



# The Ultra-Low Budget Legal Survival Kit

For Indie Filmmakers Using SAG-AFTRA Stock Contracts, Festival Submissions, and Dreaming of Distribution

By Lex Nova Lawyer x Thoolie

You don't need a \$100K legal budget. You just need to avoid the traps that sink your shot at festivals, streaming, and long-term rights. This guide shows you how to protect your film without burning your entire budget.

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## What Stock Contracts Don't Cover

“Just because it's SAG-approved doesn't mean you're protected.”

SAG-AFTRA stock contracts (like ULB and Micro-Budget) are designed for actor protections — not for long-term rights, distribution, or music licensing.

### ✓ What SAG stock contracts *don't* guarantee:

- Rights for **worldwide streaming or commercial sale**
- Ownership of your **music, score, or editorial work**
- Contributor **approval rights or final cut terms**
- Legal readiness for **distribution or acquisition**

### 🔍 Commonly Missing Clauses:

- Festival exclusivity or reversion triggers
- Likeness release for *unreleased* or *cut* scenes
- “All media now known or hereafter devised” coverage
- Pass-through license rights for **music** and **title**

### 🎤 Filmmaker Myth:

“If it's a SAG contract, I'm covered.”

🧠 **Reality:** You still need contracts with your editor, composer, producers, and co-creators. SAG doesn't handle those.

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## Top 5 Festival Myths That Can Sink Your Deal

“That laurel wreath doesn’t mean you’re clear to sell.”

### 🚫 MYTHS THAT KILL YOUR OPTIONS:

1. *“You don’t need licenses if it’s just for a festival.”*  
→ Buyers may still ask to see them. Some fests even require legal assurances.
2. *“Non-exclusive festivals won’t affect distribution.”*  
→ Wrong. Some distributors avoid films with long festival runs due to **clearance risk** or **spoiled exclusivity**.
3. *“Festivals don’t care about rights.”*  
→ Some do — and **FilmFreeway doesn’t protect you** from lawsuits.
4. *“I can submit my rough cut without releases.”*  
→ Not if your cut includes temp music, uncleared faces, or proprietary footage.
5. *“If it gets into festivals, distribution will come.”*  
→ The right **paperwork** gets distribution. Not just laurels.

### ✅ Smart Filmmaker Move:

- Before spending \$300+ on festival entries, ask:  
**What is the endgame?**
  - ➡ Am I building buzz?
  - ➡ Targeting a distributor?
  - ➡ Looking to self-release?

## The Distribution Trap (Amazon + Streamers)

“You got a deal... but you can’t deliver.”

### ! What most buyers or platforms will ask for:

- Signed **Work-for-Hire** agreements for:
  - ✓ Editor
  - ✓ Composer
  - ✓ Title designer
  - ✓ Producers (yes, even co-producers)
- **Chain of title** docs proving you own the project
- **Music licenses** with:
  - ✓ All media rights
  - ✓ Worldwide use
  - ✓ In perpetuity
  - ✓ Pass-through rights (so they can sublicense)
- **Copyright registration** and E&O insurance eligibility
- Proof of clearance for **all logos, brands, and artwork**

⚠ If you used temp music, had an unpaid editor, or let someone keep “final cut” via email — you may not legally be able to **sell** the film.

# The Legal Checklist for Ultra-Low Budget Films

“Don’t blow your one shot on a technicality.”

## ✔ Must-Haves (Yes, Even at \$20K Budget):

- **Work-for-Hire clauses** for all contributors — not just payment receipts
- Signed **Festival Submission Release** if sharing pre-cleared footage
- **Music license** includes:
  - all media
  - worldwide
  - in perpetuity
  - pass-through language
- Defined **profit participation terms** if promising backend or deferrals
- **Likeness release** for every on-screen person — even cut footage

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## 💡 Bonus Tips from Lex Nova Lawyer:

- Want **final cut**? Add a basic **approval clause** to your editor or composer agreement
- Avoid YouTube stock music — most licenses don’t allow streaming resale
- FilmFreeway ≠ protection — always read the **festival’s terms** and plan for future distribution