

Free creator guide

UGC Contract Red Flags

The 7 clauses that quietly cost creators money — and what to ask for instead.

01 Perpetual or unlimited usage rights

Looks like: A one-time flat fee, but the brand can use your content **forever**, on every platform, anywhere in the world.

Why it costs you: Usage is the thing of value you're selling. Give it away forever and you can never re-license or get paid again.

Ask for: A defined usage term (e.g. 3, 6 or 12 months), named platforms only, and a clear fee to renew or extend.

02 Paid ads / whitelisting buried in the grant

Looks like: Language like "all media, including paid advertising" or rights to run your content (or your handle) as ads.

Why it costs you: Paid amplification and whitelisting reach far beyond organic and are worth far more — brands often get them for free.

Ask for: A separate, higher fee for paid/whitelisting use, a capped ad flight window, and time-limited account access.

03 Exclusivity / category lock-out

Looks like: You can't work with competing brands in the category for a set period — often months, and usually for no extra pay.

Why it costs you: It blocks income you'd otherwise earn. Broad wording can lock out a whole industry, not just one rival.

Ask for: A narrow category definition, the shortest term possible, and a specific fee that pays you for the exclusivity.

04 Full IP assignment / "work made for hire"

Looks like: You assign **ownership** of the content, not just a licence to use it — sometimes including your raw footage.

Why it costs you: You may lose the right to post it yourself, reuse it, or even show it in your portfolio or reel.

Ask for: A licence instead of an assignment, or at minimum a carve-out letting you use the work in your own portfolio.

05 Vague or slow payment terms

Looks like: "Net 60+", payment only "on approval", or no kill fee if the brand walks away after you've done the work.

Why it costs you: Payment drags or hinges on a subjective sign-off, and a cancelled project can leave you with nothing.

Ask for: Net 15-30, partial payment on delivery, a kill/cancellation fee, and no open-ended "satisfaction" gate.

06 Unlimited revisions

Looks like: "Revisions until the brand is satisfied," with no cap on rounds.

Why it costs you: Scope creep: you keep reshooting and re-editing for free, and your effective rate collapses.

Ask for: A set number of revision rounds included, with extra rounds billed at a stated rate.

07 One-sided indemnity, morality & termination

Looks like: You cover the brand for all liability, they can terminate anytime, and they may claw back fees already paid.

Why it costs you: You carry risk you don't control and can lose money even after delivering — all the downside sits with you.

Ask for: Mutual indemnity, your liability capped at the fee, a kill fee on early termination, and no clawback of amounts paid.

Worried about a specific deal?

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