Language Basic Cable: Producer will pay a revenue-based residual of 6% of distributor's gross receipts for the exhibition on a domestic foreign-language basic cable network of a made-for-basic-cable program that has been dubbed into a language other than English. When the producer is licensing the program to a related or affiliated entity, the per-program minimum residual due will be \$150 for a half-hour program, \$300 for an hour program, \$450 for a 90-minute program and \$600 for a 2-hour program. The union may challenge such a less-than-arm's-length transaction if it believes that the license fee does not reflect the actual market value of the program.
- D. Limited Theatrical Exhibition of Television: Producers will pay a revenue-based residual of 9% of distributor's gross receipts, including the value of any in-kind consideration, for the theatrical exhibition of certain television content, but excluding pictures made for home video, as provided below:
1. A long-form television picture and/or an episode of a television series, including a HBSVOD series but excluding a long-form HBSVOD picture, that was initially exhibited or made available at least 24 hours before the theatrical exhibition, or in the case of a long-form television picture, at least 30 days before, may be exhibited theatrically for a maximum of 8 days, which need not be consecutive. If, however, the theatrical exhibition occurs more than one year after the initial exhibition or availability of the picture and/or episode, then there will be no limit on the length of theatrical availability.
  2. Not more than 30 days prior to or simultaneous with the initial television exhibition of a 30-minute or 60-minute episode of a television series (or initial availability on the SVOD platform of an episode of a HBSVOD series that is 20-35 minutes or 36-65 minutes in length), the program may be exhibited theatrically for not more than 6 days. The episode (including the pilot) must be part of a series order of at least six.
  3. In the event the foregoing conditions are not met, the residual provided for in Section 19 of the Television Agreement, which typically requires payment of either 150% or

200% of scale per performer, shall continue to apply in lieu of the revenue-based residual described above.

4. Producers will comply with any individually-negotiated payment or limitation on consent for theatrical exhibition of a television or HBSVOD program or picture.
  5. Producers will notify SAG-AFTRA of any theatrical exhibition described above as soon as possible after an agreement in principle has been reached. SAG-AFTRA will have the right to inspect unredacted license agreements for the theatrical exhibition of programs or pictures referred to above.
  6. These terms will sunset on June 30, 2017, except that these terms may continue to apply to exhibitions subject to license agreements entered into on or before that date. In the event that a license agreement is entered into prior to July 1, 2020 that provides for the exhibition of a program or picture beyond that date, Producer shall notify SAG-AFTRA.
- E. Museum Exhibition of Television Motion Pictures: The parties will confirm that no payment is due if a television motion picture is exhibited at a non-profit museum even though an admission fee may be charged so long as no money is paid to the Producer in consideration for the exhibition and it is not part of a permanent museum exhibit.
- F. Virtual MVPD Services: The parties will confirm that the same treatment that is applied to traditional Multichannel Video Program Distributors (“MVPDs”), like a cable or satellite provider, will apply to Virtual Multichannel Video Program Distributors (“vMVPDs”) like SlingTV, PlayStation Vue and CBS All Access.
1. The defining characteristic of a vMVPD is that, like a cable or satellite service, it offers access to at least one network or basic cable linear channel that is not exclusive to that service.
  2. The fact that the consumer pays a subscription fee to these vMVPDs does not convert either the linear exhibition of a network or any on-demand offerings available through the vMVPD as a result of rights held by the underlying network (i.e., “stacking rights”) into pay television or any other type of paid availability.
  3. The vMVPD may stand in the shoes of the underlying network for purposes of the network’s rights to exhibit covered television motion pictures through advertiser-supported streaming or to exploit excerpts of covered television motion pictures in New Media and the same residual or payment shall be applicable.
  4. If there is a linear channel available exclusively through the vMVPD, then a license of a covered program to that channel will be treated as a license to a basic cable service. If there is a covered program available on demand on a non-exclusive basis through the vMVPD, it will be treated as a consumer pay new media exhibition. If the covered

program, however, is available exclusively through the vMVPD, it will be treated as made for subscription video on demand.

- G. Over-the-Top Service of a Pay TV Service: When a pay television service like HBO offers its traditional linear subscribers an Internet-delivered (or “over-the-top”) service like HBO Go that does not have an additional subscription fee, it will be treated as an extension of traditional linear HBO for all purposes. Similarly, when a pay television service like HBO offers a standalone over-the-top service like HBO Now through which consumers may subscribe to HBO without having cable or satellite service, it is also treated as an extension of traditional HBO for all purposes. Accordingly, the same pay television residuals are due whether the covered picture airs on any or all of HBO, HBO Go and HBO Now.
- H. Consecutive Employment on International Theatrical Productions: In order to avoid the obligation to pay a performer for intervening days in a “drop/pick-up” situation, the Producer must allow the same minimum of 10 days to intervene between the “drop” and the “pick up” on a theatrical production made outside of the United States as for a theatrical production made domestically. Presently, the minimum for international theatrical productions is 14 days.
- I. Reuse of Photography
1. Reuse from an Episode of a Series Into Another Episode of the Same Series: Producer may reuse excerpts of photography or soundtrack from one episode of a series into another episode of the same series without bargaining. The Producer will remain obligated to pay principal performers appearing in the excerpt at least the minimum day rate and include them on the cast list for the episode for residuals purposes.
  2. Reuse into Trailers: Producer may reuse excerpts of photography or soundtrack from an episode of a television series to promote another episode of the same series or the series as a whole without any limitation on the length of time that the trailer may be exhibited or obligation to bargain with or pay the performers appearing in the excerpt.
- J. Holidays: Producer will be allowed to observe Victoria Day (penultimate Monday in May) in lieu of Memorial Day and Canada Day (July 1st) in lieu of Independence Day for performers engaged to work in Canada provided that the performer will continue to be entitled to premium pay for the contractual holiday if the period of his or her engagement does not include both the contractual and the local holiday. Furthermore, the Producer must provide at least two weeks’ notice of the holiday exchange unless the performer is engaged less than two weeks’ in advance of the contractual holiday, in which case the producer must provide notice at the time of engagement.
- K. Los Angeles Secondary Studio Zone: The parties will agree to create a secondary studio zone extending 10 miles from the perimeter of the existing studio zone and including John Wayne Airport. SAG-AFTRA will not unreasonably deny waivers for locations like the Lake Hughes, Elizabeth Lake and the Nikken Building in Irvine that are outside both the existing

and secondary studio zones to be treated as within the secondary studio zone. The following shall apply to performers and background actors required to report within the secondary studio zone:

1. They must be given 24 hours notice;
  2. They must be paid mileage from the studio or production office to and from the location in the secondary studio zone;
  3. They must be paid a \$4.50 per day allowance;
  4. They must be offered courtesy housing if they work in excess of 12 hours;
  5. Rest periods will be calculated from the perimeter of the primary, 30-mile studio zone. The amount of time needed to travel from the secondary studio zone location to the perimeter of the 30-mile zone will be calculated on a standardized basis. For background actors working under Schedule X-I, this amount of time will be included for purposes of applying the 16-hour rule.
- L. Air Travel: Air travel rules allowing for coach class travel for domestic flights of less than 1,000 air miles (but including flights to Toronto or Vancouver of less than 1,000 air miles) will now apply equally to background actors working under Schedules X-I and X-II of the CBA just as they presently apply to principals. Presently, first class air travel rules apply to background actors because the air travel changes negotiated in 2011 were not applied to the background schedules. Producer may also combine background actors and performers for purposes of applying the rule that Producer may furnish coach class airfare when traveling six or more performers and/or background actors on the same flight.
- M. 10-Mile Reporting Radius for Background Actors Under Schedule X-I: No mileage shall be due to background actors required to report to work or to a pick-up point that is within a 10-mile radius of a point designated by Producer. The point designated by Producer must be within the 30-mile studio zone and may be changed at the beginning of each season. Producer must give SAG-AFTRA prior notice of the point designated. This reporting provision has previously applied to performers under Schedule A, but not background actors.
- N. Social Security Numbers: The parties will agree that Producers need only furnish SAG-AFTRA with the last four digits of the social security number of a performer or a background actor and that social security numbers will not be included on any sign in sheet for an interview or an audition. The parties agreed to meet mid-term to discuss problems with performer misidentification.
- O. Waiver of Sick Time: The parties agree to waive application of certain designated sick time ordinances and to review and waive similar ordinances that may arise during the term. With respect to sick leave eligibility in California, the parties agreed to language setting forth the procedures for accrual and utilization of sick leave.

- P. Safety Training: Three safety courses, all of which can be completed online, will become mandatory for stunt coordinators: General Safety and Injury and Illness Prevention Program, Environmental Safety and Hazard Communications.
1. As of June 30, 2019, a stunt coordinator who has not completed the three courses will have 90 days from the initial date of their next engagement to complete them before being declared temporarily ineligible to work as a stunt coordinator.
    - a. In the event that a stunt coordinator believes that he or she was erroneously deemed ineligible, the National Executive Director of SAG-AFTRA and the President of the AMPTP shall meet to resolve the issue.
    - b. The eligibility of such a stunt coordinator will be restored upon completion of the courses.
  2. SAG-AFTRA will also encourage stunt performers to complete the three safety courses on a voluntary basis.
  3. In addition, representatives of SAG-AFTRA and the AMPTP will meet not later than three months after ratification of the Tentative Agreement to discuss the implementation of the mandatory safety courses, whether to extend mandatory safety training to stunt performers and the possibility of developing other safety training courses.
  4. The safety training program will be funded through the IACF and AICF.
  5. Once the safety training program becomes mandatory, employees who complete the program will receive a stipend at not less than the rate paid under the IATSE Basic Agreement or West Coast Studio Local Agreements, presently \$15 an hour, unless the training is completed on paid work time.
- Q. Harassment Prevention Training: The parties reached an understanding that Producers will be implementing a mandatory online harassment prevention training program for Stunt Coordinators to commence during the term of the Tentative Agreement.
- R. Arbitrator List: The parties confirmed the arbitrator list agreed to in the 2014 negotiation.
- S. Slotting Fees: SAG-AFTRA agreed to withdraw pending and future claims on the subject of "slotting fees." These claims concerned the permissibility of deducting these fees from the distributor's gross receipts upon which certain residuals are calculated.

# MEMBER INFORMATIONAL MEETINGS

## **Los Angeles – Sunday, July 16, 2-4 p.m.**

Pickwick Gardens Conference Center  
Royal Ballroom  
1001 W. Riverside Drive  
Burbank, CA 91506

## **New York – Monday, July 17, 6-8 p.m.**

Crowne Plaza Times Square Manhattan  
Times Square Ballroom  
1605 Broadway  
New York, NY 10019

## **Atlanta – Tuesday, July 18, 3-5 p.m.**

IATSE Local 479  
4220 International Parkway  
Suite 100  
Atlanta, GA 30354

## **Miami – Wednesday, July 19, 6-8 p.m.**

Holiday Inn  
2905 Sheridan Street  
Hollywood, FL 33020

## **New England – Thursday, July 20, 6-8 p.m.**

Boston Park Plaza, Arlington Room  
50 Park Plaza  
Boston, MA 02116

## **Washington-Mid Atlantic – Friday, July 21, 2-4 p.m.**

Hilton Garden Inn Bethesda  
7301 Waverly Street  
Bethesda, Maryland 20814

## **2017 TV/Theatrical Contracts Information Webinar – Monday, July 24, noon-2 p.m. PT/2-4 p.m. CT/3-5 p.m. ET**

This webinar will be made available to those locals not having an in-person information meeting. Details TBA

## **Chicago – Wednesday, July 26, 6-8 p.m.**

KMRC  
1 E. Erie, Suite 660  
Chicago, IL 60611

## **San Francisco-Northern California – Sunday, July 30**

Time and Venue TBA

Please Note: All meeting information subject to change. Check [sagaftra.org](http://sagaftra.org) and watch your email for notices with information about meetings in your area.

***All paid-up SAG-AFTRA members in good standing are urged to attend this important informational meeting. This meeting is only open to paid-up SAG-AFTRA members in good standing, no guests are allowed. Parents/guardians of performers under 18 years old are welcome. No RSVP necessary.***

***You must show your SAG-AFTRA membership card or digital card on the app (paid thru Oct. 31, 2017) for admittance.***

If you are unable to attend and have questions regarding the tentative agreement, please email [TVTheatricalContracts2017@sagaftra.org](mailto:TVTheatricalContracts2017@sagaftra.org) or call (800) 518-6623.