

What is a “Transfer of Rights?”

In advertising this term is most often associated with moving the financial responsibility of potential ongoing talent payments under the SAG-AFTRA Commercials Contract from one business entity to another. This can be the original signatory agency transferring to a new agency, or transfers from an agency back to the advertiser itself.

If a “3rd party signatory” (a party other than the advertiser, agency or production company) lends their signatory status to a project, they then require that someone else (usually the party in control of the when, where and for how long the advertising asset is distributed in the media) assume the rights and responsibilities of paying the talent beyond the session work (i.e. for residuals).

Agreeing to have the rights transferred to you does not make you signatory to any union contract. It simply holds you responsible for paying for the residuals.

Under other SAG-AFTRA contracts, this same function is served by what is known as an Assumption Agreement.