

**ARTICLE 8**  
**LOW BUDGET COMMERCIALS**

8-100      **LOW BUDGET COMMERCIALS**

On a Low Budget commercial, salaries for Directors and other DGA-represented Employees shall be individually negotiated. Pension and Health contributions for Directors shall be paid on total gross compensation as defined in Article 3-104 or the minimum rates of pay set forth in Article 4 of this Agreement, whichever is greater. Pension and Health contributions for UPMs and Assistant Directors shall be paid on the minimum rates of pay set forth in Article 5 of this Agreement.

A Low Budget commercial is defined as a commercial whose total costs as set forth on the AICP Film Production Cost Summary do not exceed \$75,000 for a one-day shoot, or \$150,000 for a two-day shoot or \$225,000 for a three-day shoot. No single day's costs may exceed \$75,000.

Producer shall submit to the Guild, no later than thirty (30) days after the last shoot day, the AICP Film Production Cost Summary. Upon request, the Producer will submit verification of the final budget for such commercial. The Guild shall have the right to audit records relating to the cost of the commercial.

**AICP Companies: See Paragraph 10 of the AICP Sideletter.**

8-200      **LOW BUDGET NON-TRADITIONAL COMMERCIALS**

In addition to the provisions contained in Article 8-100, the following additional provisions shall apply to low budget commercials that do not use traditional production methods.

- A.      A low budget non-traditional commercial, as defined in this Article 8-200, is a commercial that does not use traditional production methods and whose costs do not exceed \$50,000 on any single shoot day and whose total production costs do not exceed \$500,000 for an advertising campaign.
- B.      Not less than forty-eight (48) hours before the first day of production, the Producer shall provide, if available, the Guild with a copy of (i) the budget as awarded by the agency or client, (ii) production schedule, and (iii) agency or client contract. In the event a document is not available at such time, the Producer will provide a copy of the document as soon as it becomes available.

- C. In consideration of the nascent nature of low budget non-traditional commercial production, the parties agree to revisit these provisions in the negotiations for a successor agreement and to make appropriate adjustments to reflect changes in production that occur during the term of this Agreement.

**AICP Companies: see Paragraph 9 of the AICP Sideletter.**