Question: When does the 2019 Netflix Agreement go into effect?

Answer: The 2019 Netflix Agreement is effective August 1, 2019. There are some provisions that do not go into effect until November 1, 2019 (like the Dubbing Agreement). Please contact SAG-AFTRA to determine if a project that you are working on is subject to the 2019 Netflix Agreement.

Question: What kind of projects are covered by the 2019 Netflix Agreement?

Answer: Except for the Dubbing Agreement, the 2019 Netflix Agreement is only applicable to live action, dramatic (scripted) projects. It does not apply to animated programs nor non-dramatic (unscripted) programs.

Question: How did Netflix produce union content prior to the adoption of this deal?

Answer: Netflix has generally hired production companies that are signed to SAG-AFTRA contracts to produce with our members, but has not previously been signed directly. Now, Netflix can produce under our contracts directly without having to engage a union signatory producer.

Question: Does the 2019 Netflix Agreement impact productions that are already in production?

Answer: Generally, yes, if you are engaged on a Netflix production on or after August 1, the new terms will apply to you. If you are engaged prior to the August 1 effective date, but your engagement continues beyond the August 1 date, please contact the SAG-AFTRA Entertainment Contracts department with any questions you have about changed terms.

Question: Does the 2019 Netflix Agreement connect to the 2017 Codified Basic Agreement (“CBA”) and Television Agreement?

Answer: Yes, the 2019 Netflix Agreement makes some modifications to the 2017 CBA and TV Agreement, but any terms not modified in the 2019 Netflix Agreement will be as set forth in the 2017 CBA and TV Agreement.
**Question:** Are we guaranteed that the 2019 Netflix Agreement will keep up with the wages and other terms of the AMPTP deals?

**Answer:** Yes, we are. The 2019 Netflix Agreement guarantees that all terms and conditions of the CBA and TV Agreement that are agreed to with the AMPTP in the upcoming negotiation will automatically apply to the Netflix Agreement, subject to an exception for any terms that apply only to Netflix, which is a question that can be arbitrated in the event of a disagreement.

In addition to the general obligation to apply the new terms bargained with the AMPTP, there is language specifying that key terms, including wages and benefit fund contribution rates, will always remain in compliance with the CBA and TVA, including the effective date of any changes.

**Question:** In the 2019 Netflix Agreement, what are the changes to consecutive employment?

**Answer:** The 2019 Netflix Agreement expands some of the exceptions to consecutive employment. Changes include: (1) allowing 3 drop/pickups per episode for day performers on episodic series, provided that the performer is provided with a “soft pickup date”; (2) allowing 2 drop/pickups per episode for weekly performers on episodic series, provided that the performer is provided with a “soft pickup date”; (3) creation of a flexible scheduling fee that provides for a $5,000 payment to a performer in exchange for granting Netflix the right to preempt conflicting engagements for 3 weeks following Performer’s principal photography services; and (4) creation of a modified deal performer method of hiring in which a freelance performer is guaranteed at least $20,000 per episode in exchange for 10 pre-scheduled work dates within a 30-day period, with no ability by Netflix to preempt employment on any days not scheduled as work days at the time of engagement. If you have questions on this, please contact the SAG-AFTRA Entertainment Contracts department.

**Question:** Are there any changes to the contractual holidays in the 2019 Netflix Agreement?

**Answer:** Yes, the 2019 Netflix Agreement replaces Good Friday as a holiday with Martin Luther King, Jr. Day.

**Question:** Under the 2019 Netflix Agreement, if I am called to loop my on-camera performance, how am I paid?

**Answer:** Under the 2019 Netflix Agreement, if you are called to loop in connection with your on-camera performance, you are paid 100% of the applicable fee for the first
episode looped in that session. Any additional episodes looped in that same session will be payable at 50% of the applicable fee.

**Question: Are there residuals in the 2019 Netflix Agreement?**

**Answer:** Yes, residuals for continued exhibition of programs made for Netflix will continue to be governed by the terms in the 2017 CBA and Television Agreement.

Pursuant to these terms, Netflix pays a richer residual than any other streaming service in the world because of the large number of Netflix subscribers. The residuals formula that applies to Netflix compares favorably to traditional fixed residuals formulas, particularly considering that programs produced for Netflix have remained available on the platform indefinitely and performers continue to receive residuals for as long as the program remains on the platform.

**Question: Are there any changes to residuals in the 2019 Netflix Agreement?**

**Answer:** There are no changes to the residuals formulas applicable to Netflix projects. However, there is an understanding around license values for exhibition on Netflix of theatrical features made by Netflix. This change will have the effect of increasing residuals payouts for higher budgeted Netflix movies. Please contact the SAG-AFTRA Residuals Claims department for additional information on this matter.

The 2019 Netflix Agreement also limits the amount of residuals that can be advance paid on episodic series for performers guaranteed less than $75,000 per episode to 15% of the Performer’s guarantee.

**Question: How are stunt performers impacted by the 2019 Netflix Agreement?**

**Answer:** For weekly stunt performers engaged under schedule H, part II on episodic projects or long form made for new media projects, stunt adjustments will not be factored into determining whether the overtime provisions of H-II or H-III apply, but continue to be factored into the overtime calculation. In other words, the basis on which overtime is calculated did not change and continues to include adjustments, but the adjustments can no longer push the stunt performer into a different schedule, which could otherwise result in the performer losing their entitlement to overtime. This does not apply to made for theatrical features produced by Netflix.

**Question: What does it mean that Netflix recognized performance capture in the 2019 Netflix Agreement?**
Answer: In the 2019 Netflix Agreement, Netflix has confirmed that performances recorded using performance capture technology are covered work, with limited exceptions for reference modeling and kinesthesiology studies. This work may be principal or background work depending on the nature of the performance.

**Question: Does the 2019 Netflix Agreement make any changes for projects produced for Netflix that do not reach the high-budget SVOD thresholds? Do low-budget Netflix projects fall under the 2019 Netflix Agreement?**

Answer: Yes, for projects that do not reach the high-budget SVOD thresholds, the scale rates and turnaround provisions from the CBA-TV Agreement will apply. This means that performers do not have to “freely bargain” for their own compensation and will be entitled to their contractually-mandated rest periods, both of which are significant improvements relative to other Industry deals.

**Question: In the 2019 Netflix Agreement, what changed with exclusivity?**

Answer: The money break to freely bargain exclusivity increased from $15,000 for half hour shows and $20,000 for hour long shows to $40,000 for all shows. Additionally, the number of allowable guest star appearances referenced in section 23(a)(3) of the TV Agreement is increased to 8 per each 13-week period, of which up to 5 can be in continuing roles. For additional information on exclusivity, please contact the SAG-AFTRA TV/New Media department.

**Question: In the 2019 Netflix Agreement, what changed with options?**

Answer: The money break to freely bargain options increased from $32,000 to $40,000. For additional information on options, please contact the SAG-AFTRA TV/New Media department.

**Question: What are the minimum dubbing rates in the 2019 Netflix Agreement?**

Answer: The new dubbing rate is $83 per hour plus a 50% prepayment to acquire exhibition rights in perpetuity for an aggregate rate of $124.50. The dubbing rate will increase by the amount of the general wage increase. The minimum session time is 2 hours. For professional singers engaged to dub an animated program, the professional singer rates from the Animation Agreement will apply.
Question: How did the 2019 Netflix Agreement happen?

Answer: The Agreement grew out of an informal dialogue with Netflix about the possibility of a direct relationship that went back several months and was reported on to members during the recent TV/Theatrical wages and working conditions process. As Netflix has increased production to historically unprecedented levels, dialogue with Netflix about solving the various administrative pain points created by the sheer volume of their work dovetailed with the ongoing discussion of the possibility of a direct deal. When it became apparent during one such set of meetings that Netflix was prepared to offer significant progress on union priorities in order to address certain concerns and put a deal into place quickly, the discussions shifted and were used to explore what could be achieved for members in a Netflix Agreement. The result of that discussion was immediately presented to the TV/Theatrical Standing Committee.

Question: How was the 2019 Netflix Agreement deal approved and ratified?

Answer: The SAG-AFTRA - Netflix agreement was approved by the SAG-AFTRA National Board on Saturday, July 20, and does not require membership ratification. Article XI(B)(2) of the SAG-AFTRA Constitution provides that if an agreement is not to be used in “widespread or industry-wide application affecting a substantial portion of the membership” then it does not require membership ratification. As a single employer agreement, the Netflix agreement by definition does not have industry-wide application, unlike multi-employer agreements such as the Codified Basic Agreement or the Television Agreement, negotiated with the AMPTP. Therefore the National Board was not required to send the Netflix agreement to membership referendum, and the National Board’s approval was the final step in the ratification process.

Question: What happens to the 2019 Netflix Agreement in the event that we are unable to reach a deal with the AMPTP?

Answer: The 2019 Netflix Agreement does incorporate terms from the 2017 CBA and TV Agreement, but it is not part of the CBA or the TVA. Much like, for example, the Commercials Contract, the Netflix Agreement is a separate, standalone collective bargaining agreement that continues in effect under its own terms regardless of what happens in bargaining with the AMPTP.

Question: What dubbing projects will be covered by the 2019 Netflix Agreement?

Answer: All Netflix Original and licensed foreign-language live action and animated projects that Netflix dubs into English in the United States are covered for dubbing by the 2019 Netflix Agreement.