

HLPFL

Music Contract Review Checklist

Protect Yourself Before You Sign

⚠ Critical Warning

This checklist is for educational purposes only and does not constitute legal advice. ALWAYS have a qualified entertainment attorney review any contract before signing. A bad contract can cost you millions and decades of your career.

Why Contract Review Matters

In the music industry, your contracts define your career. They determine who owns your music, how you get paid, and what rights you retain. Many artists have lost millions because they didn't understand what they were signing. This checklist helps you identify red flags and understand key terms before committing to any agreement.

Essential Contract Elements

☐ Parties Clearly Identified

Verify all parties are correctly named with full legal names and addresses. Check that the signing entity has authority to enter the agreement.

☐ Scope of Work Defined

Ensure the contract clearly states what you're agreeing to deliver (number of songs, albums, performances, etc.) and the timeline.

☐ Payment Terms Specified

Understand exactly how much you'll be paid, when, and under what conditions. Look for advance amounts, royalty rates, and payment schedules.

☐ Rights and Ownership Clear

Know who owns the masters, publishing, and other intellectual property. This is often the most valuable part of any music deal.

☐ Term Length Reasonable

Check how long the contract lasts. Be wary of perpetual terms or automatic renewals without your consent.

Recording Contract Red Flags

☐ 360 Deal Terms

Check if the label takes a percentage of ALL your income (touring, merch, endorsements). Understand what percentage and for how long.

☐ Recoupment Clauses

Understand what expenses are recoupable from your royalties. Marketing, videos, and production costs can keep you in debt forever.

☐ Master Ownership

Determine if you'll ever own your masters. Some deals offer reversion after a certain period or sales threshold.

☐ Royalty Rate Structure

Verify the royalty percentage and what it's calculated on (wholesale, retail, or net). Industry standard is 15-20% for new artists.

☐ Controlled Composition Clause

Check if there's a cap on mechanical royalties for songs you write. This can significantly reduce your publishing income.

🚩 Major Red Flag: Perpetual Rights

If a contract gives the label rights to your music "in perpetuity" (forever) without reversion clauses, think very carefully. You're giving up ownership of your life's work permanently.

Publishing Agreement Checklist

☐ Copyright Ownership

Verify whether you're assigning copyright or just granting administration rights. NEVER give up copyright if you can avoid it.

☐ Writer's Share vs Publisher's Share

Understand the split. You should always keep 100% of the writer's share. Publisher's share is negotiable (typically 50/50 or better).

☐ Territory Coverage

Check if the deal is worldwide or specific territories. You might want to keep certain territories for yourself.

☐ Advance and Recoupment

Know the advance amount and what it's recoupable from. Some deals recoup from writer's share (bad) vs publisher's share (better).

☐ Reversion Rights

Ensure there's a clause allowing songs to revert to you if the publisher doesn't exploit them within a certain timeframe.

🚩 Major Red Flag: Copyright Assignment

Be extremely cautious of any deal that requires you to assign (transfer ownership of) your copyrights. Administration deals are almost always better than ownership transfers.

✅ Pro Tip: Negotiation Power

Everything in a contract is negotiable. Don't accept the first offer. Common negotiation points include: royalty rates, advance amounts, term length, reversion clauses, and creative control. Having a lawyer negotiate for you often pays for itself many times over.

Performance & Booking Contracts

☐ **Performance Fee Confirmed**

Verify the exact payment amount, when it's due (deposit, day-of, net-30), and payment method.

☐ **Technical Rider Attached**

Ensure your technical requirements (sound, lights, stage size) are clearly specified and agreed to.

☐ **Hospitality Rider Included**

Specify what the venue provides (meals, drinks, green room, parking, accommodation if applicable).

☐ **Cancellation Terms**

Understand cancellation policies for both parties, including force majeure clauses and kill fees.

☐ **Merchandise Rights**

Clarify if you can sell merchandise, what percentage the venue takes, and who handles sales.

Collaboration & Production Agreements

☐ **Ownership Splits Defined**

Clearly state percentage ownership for each collaborator. Put it in writing BEFORE creating anything.

☐ **Credit Attribution**

Specify how each person will be credited (producer, writer, featured artist, etc.) on all releases.

☐ **Sample Clearance Responsibility**

Determine who's responsible for clearing samples and what happens if clearance is denied or too expensive.

☐ **Decision-Making Process**

Establish how decisions are made about releases, licensing, and other uses of the collaborative work.

☐ **Dispute Resolution**

Include a process for resolving disagreements (mediation, arbitration) before they become lawsuits.

🚩 Major Red Flag: Verbal Agreements

NEVER rely on verbal agreements in the music industry. "We'll figure it out later" has destroyed countless friendships and careers. Get everything in writing, even with friends.

Management & Agency Contracts

☐ **Commission Rate**

Verify the percentage (typically 15-20% for management, 10-15% for booking). Check what income it applies to.

☐ **Sunset Clause**

Ensure commissions don't continue forever after the relationship ends. Typical sunset is 6-12 months on deals made during the term.

☐ **Key Person Clause**

If you're signing with a specific person, ensure the contract terminates if they leave the company.

☐ **Performance Benchmarks**

Include measurable goals that allow you to terminate if not met (income thresholds, booking minimums, etc.).

☐ **Expense Reimbursement**

Clarify what expenses the manager can incur on your behalf and how they're reimbursed or recouped.

General Contract Review Points

☐ Termination Clauses

Understand how either party can end the agreement and what happens to rights and obligations afterward.

☐ Audit Rights

Ensure you have the right to audit the other party's books to verify accurate royalty payments.

☐ Indemnification

Check what you're indemnifying (protecting) the other party from. Avoid overly broad indemnification clauses.

☐ Governing Law

Note which state's laws govern the contract. This affects where disputes would be resolved.

☐ Assignment Rights

Check if the other party can assign the contract to someone else without your consent.

☐ Force Majeure

Understand what happens if unforeseen circumstances (pandemic, natural disaster) prevent performance.

✓ Pro Tip: The 72-Hour Rule

Never sign a contract the day you receive it, no matter how excited you are. Take at least 72 hours to review, research, and consult with advisors. Legitimate opportunities will still be there in three days. Pressure to sign immediately is a red flag.

Questions to Ask Before Signing

☐ **What's the worst-case scenario?**

If everything goes wrong, what's the maximum you could lose? Can you afford that risk?

☐ **Can I get out if needed?**

What are the exit options if the relationship isn't working? Are they reasonable?

☐ **Who else has signed with them?**

Research the other party's track record. Talk to other artists who've worked with them.

☐ **What am I giving up?**

List everything you're surrendering (rights, time, money, creative control). Is it worth what you're getting?

☐ **Do I understand every clause?**

If there's anything you don't fully understand, get clarification before signing. Ignorance isn't a defense.

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