

**ABOUT THE**

**WRITERS GUILD OF AMERICA**

# Low Budget Film Contracts



## WHAT ARE YOUR LOW BUDGET CONTRACTS?

The Writers Guild offers a Low Budget Agreement for narrative theatrical screenplays and the Documentary Screenplay Contract for theatrical documentaries. These contracts are designed to meet the demands of the low budget film business as well as ensure rights and benefits for writers of films budgeted at \$1.2 million or below. Both Guild members and non-members may request these contracts.

## HOW DO THEY WORK?

Many low budget filmmakers need to stretch every dollar to get their films produced. These contracts allow writers to sell their narrative screenplays, or write and sell a documentary screenplay under the protection of the Writers Guild, while deferring all or part of their writing fees in accordance with various budget breaks.

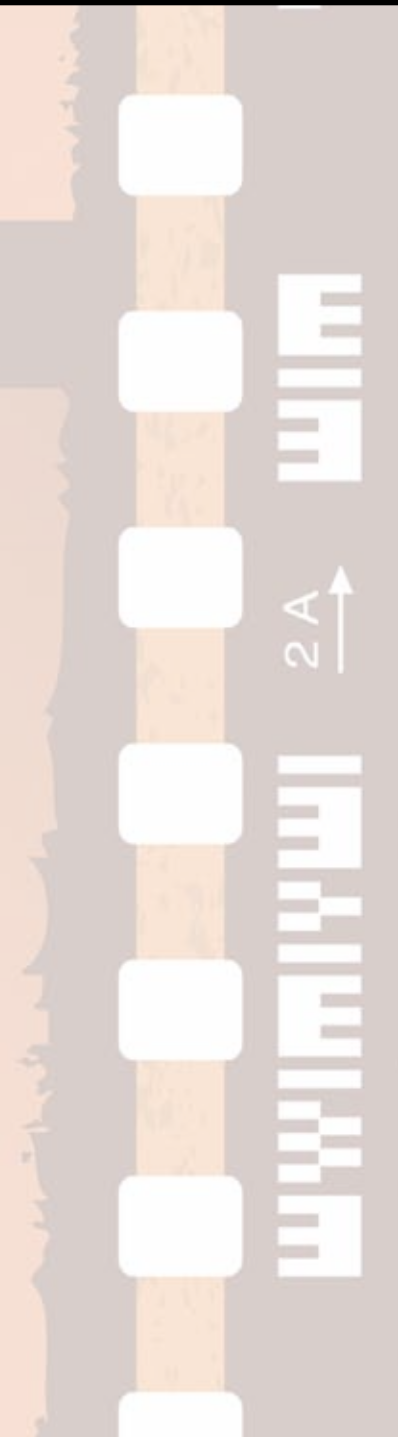
## WHAT ARE THE BENEFITS?

By working under these contracts, writers receive minimum rates, credit and creative protections, and residuals, which are paid when their works are distributed on television, DVD and other media. When employment takes place, writers may be eligible to receive premium pension and health coverage. Also, first-time writers may use these contracts to join the Writers Guild - the world's largest organization of its kind.

## FURTHER INFORMATION

Contact us at the WGAW Independent Film Line: (323) 782-4731 or [indieprogram@wga.org](mailto:indieprogram@wga.org) or contact WGA East at (212) 767-7800 or [indie@wgaeast.org](mailto:indie@wgaeast.org)

Downloadable documents are available online at [www.wga.org](http://www.wga.org) or [www.wgaeast.org](http://www.wgaeast.org).



**THE WRITERS GUILD'S LOW BUDGET AGREEMENT FOR NARRATIVE THEATRICAL SCREENPLAYS FITS YOUR NEEDS, WHETHER YOUR BUDGET IS...**

<b>WGA MINIMUM BASIC AGREEMENT (MBA)</b>			
<b>WGA LOW BUDGET AGREEMENT (LBA)</b>			
<p><b>Between ZERO and \$500,000</b></p> <p>The screenplay purchase minimum of \$42,088 due the writer may be deferred until the <b>earlier</b> of –</p> <ol style="list-style-type: none"> <li>1. commencement of commercial distribution or</li> <li>2. recoupment of production costs.</li> </ol> <p>A \$5,000 script publication fee is also deferrable.</p>	<p><b>Between \$500,000 and \$1.2 million</b></p> <p>The screenplay purchase minimum of \$42,088 may be partially deferred as follows: \$10,000 of the screenplay purchase minimum is due the writer upon commencement of principal photography &amp; a \$5,000 script publication fee is payable after writing credit is determined. ALL other amounts due the writer may be deferred until the <b>earlier</b> of –</p> <ol style="list-style-type: none"> <li>1. commencement of commercial distribution or</li> <li>2. recoupment of production costs.</li> </ol> <p>Note: \$15,000 is <b>1.25 PERCENT</b> of a \$1.2 million budget.</p>	<p><b>Between \$1.2 million and \$5 million</b></p> <p>The screenplay purchase minimum is \$42,088.</p> <p>Note: \$42,088 is <b>1.68 PERCENT</b> of a \$2.5 million budget.</p>	<p><b>\$5 million or more</b></p> <p>The screenplay purchase minimum is \$86,156.</p> <p>Note: \$86,156 is <b>1.72 PERCENT</b> of a \$5 million budget.</p>

**DOCUMENTARY FILMMAKERS: THE WRITERS GUILD HAS A CONTRACT THAT WORKS WITH YOUR BUDGET.**

<b>WGA DOCUMENTARY SCREENPLAY CONTRACT</b>			
<p><b>Employment</b></p> <p>Writers who are also employed as producers or directors:</p>	<p><b>Between ZERO and \$500,000</b></p> <p>The minimum compensation for writing services is \$42,088 which may be deferred until the <b>earlier</b> of –</p> <ol style="list-style-type: none"> <li>1. commencement of commercial distribution or</li> <li>2. recoupment of production costs.</li> </ol>	<p><b>Between \$500,000 and \$750,000</b></p> <p>Same terms as under \$500K except \$10,000 is paid to the writer within 10 days of signing the agreement.</p>	<p><b>Between \$750,000 and \$1.2 million</b></p> <p>Same terms as under \$500K except \$10,000 is paid to the writer within 10 days of signing the agreement.</p>
<p>Writers who are <u>not</u> also employed as producers or directors:</p>	<p>The minimum compensation for writing services is \$42,088. (\$5,000 of which is due to the writer within 10 days of signing the agreement). The remaining amount may be deferred until the <b>earlier</b> of –</p> <ol style="list-style-type: none"> <li>1. commencement of commercial distribution or</li> <li>2. recoupment of production costs.</li> </ol>	<p>Same terms as under \$500K except \$10,000 is paid to the writer within 10 days of signing the agreement.</p>	<p>Same terms as under \$500K except \$15,000 is paid to the writer within 10 days of signing the agreement.</p>
<p><b>Purchase of original screenplay</b></p>	<p>The original screenplay purchase price is \$42,088 which may be deferred until the <b>earlier</b> of –</p> <ol style="list-style-type: none"> <li>1. commencement of commercial distribution or</li> <li>2. recoupment of production costs.</li> </ol>	<p>Same as under \$500K except \$10,000 is due to the writer within 10 days of signing the agreement.</p>	<p>Same terms as under \$500K except \$10,000 is due to the writer within 10 days of signing the agreement.</p>

**Note: If the budget is over \$1.2 million, please call the Contracts Department at (323) 782-4501 to learn how you can work under the WGA Minimum Basic Agreement. The Guild encourages writers and their representatives to negotiate overscale deals and to defer as little of the writer's compensation as possible – this chart sets forth the MINIMUM terms required to make your project under one of the Guild's theatrical film contracts.**