



Post Production

PAYMENT GUIDELINES

Unless other payment terms are agreed to in advance, invoices shall be paid in full not later than 30 days after the invoice date. Invoices that are not paid by the due date shall bear interest on the unpaid balance at the rate of 1 1/2% per month from the date of the invoice until paid in full. These payment terms should be included on the face of the invoice and in any other written documents exchanged between the editorial company and the agency.

Each payment guideline is designed so that the first payment is made to the editorial company upon booking of a job by an agency. It is recommended that if payment is not made as agreed, the editorial company may reevaluate the ability of the contracting client to meet its contractual obligations. Failure to make prompt payment, as set forth in the contract between the editorial company and the contracting client, is a breach of contract. This gives the editorial company recourse to the cancellation of provisions set forth therein. In the event that the contracting client is an agency and is in default of any payment, it is recommended that the editorial company notify and forward duplicate invoices to the advertiser. Each editorial company should consider adoption of a payment policy consistent with good-faith business practices.

The 50-25-25 plan

- 50% of the contract price is due and payable upon delivery of dailies by the production company or award of the job to the post-production company.
- 25% of the contract price is due and payable upon approval of the rough-cut by the agency.
- 25% of the contract price is due and payable upon delivery of the master.
- Overages are due upon agency receipt and approval of final actuals.

The 60-30-10 plan

- 60% of the contract price is due and payable upon delivery of dailies by the production company or award of the job to the post-production company.
- 30% of the contract price is due and payable upon approval of the rough-cut by the agency.
- 10% of the contract price is due and payable upon delivery of the master.
- Overages are due upon agency receipt and approval of final actuals.

The 50-50 plan

- 50% of the contract price is due and payable upon delivery of dailies by the production company or award of the job to the post-production company.
- 50% of the contract price is due and payable upon delivery of the master.
- Overages are due upon agency receipt and approval of final actuals.