

MEDIA, ENTERTAINMENT & ARTS ALLIANCE

NO OR LOW BUDGET/NO COMMERCIAL RELEASE

Alliance policy for film and TV productions

Updated 17 June 2004

When does the ALLIANCE agree to deferment of fees for cast and crew?

Pending agreement to the points below, the Alliance would be prepared to agree to the “deferment” of minimum Industrial Agreement wages to cast and crew on an approved low-budget project.

The key criteria of the “no budget / no commercial release” policy is that such fees are agreed to be paid by the Producer prior to any commercial release/exploitation/exhibition of the completed production.

Such approval is dependent upon full disclosure and discussion of the budget for the project with the Alliance by the Producer. The Producer must also have no other producer feature film credits to their name prior to their work on the proposed project.

It is also dependent on no government money being used in the making of the production or any imported cast or crew being employed or otherwise involved in the project.

What sort of projects could qualify?

Proposed projects may be made on either tape or film and must be intended to be released theatrically. Approved projects must not have any pre-sale, distribution guarantee or distribution advance.

How are cast and crew to be engaged on such a project?

The Producer must become a signatory to each Agreement that would normally apply to such a project had not the project been approved under the scheme.

It is understood that all cast will be contracted on standard contracts prescribed under the Actors Feature Film Agreement (AFFA). All crew will be contracted on the standard contract prescribed under the Motion Picture Production Agreement (MPPA).

All minimum (and other) payments due to a cast or crew member under these Agreements will be documented on the standard contract but a Special Conditions attachment to the contract will contain the Producer’s warranty that the production will not be commercially exploited until all cast and crew entitlements have been paid.

The Special Conditions attachment may also include a clause to explain how additional above-minimum margins, bonus payments or ‘points’ in the production will be distributed to cast and crew if the production goes into profit after commercial release and payment of minimums.

How will the ‘deferment scheme’ operate?

Depending on the budget and the nature of the project itself, minimum (or negotiated above-minimum) fees would be paid after the project was completed. The contracts will make clear

that there can be no commercial release of the film without at least these amounts being made.

The contract will also set out an audit provision that will be provided to the Producer by the Alliance and appended to all the cast and crew contracts.

The fact that minimum wages and/or negotiated fees are being 'deferred' is not binding on any individual performer or crew member who wants to undertake work on the project and either they or their representative are free to negotiate immediate payment of fees (including above-minimum fees) or a better deal than the one struck by the Alliance and the Producer.

What about the repeat and residuals due to performers?

Under this policy, the Producer agrees to not pre-purchase any rights to screen the finished product in any territories or markets.

If a release in any of these markets or territories is negotiated, the payments for that particular market or territory (i.e. loadings for rights) will become due to performers. In some circumstances, the Alliance may agree to waive the provisions of clause 39 of the AFFA in so far as they require a doubling of the applicable percentage and to do the same where such a provision might exist in any other of our Industrial Agreements that apply to the production.

Apart from wages, what other payments and responsibilities does the producer have?

People engaged in the production will be employees or, where they so choose to be engaged, should be hired through a lender company.

The Producer will need provide evidence that they have become a member of JUST Super and STA, are covered for Workers Compensation insurance and have any other form of insurance (e.g. Public Liability) usually required on a film or television production.

The Producer will have to agree to be bound by the provisions of the Film Industry Safety Code and Safety Guidance Notes, have a safety report written for the production and employ the services of a stunt coordinator and safety officer if and when any stunts, SFX or hazardous action are performed.

All individuals working on the production will be financial Alliance members.

All cast and crew who request a copy of the final cut will be given a tape copy.

What documents will the Producer need to sign?

Apart from becoming a signatory to the relevant Industrial Agreements, the producer will also be required to provide a statutory declaration to the Alliance setting forth most of the undertakings that are mentioned above. When taking out insurance and dealing with other parties, they may have to execute other legal documents.

Is there any other information that the Producer needs to provide?

The Producer must also provide the Alliance with a copy of the script, shooting schedule, cast and crew lists, safety report and (as they become available) extras lists.