



SCREEN ACTORS GUILD-AMERICAN FEDERATION OF TELEVISION AND RADIO ARTISTS AGREEMENT FOR MODIFIED 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 hereafter 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").

It is therefore agreed between _____ (hereinafter the "Producer") and SAG-AFTRA as follows:

1. Acceptance as Signatory Producer

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

2. Qualification to Produce under this Modified Low Budget Agreement

Producer has represented to SAG-AFTRA that the Picture is a feature-length motion picture (not less than 80 minutes), with an initial theatrical release, to be filmed entirely within the United States and a total production cost of less than \$700,000. "Total production cost" means all "above" and "below the line" costs, including any deferred compensation. Prior to the execution of this Agreement, Producer is required to submit to SAG-AFTRA a complete, accurate 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.

3. Diversity in Casting Incentive

The total production cost maximum, as referenced in Section 2 above, may be increased to \$1,050,000 if Producer has demonstrated that it qualifies for diversity in casting by meeting the following criteria prior to the start of principal photography:

- a. 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) Women
 - 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;
- 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 may an individual be counted in more than one category.

4. Background Actor Employment Incentive

Although this Agreement does not require coverage of Background Actors pursuant to Schedules X-I or X-II of the Basic Agreement, as an incentive to provide employment opportunities for Background Actors in those areas where SAG-AFTRA has jurisdiction, SAG-AFTRA will agree to increase the applicable total production cost maximum in Section 2 or 3 by \$112,000 if the Producer meets the following criteria:

- a. Producer must employ a minimum *average* of three (3) SAG-AFTRA covered Background Actors for each day of principal photography, not including rehearsal days, over the course of the production. [Example: If a production has 20 production days, Producer would be required to employ at least 60 (3 x 20) Background Actors on the production. The requirement would be met by employing 3 Background Actors per day on all 20 days or by utilizing covered Background Actors on specific days to meet the required number.]
- b. Producer must notify SAG-AFTRA in writing of their intent to utilize this incentive prior to the commencement of principal photography. Failure to do so will render this incentive invalid, regardless of how many SAG-AFTRA covered Background Actors are employed on the production.
- c. In order to verify compliance with this incentive, Producer must submit detailed weekly payroll reports for the SAG-AFTRA covered Background Actors in addition to having met its existing contractual obligations to submit the daily Production Time Reports. Failure to provide both sets of documents will render the utilization of this incentive invalid.
- d. All terms of Schedule X-I or X-II of the Basic Agreement apply to the employment of Background Actors employed pursuant to this incentive.

5. Minimum-Salaries

- a. Each Performer employed in the Picture must be paid not less than the minimums as set forth below:

Performers

Day Performer	\$ 335
Weekly Performer (5 day week)	1,166

Stunt Performers

Daily Stunt Performer	\$ 335
Weekly Stunt Performer (5 day week)	1,251

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	\$ 361
Group 3-8	319
Group 9 or more	278
Mouthing 1-16	270
Mouthing 17 or more	209

Sweetening (w/ or w/o overdubbing)

additional per day	+100%
Overdubbing only, an additional	+33-1/3%

Weekly Singer Rate

Solo and duo	\$ 1,166
Group 3-8	1,070
Group 9 or more	973

"Step Out" (per day) - up to 15 cumulative bars \$ 181

"Step Out" (per day) - 16 + cumulative bars or,
if detained after group is released,
to perform a solo or duo of any length \$ 361

Weekly Singer Contractor Rate:

3-8 singers	+50%
9 or more singers	+100%

Dancers employed by the day

Solo and Duo	\$ 335
Group 3-8	293
Group 9+	256

Dancers employed by the 5-day week

Solo and Duo	\$ 1,166
Group 3-8	1,060
Group 9+	978

b. Payroll

All payments must be made by net check, issued by a payroll house experienced in the entertainment industry, payable to the order of the individual Performer entitled thereto and delivered to SAG-AFTRA on the Thursday following each payroll week. Each check must be accompanied by a separate written statement indicating dates worked, overtime, adjustments, reimbursements, payroll 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 Performers must be delivered instead.

6. Overtime, Premium Pay and Liquidated Damages

Premium pay and liquidated damages must be computed and paid to all Performers as provided in the Basic Agreement and must be based on the Performer's contractual salary. However, all daily overtime for Day Performers and Weekly Performers through the 12th hour of the Performer's day must be paid at "time and a half" the straight time rate. Daily overtime beginning with the 13th work hour must be paid at double the straight time rate.

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 (1) full week. Additional days in any final partial workweek for a Weekly Performer may be prorated at one-fifth 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 its 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 the city from which the Performer is based must be paid for each day (whether worked or not) in accordance with the appropriate consecutive employment rules in the Basic Agreement until the Performer is so returned by Producer.

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. Waiver for 6th Day Shooting Schedules in Studio Workweek

Provided each Performer is given at least thirty-six (36) consecutive hours off in each seven (7) days and subject to each Performer's prior written consent, a Performer may be called for work on a sixth consecutive day of work without the payment of a premium. The sixth day for both Day Performers and Weekly Performers must 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 6 above.

10. Travel

- a. The applicable travel provisions of the Basic Agreement are modified as follows: A performer will 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.
- 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.

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 may be required. Note that failure to submit such reports subject Producer to the assessment of significant damages as detailed in the Basic Agreement.

- b. Producer agrees to hold at least one (1) interview session during the casting period at which (with or without appointments) only professional performers will be considered for the cast.

c. Auditions

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.

d. Pension & Health Contributions

Producer's contributions to the SAG-AFTRA Health Plan and the SAG-Producers Pension and Plan as provided in the current Basic Agreement (at 18% for Performers and 17.8% for Background Actors) 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 filed weekly with the SAG-AFTRA office where the Picture was signed.

e. Social Security, Withholding Taxes, Unemployment & Disability Insurance

All compensation paid to Performers under the terms of this Agreement constitutes 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.

f. Final 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 \$700,000 (or \$1,050,000 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 SAG-AFTRA Letter Agreement for Low Budget Theatrical Pictures (hereinafter, "Low Budget Agreement") automatically become due and payable. However, if the actual cost of the Picture exceeds the budget limit specified in the Low Budget Agreement, the minimum rates, terms and conditions specified in the then-

current Basic Agreement become due and payable instead. Pension and Health contributions must also be paid on these additional amounts.

g. 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.

h. Acknowledgment

The following statement must be incorporated in the credits of the Picture: "Special Thanks to SAG-AFTRA." Producer must include the SAG-AFTRA logo or union bug in the credits of the Picture. Contact your Business Representative for artwork.

12. Initial Theatrical Release Required

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 these instances, the Picture remains a "theatrical motion picture" for all residuals purposes of the Basic Agreement, as modified herein, and will 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 was signed. Failure to provide such notification may be considered a substantial breach of this Agreement, and all minimum terms of the current Basic Agreement will apply to the entire production.

13. 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 the Picture on free television, supplemental markets, or new media, or if Producer sells, transfers, or assigns the rights in the 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 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 in the Picture.

b. Minors

The provisions of the Basic Agreement with respect to the employment of minors are applicable to the engagement of minors hereunder.

c. Arbitration

The provisions of the Basic Agreement with respect to the arbitration of disputes are applicable to the employment of Performers hereunder.

d. Application of 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.

e. Application of Agreement

This Agreement applies to the above-designated Picture only. It is understood that the special provisions applicable to Modified 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 Modified Low-Budget pictures.

f. Successors and Assigns

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

AGREED AND ACCEPTED:

SAG-AFTRA

By: _____ Title: _____

AGREED AND ACCEPTED:

By: _____ Date: _____
(Signature)

(Print Name/Title)

For: _____
(Company)