Thoolie

# Indie Budget Line Items Every Lawyer Flags

**Protect your film — and your funding — before legal problems cost you more.**
By Lex Nova Lawyer x Thoolie

You can't call something "low budget" in court. This fillable worksheet shows you the exact budget areas lawyers, insurers, and distributors scrutinize — so you can fix issues before they become expensive setbacks.

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## What This Is

A guided budget worksheet with real-world **legal red flags** across key production categories. Use it to:

- Spot hidden legal costs early
- Plan smarter line items for clearances, contracts, and insurance
- Communicate like a pro with investors, lawyers, and distributors
- Track flagged risks and notes as your budget evolves

# 🧾 SECTION 1: FILLABLE BUDGET WORKSHEET

| *Line Item* | *Budgeted Amount* | *Legal Red Flag Notes* | *Actual Cost (When Paid)* |
|---|---|---|---|
| *Music Licensing* | $_________ | Are all songs cleared? Master & sync? Festival-only or full? | $_________ |
| *Chain of Title / Legal Review* | $_________ | Do you own the script? Optioned it? Based on a true story? | $_________ |
| *Life Rights* | $_________ | Are any real people depicted? Do you have written releases? | $_________ |
| *E&O Insurance* | $_________ | Needed for distribution. Won't issue if rights aren't cleared. | $_________ |
| *Deferred Cast/Crew Pay* | $_________ | Is there a contract outlining repayment schedule & trigger? | $_________ |
| *Locations & Releases* | $_________ | Are you filming on private property? Using branded items? | $_________ |
| *Union Obligations (SAG, WGA)* | $_________ | Are you following union terms? What happens if you miss payment? | $_________ |
| *Work-for-Hire / Ownership Docs* | $_________ | Is every collaborator's contribution properly assigned? | $_________ |
| *Delivery Requirements* | $_________ | Have you budgeted for final mixes, captioning, cue sheets, M&E? | $_________ |
| *Contingency (Legal / Clean-Up)* | $_________ | Leave room for unexpected legal costs (e.g., late clearances) | $_________ |

# SECTION 2: RED FLAG NOTES

What Lawyers, Distributors & Insurers Will Ask (and What You Should Have Ready)

## 🎵 Music Licensing

- **Flag:** Did you license *both* sync and master rights?
- **Risk:** You can't get E&O insurance or foreign sales without it.
- **Pro Tip:** Always budget separately for festival-only and full buyout licenses.

## 📜 Chain of Title

- **Flag:** Is the script original, optioned, or adapted?
- **Risk:** Distributors won't touch a project without proof you own it.
- **Pro Tip:** Attach a rights summary + registration receipts.

## 🧍 Life Rights

- **Flag:** Is the story based on a real person — dead or alive?
- **Risk:** You could be sued for misappropriation, defamation, or right of publicity.
- **Pro Tip:** Written releases are essential — especially if the person is living or recently deceased.

## 🎬 Deferred Payments

- **Flag:** Do your cast or crew contracts outline **when** deferred pay is triggered?
- **Risk:** If not, disputes (and lawsuits) will follow after sales.
- **Pro Tip:** Spell out the conditions clearly: "Upon sale," "After recoupment," etc.

## 📍 Location Releases

- **Flag:** Are you filming on brand-name property, stores, or signage?
- **Risk:** Private properties can require special clearance — especially if logos appear.
- **Pro Tip:** Budget for a location manager who tracks and files releases.

### 🔍 Delivery Materials

- **Flag:** Did you budget for deliverables like the M&E mix, caption files, cue sheet, and clearances?
- **Risk:** Streamers and foreign buyers require this *before* payment.
- **Pro Tip:** Add a "legal delivery" category in post-budgeting.

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## 🧠 Final Tip from Lex Nova Lawyer

Investors love producers who *already fixed problems lawyers usually find later.*
This worksheet helps you avoid "clean-up lawyering" — which costs more and usually comes too late.
Be the producer who plans for rights, not just production.

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## 🔐 Need the actual contracts to back it up?

Use Thoolie's templates to lock in your rights with cast, crew, locations, life stories, and more — all in one place.