Thoolie

🎬 SPEs for Indie Films: What They Are & Why You (Probably) Need One

The Indie Filmmaker's Guide to Single Purpose Entities
By Lex Nova Lawyer x Thoolie

Your budget may be small — but your liability doesn't have to be big. A Single Purpose Entity (SPE) is one of the smartest legal tools a filmmaker can use, especially when taking investor money, signing with SAG-AFTRA, or distributing on a streamer. This guide breaks it down.

📌 What This Is

A plain-English breakdown of **Single Purpose Entities (SPEs)** for film production — with examples, checklists, and legal pitfalls to avoid.

Includes:
✅ What an SPE actually is
✅ Why it matters for indie film
✅ What to file and when
✅ Common mistakes
✅ Link to Thoolie's Film LLC Operating Agreement

🎥 What Is a Single Purpose Entity (SPE)?

A **Single Purpose Entity** is a business (usually an LLC) formed for **one specific project** — typically a film, series, or short.

You've probably seen it before:
‣ "Rattlesnake Productions, LLC"
‣ "Blue Highway Films, LLC"
‣ "Hot Girl Horror 2, LLC"

This company exists **only** to develop, produce, and own that one title.

💡 Why Filmmakers Use SPEs

🔐 Legal Protection	💰 Financial Structure	📄 Ownership & IP
Limits personal liability	Clean way to accept investor funds	SPE holds copyright & contracts
Keeps personal assets separate	Makes profit shares easier to manage	Simplifies delivery to a distributor
Reduces risk if something goes wrong	Easier to show clean "chain of title"	Keeps deal terms isolated to one project

🎬 If your name is on the check, the contract, *and* the credit… you need to create a wall between you and the film.

🧾 What You'll Typically File

To create a SPE in most U.S. states:

✅ Form an **LLC** (e.g., "Film Title, LLC")
✅ File **Articles of Organization**
✅ Create an **Operating Agreement** (Thoolie helps here)
✅ Get an **EIN** from the IRS
✅ Open a **bank account** for the LLC
✅ Use this entity on **all contracts, credits, and tax docs**

⚠️ Common SPE Mistakes

🚫 Forming the LLC after signing contracts
🚫 Forgetting to transfer ownership of the script or footage to the SPE
🚫 Mixing personal and production funds
🚫 Letting team members sign without title or authorization
🚫 Using a generic Operating Agreement (or none at all)

📋 Quick Checklist: "Is It Time to Form an SPE?"

- Will this project take on **investors** or grant funds?
- Are you signing a **distribution**, **licensing**, or **production** deal?
- Are you using SAG-AFTRA agreements?
- Are you working with a **producer, editor, composer, or post house**?
- Is your goal to submit to **streamers**, **AVOD platforms**, or **festivals**?

If you checked **two or more** — it's probably time to form an LLC for this project.

💬 Lex Nova Tip

Think of your SPE like a legal container for your film. It keeps all the rights, risks, and revenue in one place — so your *real* life stays protected.