

TV/THEATRICAL/STREAMING

Also referred to as “Wage Invasion Due to Advance Payment of Residuals.”

There has been a problem within our membership where the prepayment of performers’ residuals is causing confusion among members who believe it is initial compensation money. Performers would think they had successfully achieved their initial compensation quote only to find out later that their initial compensation is less than expected because the amount they were paid upfront actually included prepayment of residuals. So, when it became time for performers to receive residuals once the show was in exhibition, they would be surprised to find out that residuals aren’t coming because they already received them in the advanced payment.

To solve this issue and create additional transparency, the following provisions are now required:

- For performer’s contracts entered into on or after **February 4, 2024**, there will now be a separate rider or separate writing to be initialed by the performer specifying any advance paid residuals amounts.
- In addition, two checks will be issued, one for initial compensation, and a separate check for advanced residuals, which will be delivered to the union like all other residual payments. With two checks, employers can no longer disguise advanced residuals in the performer’s initial compensation.

Please note that if you have direct deposit for initial compensation, you will not get a separate check, and both your initial compensation and advance paid residuals will be a single deposit.

For new contracts entered into as of **December 8, 2024**:

- There is now a 15% limit to the amount a performer’s salary can be reduced for advanced payment of residuals for performers guaranteed less than \$75,000 per week.

Please note, all of this is in addition to the longstanding limitations on advance payments constrained in Section 18 of the SAG-AFTRA Television Agreement.

QUESTIONS?

Contact the Entertainment Contracts Department at EntContractsInfo@sagaftra.org or (323) 549-6828 or the Residuals Claims Department at ResidualsMail@sagaftra.org or (323) 549-6507