



SCREEN ACTORS GUILD – AMERICAN FEDERATION OF TELEVISION AND RADIO ARTISTS MICRO-BUDGET PROJECT AGREEMENT

Title: “ \_\_\_\_\_ ” (“Project”)

Single  Episodic  Number of episodes: \_\_\_\_\_ Season number \_\_\_\_\_

LEGALLY RESPONSIBLE PARTY (“PRODUCER”):

Signatory Company OR Individual Name: \_\_\_\_\_

Signatory Address: \_\_\_\_\_

Company Structure (if applicable): Fed. ID#: \_\_\_\_\_ State: \_\_\_\_\_ Corp:  LLC:  DBA:  Other: \_\_\_\_\_

Contact Person(s): \_\_\_\_\_ Title: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Briefly describe the storyline: \_\_\_\_\_

Screenwriter(s): \_\_\_\_\_

Who owns the project?: \_\_\_\_\_

Project Financed by: \_\_\_\_\_

Shooting/Recording Location(s) (city, state, country): \_\_\_\_\_

Running Time (in minutes): \_\_\_\_\_ ( check if per episode)

Number of shooting/recording days: \_\_\_\_\_

Total Project Budget: \$ \_\_\_\_\_

Total number of: Principal Performers: \_\_\_\_\_ Background Actors: \_\_\_\_\_ SAG-AFTRA Members currently cast: \_\_\_\_\_

Do you plan to use any of the following in your production? (Please check all that apply.)

Not Applicable  Animals  Dancers  Minors  Puppeteers  Singers  Stunts

Please note: Producer is advised that it must still comply with all legal requirements for employment of performers and background actors including, but not limited to, those pertaining to Workers’ Compensation and minimum wages.

# MICRO-BUDGET PROJECT AGREEMENT

This Agreement applies only for the project entitled “\_\_\_\_\_” (“Project”) being produced by \_\_\_\_\_ (“Producer”).

- To qualify for this Agreement a project:
  - Must have a total budget \$20,000 or less (per episode if the project is episodic);
  - Must be shot/recorded entirely in the United States;
  - Must be a *bona fide* live action entertainment project intended for release free-to-the-consumer, limited to the following “Permitted Uses”:
    - At film festivals;
    - On free-to-consumer new media platforms where:
      - The consumer does not pay for access to the Project and
      - Producer has not received compensation for the right to distribute or exhibit the Project;
    - Before the Academy of Motion Picture Arts and Sciences for possible Academy Award consideration;
    - To non-paying, non-public, established entertainment industry members to showcase the talent;
    - On 1 unpaid public access television channel for not more than 1 year from the first run date;
    - In the classroom for a grade.
  - Must not be a commercial for any product or service, a music video, or a corporate educational video.
  - Must not contain nudity or simulated sex, hazardous stunts, or hazardous/dangerous conditions as any of those terms are defined and/or customarily understood in the entertainment industry and in the 2020 SAG-AFTRA Codified Basic Agreement.
- Producer must inform Performers and Background Actors that the Project is subject to this Agreement.
  - Producer must obtain a “Micro-Budget Project Agreement Acknowledgement” from each Performer/Background Actor.
- Unless otherwise stated herein, any disputes under this Agreement must be submitted to arbitration pursuant to the terms contained in Exhibit A.

Producer hereby recognizes SAG-AFTRA as the exclusive collective bargaining agent for Performers and Background Actors in connection with the Project identified above, and agrees to abide the following terms and conditions.

## 1. DEFINITIONS

“Performer” and “Background Actor” have the meaning ascribed to them in the applicable SAG-AFTRA Agreement. “SAG-AFTRA Agreement” refers to any agreement SAG-AFTRA offers relating to coverage of projects produced within its areas of jurisdiction.

## TYPES OF CONTENT THAT CAN BE PRODUCED PURSUANT TO THIS AGREEMENT IF QUALIFIED:

This Agreement is only available for projects that would otherwise be covered under one of the following SAG-AFTRA Agreements:

- Short Project Agreement
- Ultra Low Budget Project Agreement
- Student Film Agreement
- Agreement for Independent Producers of Dramatic New Media
- New Media Agreement for Non-Dramatic Programs

## **2. IF AN UNQUALIFIED PROJECT IS PRODUCED UNDER THIS AGREEMENT OR THE PROJECT IS RELEASED IN OTHER MARKETS:**

If the Project is signed to this Agreement as a result of Producer's misrepresentation or omission or if Producer distributes/exhibits or authorizes distribution/exhibition of the Project in any market or media not set forth above in Permitted Uses without separately bargaining with SAG-AFTRA, SAG-AFTRA, in its sole discretion, may reclassify the Project to the appropriate SAG-AFTRA Agreement.

Producer agrees that if SAG-AFTRA reclassifies the project, all terms and conditions of the SAG-AFTRA Agreement ("Replacement SAG-AFTRA Agreement") that should have applied to the Project will apply in the same manner as if the Project had been correctly signed under that agreement. In determining the applicable Replacement SAG-AFTRA Agreement, SAG-AFTRA will consider factors including, but not limited to, Producer's representations herein, the Project's actual budget, Project length, the initial and/or primary market(s) of release and any other applicable information. The Project will be reclassified to the SAG-AFTRA Agreement most closely applicable.

Producer further agrees that if the Replacement SAG-AFTRA Agreement provides for minimum compensation, Producer will pay the Performers and Background Actors all amounts, including pension and health fund contributions that would have been due under the Replacement SAG-AFTRA Agreement less any amounts already paid. Producer agrees to promptly make payment of all such compensation required under the Replacement SAG-AFTRA Agreement and to abide by any provisions related to Residuals and reuse, along with any other appropriate terms and conditions. If the Project is still in production, the corresponding terms and conditions of employment will be applicable to the Project.

Producer will have no right to use, and must immediately cease using, the Performers' and Background Actors' performances (notwithstanding any contrary language in this or any other SAG-AFTRA Agreement or in any Performer's or Background Actors' individual employment contract to the contrary) until Producer has made the required payment.

SAG-AFTRA, or any performer who worked on the Project, may seek injunctive relief in arbitration or in any court of competent jurisdiction to enforce this provision.

## **3. REQUIRED PERFORMER ACKNOWLEDGEMENT; AGREEMENT INCORPORATED:**

Producer must inform all Performers and Background Actors employed on the Project that the Project is subject to this Agreement.

Producer must provide to each Performer and Background Actor and obtain signature on the attached "**Micro-Budget Project Acknowledgement**" ("Acknowledgement") prior to commencement of work. The terms and conditions of this Agreement and the Acknowledgement are deemed incorporated in each Performer's or Background Actor's employment contract, whether oral or written, and may not be waived.

Producer does not have to return the forms to SAG-AFTRA unless requested to do so. If Producer fails to provide proper notification and to obtain the Performers' and Background Actors' acknowledgment, Producer agrees to indemnify SAG-AFTRA for any costs or damages it incurs arising as a result of Producer's failure.

## **4. PROHIBITIONS – NUDITY; SIMULATED SEX; HAZARDOUS/DANGEROUS CONDITIONS OR STUNTS; DIGITAL REPRODUCTIONS**

Projects produced pursuant to this Agreement may not contain nudity, simulated sex, or hazardous/dangerous conditions or stunts, as those terms are defined and/or understood through custom and practice in the entertainment industry and under the 2020 SAG-AFTRA Codified Basic Agreement and the SAG-AFTRA Television Agreement (each "Prohibited Content").

Producer may not use any digital scanning techniques to create digital reproductions of any Performer or Background Actor in connection with the Project. Producer may not use any digital reproduction of any individual, living or deceased, as a character or in place of Performers or Background Actors in the Project without the union's consent. The foregoing restriction includes any voice reproductions.

## **5. NO WAIVER OF APPLICABLE LAWS:**

Nothing herein waives or limits Producer's obligations to comply with any laws or regulations otherwise applicable to the production. This may include, but is not limited to, laws related to workers compensation, minimum wages, and the employment of minors.

Nothing in this Agreement supersedes or limits any right or remedy a Performer might have at law or otherwise relating to their work on the Project, including relating to any unauthorized use of his or her name, likeness, image, voice, performance or any other personal attribute.

For purposes of clarity, any Performer or Background Actor shall have the right to pursue disputes under their individual employment contract or for Producer's violation of any legal right (which may include rights of publicity, state or federal employment law, or other applicable law) in court or through an applicable government agency.

## **6. COVID-19 SAFETY**

Producer agrees that it is aware of and will take all reasonable efforts to meet industry-applicable health and safety standards relating to COVID-19, consistent with local, state and federal regulations, orders, guidance, or other requirements (including, but not limited to, social distancing, essential business closures, and shelter in place orders). In particular, Producer acknowledges its obligation to review and comply with the following documents (available at [www.sagaftra.org/backtowork](http://www.sagaftra.org/backtowork)): COVID-19 Return to Work Agreement; The Safe Way Forward - Production Safety Guidelines; and The Industry-Wide Labor-Management Safety Committee Task Force White Paper.

## **7. DISPUTE RESOLUTION:**

All disputes and controversies between SAG-AFTRA and Producer related to this Agreement will be submitted to arbitration pursuant to the procedures set forth in **Exhibit A** attached herein. This provision does not limit SAG-AFTRA's or a performer's ability to seek injunctive relief to halt exploitation of the Project in the event the Project is reclassified pursuant to Section 3.

## **8. THE AGREEMENT IS ONLY FOR THE SPECIFIC PROJECT:**

Producer understands that this Agreement is only for the Project listed above. Qualification for this Agreement is solely in SAG-AFTRA's discretion and does not guarantee Producer will qualify on any other projects, even if related to the Project.

## **9. MISCELLANEOUS:**

This Agreement may be signed in counterparts, each of which will be deemed an original and all of which together will make one agreement. Any signature transmitted electronically, including any typed signature, is valid and binding to the same extent as an original signature.

If any portion of this Agreement is held to be unenforceable or illegal by a court of law, such portion will be severed and the remainder of the agreement will still be enforceable. Producer and SAG-AFTRA will negotiate a substitute provision with substantially the same effect to the extent SAG-AFTRA requires such a substitute.

This Agreement is valid for one (1) year from the date Producer executes it. Any provision, which by its terms or nature is intended to survive termination of this Agreement, will survive any termination of this Agreement such as Residuals, reuse and other such provisions of this Agreement.

\_\_\_\_ Producer understands and agrees that the Project may not be released commercially or in any market or media other than those listed above without separately bargaining the terms and conditions with SAG-AFTRA *prior* to such release. Producer understands and agrees that Performers have authorized use of their names, images, likenesses, voices, and performances in the limited markets listed above and any further and additional release may trigger additional payments to Performers and may subject Producer to liability for unauthorized use of the names, likenesses, and performances.

By signing below, Producer represents and warrants the Project meets the above qualifications for this Agreement and agree to the Micro-Budget Project Agreement terms and conditions contained herein. If the below individual is signing on behalf of a company, the individual certifies that it is empowered and authorized to make these representations on the company's behalf.

**PRODUCER  
AGREED AND ACCEPTED:**

\_\_\_\_\_  
AUTHORIZED SIGNATURE

\_\_\_\_\_  
PRINT NAME AND TITLE

\_\_\_\_\_  
DATE

**SAG-AFTRA:**

\_\_\_\_\_  
AUTHORIZED SIGNATURE

\_\_\_\_\_  
PRINT NAME AND TITLE

\_\_\_\_\_  
DATE

SAMPLE

**EXHIBIT A**  
**Dispute Resolution**

**1. Grievance and Arbitration**

The following procedures apply to disputes arising under the Micro-Budget Project Agreement:

A. Time Limits:

Claim proceedings are initiated by sending written notice setting forth the particulars of the claim to the other Party within 12 months following the date on which the party initiating the proceedings knew or reasonably should have known of the facts upon which the claim is based.

B. Arbitration:

1. Institution of Arbitration

The Party initiating the dispute will deliver to the other a written demand for arbitration setting forth the basis for the dispute not later than 12 months after initiating the grievance.

All notices to Producer will be sent to the address above (or to such other address as the Producer may specify in writing) and

2. Service of Demand

The demand for arbitration will be served upon the other party at the party's last-known address by (a) personal delivery, (b) overnight courier service, (c) certified mail, return receipt requested, (d) first class mail, or (e) facsimile or email, with a copy sent by first class mail.

The other party may file a written reply within 10 days following the delivery of the demand for arbitration.

3. Arbitrator Selection

Within fifteen (15) days of the date the arbitration demand is served, the parties agree to attempt to mutually agree upon an arbitrator to hear and determine the dispute from the list set forth in the Producer – SAG-AFTRA Codified Basic Agreement in effect as of the date of arbitrator selection.

If the parties cannot agree upon the arbitrator to be appointed, then each party may alternately strike one name from the list until one arbitrator is left. A coin toss will determine which party strikes first. The arbitrator who is left will be appointed as the arbitrator. If the Producer fails to participate in the selection process, SAG-AFTRA may unilaterally select the arbitrator from the panel. Failure of the complaining party to initiate arbitrator selection within the times set forth will not waive or prejudice any grievance unless: (i) the responding party provides written notice to the complaining party that it will be materially prejudiced if arbitrator selection does not commence promptly; (ii) the notice provided by the responding party sets forth a date by which to commence arbitrator selection; (iii) the complaining party fails to engage in arbitrator selection by the date set forth in such notice; and (iv) the responding party can demonstrate it was, is, or will be materially prejudiced by such delay.

#### 4. Timing and Place of Hearing

Subject to the arbitrator's availability, the arbitration hearing will commence within 60 days of arbitrator selection. The selected arbitrator's inability to schedule the arbitration hearing within 60 days will not disqualify that arbitrator from hearing the dispute provided the Parties can mutually agree to select a new arbitrator in the event of extended unavailability.

If the initial arbitrator is not available to hear a dispute within the time set forth herein, or if the matter is of a nature that time is of the essence, the parties may select an arbitrator pursuant to the Expedited Labor Arbitration rules of the American Arbitration Association (AAA), as modified by this Exhibit A. Where the in-person attendance of witnesses is not necessary, the parties can agree to proceed with a documents only arbitration.

All arbitrations will be held in SAG-AFTRA's office in Los Angeles, unless the parties agree otherwise; provided that if Producer has its production headquarters in New York and a majority of the witnesses required for the hearing reside regularly in or around New York, the arbitration may be held in New York.

#### 5. Exchange of Information

Prior to any hearing, the parties will cooperate in the exchange of information and documents consistent with their obligations under federal labor law. Not later than thirty (30) days prior to the arbitration hearing, any party may make a written request to the other to produce, on a date not later than five (5) days before the hearing, documentary evidence of the type producible pursuant to a *subpoena duces tecum*. The documents must be produced on or before the date requested, but the other party may object to the production of the documents to the same extent as if the documents were subpoenaed. The arbitrator will consider any such objection at the hearing.

#### 6. Award of the Arbitrator

The arbitrator's decision and award will be in writing and will be final and binding on the Producer, SAG-AFTRA, the performer or performers involved and, when applicable, the performer's loan-out company. Judgment upon the award may be entered in any court having jurisdiction. The arbitrator has authority to determine only the dispute presented by the written demand for arbitration, and then only to the extent and in the manner expressly provided by the applicable provisions of this Agreement. Nothing herein gives the Arbitrator the authority, power or right to alter, amend, change, modify, add to or subtract from any of the provisions of this Agreement.

In addition to all other available remedies, the arbitrator has the power and authority to order injunctive or equitable relief, including enjoining exploitation of the Project where appropriate.

#### 7. Costs and Expenses

Each party will bear its own costs in connection with any arbitration hereunder. SAG-AFTRA and the Producer will share equally the cost and expenses of the arbitrator.

#### 8. Expiration of this Agreement

Termination or expiration of the Agreement will not affect the application of the arbitration provisions of this Agreement to arbitrable disputes arising on Projects produced during the term of this Agreement.

## 9. Waiver or Extension of Time Limits

All time limits provided in this Exhibit A may be extended or waived by mutual agreement of the parties. Failure to send a grievance or serve a demand for arbitration within the prescribed time frame is not a bar to the grievance, unless the other party can demonstrate it has been materially prejudiced by the delay.

SAMPLE