

SAG·AFTRA. SCREEN ACTORS GUILD-AMERICAN FEDERATION OF TELEVISION AND RADIO ARTISTS AGREEMENT FOR LOW BUDGET THEATRICAL MOTION PICTURES

Screen Actors Guild-American Federation of Television and Radio Artists (hereinafter "SAG-AFTRA") has agreed, on a trial basis, to modify, to the extent herein set forth, certain terms and provisions of the current SAG-AFTRA Agreement for Independent Producers of Theatrical Motion Pictures (hereinafter the "Basic Agreement") with respect to the employment of Performers in the motion picture presently entitled (hereinafter the "Picture"). (hereinafter It is therefore agreed between

1. Acceptance as Signatory Producer

"Producer") and SAG-AFTRA as follows:

Upon signing this agreement ("Agreement") and its acceptance by SAG-AFTRA, Producer will be signatory to the current Basic Agreement.

2. Qualification to Produce under this Low Budget Agreement

The Producer has represented to SAG-AFTRA that the Picture is a feature-length motion picture (not less than 80 minutes), to be produced entirely within the United States, with an initial theatrical release and at a total production cost not exceeding \$ 2,500,000. "Total Production Cost" means all "above" and "below the line" costs, including any deferred compensation. Prior to the execution of this Agreement, Producer must submit to SAG-AFTRA a complete, accurate and detailed budget, the shooting script, the shooting schedule, the screenplay's copyright ownership and registration documentation and any other relevant information, which SAG-AFTRA may require to verify Producer's representations with regard to the Picture. The terms of this Agreement do not apply to animation projects, commercials or new media.

Diversity in Casting Incentive 3.

The total production cost maximum, as referenced in section 2 above, may be increased to \$3,750,000 if Producer has demonstrated it qualifies for diversity in casting by meeting the following criteria prior to the start of principal photography:

- A minimum of 50% of the total speaking roles and 50% of the total days of employment are cast with Performers who are members of the following four (4) protected groups:
 - 1)
 - 2) Senior Performers (sixty (60) years or older)
 - 3) Performers with Disabilities
 - 4) People of Color (Black/African American, Asian/Pacific Islander and South Asian, Latino/Hispanic, Arab/Middle Eastern/North African and Native American) and;

Low Budget Agreement 1.5 Page 1 of 8 b. A minimum of 20% of the total days of employment is cast with Performers who are people of color (as described above in Paragraph 3a).

Under no circumstances can an individual be counted in more than one category.

4. Minimum-Salaries

a. Each Performer employed in the picture may be paid not less than the applicable SAG-AFTRA Low-Budget Theatrical minimums as set forth below:

<u>Performers</u>	
Day Performer	\$ 630
Weekly* Performer	2,190
Stunt Performers	_
Daily Stunt Performer	\$ 630
Weekly* Stunt-Performer	2,350

Stunt Coordinators

Rates for Daily, Weekly and "Flat Deal" Stunt Coordinators track the rates in Schedule K-I, K-II or K-III of the Basic Agreement that are current at the time of photography.

Daily Singer Rate	
Solo/Duo	\$ 680
Groups 3-8	598
Groups 9 or more	521
Mouthing 1-16	500
Mouthing 17 or more	391
Sweetening (with or without overdubbing)	
additional (per day)	+100%
Overdubbing only, an additional	+33-1/3%
Daily Singer Contractor Rate	
3-8 singers	+50%
9 or more singers	+100%
Weekly Singer Rate	
Solo/duo	\$ 2,190
Group 3-8	2,009
Groups 9 or more	1,826
"Step Out" (per day) - up to 15 cumulative bars	340
"Step Out" (per day) - 16 + cumulative bars or,	
if detained 1 hour + after group released,	
to perform a solo or duo of any length	\$ 680

Low Budget Agreement 1.5 Page 2 of 8

Weekly Singer Contractor Rate	
3-8 singers	+50%
9 or more singers	+100%
Dancers Employed by the day	
Solo and duo	\$ 630
Group 3-8	553
Group 9 or more	483
Rehearsal	371
Dancers employed by the 5-day week	
Solo and duo	\$ 2,026
Group 3-8	1,859
Group 9 or more	1,690
Airplane Pilots Rate	
Studio Rates:	
Daily	\$ 841
Weekly	2,350
Location Rates:	
Daily (Includes taxiing) and flying	\$ 1,096
Weekly*	2,350
Weekly taxiing/flying daily adjustment	724

*NOTE: The above weekly rates apply to the five (5) day "studio week" only. For a six day "overnight location week", the Performer must automatically receive an additional four (4) hours overtime at "straight time" rates. The weekly rate stated on the employment contract must be the five (5) day "studio week" rate whether an overnight location is involved or not. All overtime must be computed on the five (5) day "studio week" rate.

- b. All overtime money breaks and schedule breaks in the current Basic Agreement, are applicable to Performers employed under this Agreement.
- All payments must be made by check from a payroll house experienced in the entertainment industry, payable to the order of the individual Performer entitled thereto and delivered to SAG-AFTRA. Each check must be accompanied by a separate written statement indicating dates worked, overtime, adjustments, reimbursements, tax deductions and name and address of the Performer's "employer of record". At the discretion of SAG-AFTRA, signed payroll sheets or slips and photocopies of the checks sent to the Performers must be delivered instead.
- d. The first thirty (30) Background Actors each day must be employed under the terms of Schedules X-I and X-II of the current Basic Agreement. Such Background Actors must be given preference in placement within scenes and for any work requiring additional payment. All compensation for such Background Actors must be paid in accordance with Schedules X-I and X-II of the current Basic Agreement. This Section d. does not apply to any work that takes place outside of the background actor zones defined in Schedules X-I and X-II of the Basic Agreement.

Low Budget Agreement 1.5 Page 3 of 8

5. Overtime Premium Pay and Penalties

Premium pay and penalties must be computed and paid to all Performers as provided in the current Basic Agreement and must be based on the Performer's contractual salary. However, all daily overtime for Day Performers and Weekly Performers (but not for Background Actors) through the 12th hour of the Performer's day must be paid at time and one-half the straight time rate. Daily overtime beginning with the 13th work hour must be paid at double the straight time rate.

6. Waiver for 6th Day Shooting Schedules in Studio Workweek

Provided each Performer is given at least thirty-six (36) consecutive hours off in seven (7) days and subject to each Performer's written consent, a Performer may be called for work on a sixth day of work without the payment of a premium. The sixth day for both Day Performers and Weekly Performers shall be limited to eight (8) consecutive straight time hours. Any time worked beyond the eighth hour on the sixth day must be paid at the overtime rates described in Section 5 above.

7. Consecutive Employment

Subject to each Performer's written consent, which must be given prior to commencement of employment, SAG-AFTRA waives the application of its consecutive employment rules for Day Performers and Weekly Performers; however, Weekly Performers must be employed and paid in units of no less than one full week. Additional days in any final partial workweek for a Weekly Performer may be pro-rated at 1/5th of the weekly base rate for each day from commencement of the Performer's work in such workweek until Performer's final dismissal. Subject to the foregoing, Weekly Performers may be dismissed and recalled without payment for intervening days. In exchange for this waiver, Producer agrees to waive Producer's right to exclusive services of the Performer during photography. Scheduling must be subject to each Performer's availability.

Notwithstanding the provisions of this Section, any Performer who is not returned to his/her residence must be paid for each day not returned (whether worked or not) in accordance with the appropriate continuous employment provisions in the Basic Agreement.

8. Rehearsal Payments

All time worked, including overtime, on days involving rehearsal only (no other work) must be paid at straight time rates under this Agreement.

9. <u>Travel</u>

- a. The applicable travel provisions of the Basic Agreement are modified as follows: A Performer must be deemed to be on an "overnight location" when it is necessary for the Performer to remain away from his/her residence overnight for one or more nights, regardless of the location of the Producer's base.
- b. Whenever the Performer is required to travel away from his/her principal place of residence for whatever purpose, compensation for time spent in travel must be paid by Producer in addition to transportation expenses and per diem. Producer must furnish lodging and per diem to the Performer until the Performer is returned to the original place of departure.

Low Budget Agreement 1.5 Page 4 of 8

c. Except as modified herein, when Producer is required to provide transportation for a Performer all applicable provisions of the Basic Agreement apply, except when air travel is required, Producer may travel a Performer in coach class on a commercial airline. Notwithstanding, if any member of the production staff is flown any class other than coach, all Performers must be flown in the same higher class.

10. <u>Initial Theatrical Release Required</u>

As indicated in Section 2 of this Agreement, an initial theatrical release of the Picture is required. Except as provided below, initial release into any non-theatrical market will require "step-up" payments to Performers equivalent to all terms and conditions, including consecutive employment, of the Basic Agreement in effect at the time of principal photography. However, the "step up" payments will not be due if, after three (3) years from the end of principal photography, the Picture fails to get a theatrical release and is initially released in the video/DVD, pay or free television markets or new media. In any of those instances, the Picture remains a "theatrical motion picture" for all residuals purposes of the Basic Agreement, as modified herein, and may not be reclassified as a "Made for Pay" or "Free Television" motion picture. Residuals will be due in accordance with General Provisions, Sections 5 and 5.2 and Sideletter 22 of the Basic Agreement.

Prior to the initial theatrical release of the Picture, Producer must notify SAG-AFTRA in writing, of the date, city and theater where such initial theatrical release is to take place. The notice is to be addressed to the attention of the Theatrical Contracts Department of the SAG-AFTRA office where the Picture is signed. Failure to provide such notification will be considered a substantial breach of this Agreement, and all minimum terms of the current Basic Agreement will apply to the entire production.

11. Responsibilities of Producer

a. Record Keeping

Producer must maintain and submit to SAG-AFTRA each week complete production records including but not limited to, production time reports and employment contracts. At the conclusion of principal photography, a Final Cast List Information Sheet must be submitted stating the gross salaries paid thus far to all Performers and whether or not additional photography or sound recording must be required.

Producer agrees to hold at least two (2) interview sessions during the casting period at which (with or without appointments) only professional Performers will be considered for the cast.

Producer agrees to submit to SAG-AFTRA at least seven (7) days prior to any submission to agents, a cast breakdown setting forth a definitive description of each character in the production and instructions for Performer submissions. Producer must utilize an audition sign-in sheet for all auditions or interviews, as required by the Basic Agreement.

c. Pension & Health Contributions

Producer's contributions to the SAG-Producers Pension and Health Plans as provided in the current Basic Agreement (18% for Performers and 17.8% for Background Actors for pictures) are payable at the time of production. Such payments must be made to the

SAG-AFTRA Health Plan and the SAG-Producers Pension Plan concurrently with payment of such salaries to the Performers/Background actors. Copies of the Pension and Health Report filed with such contributions must be sent weekly to the SAG-AFTRA office where the Picture was signed.

d. <u>Social Security, Withholding Taxes, Unemployment & Disability Insurance</u>

All compensation paid to Performers under the terms of this Agreement constitute wages and is subject to deductions for Social Security, Taxes and Disability Insurance. Producer must make the required payments, reports and Withholding deductions with respect to such taxes and premiums. Producer must also provide Unemployment Insurance for Performers employed by Producer.

e. Cost Report

Upon completion of principal photography, Producer must submit to SAG-AFTRA a detailed report of actual expenditures and other relevant materials as SAG-AFTRA may require, showing actual cost of the production. In the event that the actual production costs for the Picture have exceeded \$2,500,000 (or \$3,750,000 under the Diversity in Casting Incentive), full payment of any additional sums necessary to bring each Performer's rate of pay in compliance with the minimum rates specified in the current Basic Agreement automatically become due and payable. Pension and Health contributions must also be paid on these additional amounts.

f. Film Clips

On the request of any Performer appearing in the Picture, Producer must supply or make available to such Performer, no later than six (6) months following completion of principal photography, a film clip of a portion of his/her performance at actual cost.

g. Nudity

- 1) Prior to the first interview or audition, Producer or Producer's representative will notify the Performer (or his/her representative) of any nudity or sex acts expected in his/her role.
- 2) During any production involving nudity or sex scenes, the set must be closed to all persons having no business purpose in connection with the production.
 - The appearance of a Performer in a nude scene or sex scene or doubling of a Performer in such a scene must be conditioned upon his/her prior written consent. Such consent may be obtained by letter or other writing, prior to a commitment or written contract being made or executed. If a Performer has agreed to appear in such scenes and then withdraws his/her consent, Producer will have the right to double. However, consent may not be withdrawn as to scenes already photographed. Children of tender years (infants) may not be used in nude scenes or in any scene involving an explicit sex act.
- 4) No still photography of nudity or sex acts will be authorized without the prior written consent of the Performer.

Low Budget Agreement 1.5 Page 6 of 8

- The Performer must have advance notice of any audition involving nudity and the absolute right to have a person of his/her choice present at any audition involving nudity. Total nudity may not be required at such auditions or interviews; the Performer must be permitted to wear pasties and a G-string or its equivalent.
- No filming, taping or still photography of any nude audition or nude scene must take place prior to the commencement of principal photography.

12. **General Provisions**

a. Security and Assumption Agreements

Producer agrees to execute, concurrently herewith, documents necessary to grant SAG-AFTRA a first position security interest in the Picture, to secure all payments, which may be due Performers or SAG-AFTRA in connection with the Picture.

If Producer enters into a distribution agreement for the distribution of such Picture on Free Television, Supplemental Markets or New Media, or if Producer sells, transfers or assigns the rights in said Picture, Producer must obtain from the distributor or the purchaser, as the case may be, a Distributor's Assumption or Buyer's Assumption Agreement, in the forms set forth in the current Basic Agreement, and such Assumption Agreement must be promptly delivered to SAG-AFTRA.

Producer agrees to provide all financial assurances required by SAG-AFTRA in connection with the employment of Performers hereunder.

b. Application of Current Basic Agreement

Except as expressly modified herein, all terms and conditions of the current Basic Agreement apply to the engagement and performance of the Performers hereunder. It is expressly agreed that all disputes hereunder must be subject to arbitration in accordance with Section 9 under the General Provisions of the current Basic Agreement.

c. Application of Agreement

This Agreement applies to the above-designated Picture only. It is understood that the special provisions applicable to Low-Budget pictures represented by this Agreement are experimental and designed to encourage the employment of Performers in such pictures under fair and equitable terms and conditions. If SAG-AFTRA determines at any time that the continuance of this policy is not in the best interests of Performers, the policy may be changed or terminated with respect to any future production of Low-Budget pictures.

d. Successors and Assigns

This Agreement is binding upon and inures to the benefits of the parties hereto, their respective successors and assigns.

Low Budget Agreement 1.5 Page 7 of 8

e. <u>Acknowledgement</u>

The Producer agrees that the credits will include the following statement: "Special thanks to SAG-AFTRA". Producer must include the SAG-AFTRA logo or union bug in the credits of the Picture. Contact the assigned Business Representative for artwork.

AGREED AND ACCEPTED:

SAG-AFTRA

By:	<u> </u>
Title:	_
AGREED AND ACCEPTED:	
By:(Signature)	Date:
(Print Name/Title)	
For:	
(Company)	

Low Budget Agreement 1.5 Page 8 of 8