

A Fair, Modular Licensing Framework for Digital Comics

PART I — THE CORE LICENSE

1. OWNERSHIP

1.1 Creator Retention of Rights

Creator retains all right, title, and interest in and to the Work, including, without limitation:

- (a) The copyright and all other intellectual property rights;
- (b) All characters, settings, and story elements contained therein;
- (c) All derivative work rights;
- (d) All adaptation rights, including but not limited to film, television, streaming, and interactive media;
- (e) All merchandising and commercial tie-in rights;
- (f) All moral rights.

What it means

You keep everything. The copyright. The characters. The world you built. The right to make a movie, a toy line, or a video game. The right to be named as the creator forever. The publisher does not own a single pixel of your work. They are simply getting permission to show it.

1.2 Limited License Grant

Creator grants to Publisher a non-exclusive, revocable license to reproduce, display, and distribute the Work digitally, solely as set forth in this Agreement.

What it means

You are giving the publisher a key to your house, not the deed. They can show your comic on their website or app, but that's it. And you can take that key back if they break the rules.

1.3 No Transfer of Rights

This Agreement does not constitute a work-for-hire arrangement. Publisher may not assign or sublicense any rights granted herein without Creator's express written consent.

What it means

You are not an employee. The publisher cannot sell your contract to another company without first asking you. They cannot give your comic to someone else to publish.

1.4 Reservation of Rights

All rights not expressly granted to Publisher are reserved exclusively by Creator.

What it means

If this contract doesn't say the publisher gets a right, they don't have it. Simple as that.

1.5 Independent Contractor; No Partnership

This Agreement does not create a partnership, joint venture, or employment relationship. Creator is an independent contractor. Any reference to "co-production" or "partnership" in marketing materials is descriptive only and does not alter the legal relationship defined herein.

What it means

You are your own boss. Not an employee and not a legal partner. If they call you a "partner" on their website, that's just friendly marketing. It doesn't make you actually responsible for their debts or their business. You're a separate person who agreed to let them show your work. Their problems stay theirs, and your work stays yours.

2. LICENSE SCOPE

2.1 Type of License

The license granted herein is non-exclusive. Creator retains the right to distribute the Work through any other channels, Publishers, or media simultaneously.

What it means

You can post your comic on your own website, on other apps, or in print—all at the same time. This Publisher is just one of many stores that distribute and sell your comic.

2.2 Authorized Medium

This license covers digital distribution only, including web browsers, mobile applications, and dedicated reading devices. It does not include print, audio, film, television, merchandise, or any other medium.

What it means

They can only show it on screens. No books, no audiobooks, no movies, no t-shirts. If they want those later, they have to ask nicely and pay extra (see Part II).

2.3 Territory

Worldwide.

What it means

Fans in any country can read your comic on the Publisher platform.

2.4 Initial Term

The initial term of this license shall be three (3) years from the Effective Date.

What it means

This deal expires in 3 years. After that, all rights automatically return to you unless you both agree to keep going.

2.5 Renewal

This Agreement may be renewed only upon mutual written consent of both parties, with any updated terms to be negotiated in good faith.

What it means

When the 3 years are up, the deal ends. If you're *both* happy, you can sign a new deal. But you're **not** stuck forever, and the Publisher cannot unilaterally renew.

2.6 Reversion Events

This license shall automatically terminate, and all rights shall revert to Creator, upon the occurrence of any of the following:

- (a) Publisher fails to pay any amounts due within thirty (30) days of the payment due date;
- (b) Revenue generated by the Work falls below **[\$6,000]** for any consecutive six (6) month period;
- (c) Publisher ceases operations, files for bankruptcy, or is acquired by a third party without assumption of this Agreement.

What it means

You get your rights back automatically if:

- (a) they don't pay you on time,
- (b) your comic isn't earning above a certain amount (we recommend \$1,000 per month as a minimum) for 6 months straight (so you can take it somewhere better), or
- (c) the Publisher goes out of business. No fighting. No lawyers. The rights just come home.

3. REVENUE

3.1 Definition of Gross Revenue

"Gross Revenue" means all monies actually received by the Publisher from end-users, subscribers, advertisers, or other third parties directly attributable to the display or consumption of the Work, including but not limited to: purchase fees, subscription revenue attributable to the Work, advertising revenue, and tipping/donation features.

What it means

Gross Revenue is the money that actually comes in the door because of your comic. If someone pays \$3 to read ahead or unlock a chapter/episode, that's Gross Revenue. If someone pays \$10/month for a platform-wide subscription and reads content from 10 different comics, the Publisher has to calculate your fair share of that \$10.

3.2 Publisher Fee

Publisher shall retain [20-30]% of Gross Revenue as a service fee for hosting, bandwidth, payment processing, and Publisher operations. The remaining [70-80]% shall be paid to the Creator.

What it means

The Publisher takes a cut (like a store taking a percentage of sales) for keeping the lights on. You get the lion's share. This is the opposite of traditional publishing, where creators often get an average of 20%.

3.3 No Undisclosed Deductions

Publisher shall not deduct any costs, expenses, or fees from Gross Revenue or Creator's share beyond the expressly agreed Publisher Fee. This includes, but is not limited to, marketing expenses, overhead, distribution fees, or chargebacks.

What it means

They cannot invent new fees. They cannot say, "Oh, we spent money on ads, so we're taking that out of your cut." The only thing they take is the agreed percentage. Full stop.

3.4 Payment Schedule

Publisher shall pay all amounts due to Creator within thirty (30) days after the end of each calendar month.

What it means

You get paid every month, and the money shows up within 30 days after the month ends. No waiting 6 months for a statement.

3.5 Dashboard Access

Publisher shall provide Creator with ongoing, real-time access to a dashboard displaying all sales data, revenue, and analytics related to the Work.

What it means

You can log in anytime and see exactly how many people are reading your comic and how much money it's making. No secrets. No "trust us."

3.6 Prohibited Practices

The following accounting practices are expressly prohibited:

- (a) Cross-collateralization of revenue across multiple works;
- (b) Deduction of marketing or promotional expenses;
- (c) Holdbacks or reserves not mutually agreed in writing.

What it means

They cannot take the money your comic earned to pay for losses on another comic. They cannot charge you for marketing. They cannot hold your money "just in case." Your comic's money is your comic's money.

4. CREATIVE CONTROL

4.1 Approval Rights

No material alteration, edit, modification, or adaptation of the Work shall be made without the Creator's prior written approval.

What it means

They cannot change your story, your art, or your words without first asking you. Not even a typo fix (okay, maybe typos, but ideally they ask).

4.2 Creator Credit

Publisher shall display Creator's name and/or chosen pseudonym prominently in connection with the Work, including on all landing pages, reading interfaces, and promotional materials.

What it means

Your name goes on everything. If someone finds your comic, they know you made it.

4.3 Right of Removal

Should the Publisher materially alter the Work without the Creator's consent, or should the Work be presented in a context that the Creator reasonably believes harms their reputation, the Creator may request removal of their name from the Work.

What it means

If they mess with your work or use it in a way that embarrasses you (like putting your sweet story next to hateful content), you can tell them to take your name off it. You don't have to be associated with something you hate.

5. AUDIT & TRANSPARENCY

5.1 Audit Rights

Upon reasonable notice, the Creator or Creator's designated representative may inspect Publisher's records pertaining to the Work no more than once per calendar year.

What it means

Once a year, you can send an accountant to look at their records and make sure the numbers match what they told you.

5.2 Discrepancy Resolution

If an audit reveals an underpayment of five percent (5%) or more in any reported period, Publisher shall pay the cost of the audit in addition to all amounts due.

What it means

If you find out they were off by more than 5% in their payments to you, they have to pay for the accountant you hired. This stops them from being "sloppy" with your money.

5.3 Reporting Standards

All financial reporting shall clearly itemize:

- (a) units sold,
- (b) price paid per unit,
- (c) Gross Revenue,
- (d) Publisher Fee deducted, and
- (e) Net Amount due to Creator.

What it means

Your royalty statement has to be clear. No lump sums. You get to see the math.

6. TERMINATION

6.1 Cure Period

Before terminating for breach, the non-breaching party shall provide written notice and a thirty (30) day period to cure the breach.

What it means

If someone messes up, you can't just cancel immediately. You have to tell them, "Hey, you messed up," and give them 30 days to fix it. The same applies if you're the one who messed up. It's about fairness, after all.

6.2 Rights Reversion

Upon termination of this Agreement for any reason, all rights granted to Publisher shall immediately revert to Creator. Publisher shall remove the Work from all digital channels within fourteen (14) days.

What it means

When the deal ends—for any reason—they have to take your comic off their site within 2 weeks.

6.3 Survival

Publisher's obligation to pay all amounts accrued prior to termination shall survive termination.

What it means

If they owe you money from before the deal ended, they still have to pay it. The contract ending doesn't erase that debt.

6.4 Definition of Material Breach

A "material breach" by Creator shall be limited to:

- (a) failure to deliver completed work product as defined in the schedule, after 30 days' written notice and opportunity to cure; or

(b) fraud or willful infringement of third-party rights.

Publisher's subjective dissatisfaction with creative quality shall not constitute a material breach.

What it means

They can only accuse you of breaching the contract for two things:

- (1) you don't deliver the finished work after they've warned you and given you 30 days to fix it, or
- (2) you stole someone else's work.

That's it. They cannot accuse you of a breach because they "don't like" your art or decide your story isn't "good enough." Creative quality is not a breach.

7. REPRESENTATIONS AND WARRANTIES

7.1 Creator Representations.

Creator represents and warrants that:

- (a) The Work is original and created solely by Creator;
- (b) Creator owns all rights in the Work and has the authority to grant the licenses herein;
- (c) The Work does not infringe any third-party rights;
- (d) The Work is not defamatory.

What it means

You're swearing under oath that this comic is yours, you own it, and you didn't hurt anyone making it. If any of this is a lie, you're in legal trouble. But if you made it honestly, these are easy promises to keep.

7.2 Publisher Representations.

Publisher represents and warrants that:

- (a) It has the full authority to enter into this Agreement;
- (b) It will comply with all applicable laws in its distribution of the Work;
- (c) It will not modify the Work in any way that would violate Creator's moral rights.

What it means

They swear under oath that they are a real company, won't break the law with your comic, and will not edit your series in any way that would breach your moral rights. "Moral rights" means your right to be named as the creator and your right to stop them from twisting your work into something harmful. They promise not to edit, recolor, or alter your comic in ways that would embarrass you or ruin your reputation.

8. INDEMNIFICATION**8.1 By Creator.**

Creator shall indemnify and hold Publisher harmless from any third-party claims arising from Creator's breach of Section 7.1, provided that Publisher promptly notifies Creator of the claim and allows Creator to control the defense. Publisher may participate at its own expense.

What it means

If someone sues the publisher because you broke your promises (like stealing someone else's work), you have to pay for everything: their legal fees, court costs, settlement... the whole bill.

But you only pay if:

- They tell you about the lawsuit quickly;
- They let you run the defense (hire the lawyers, make the decisions).

They can also hire their own lawyers if they want, but they pay for that themselves.

8.2 By Publisher.

Publisher shall indemnify and hold Creator harmless from any third-party claims arising from Publisher's breach of Section 7.2 or from the distribution of the Work by Publisher, provided that Creator promptly notifies Publisher of the claim and allows Publisher to control the defense. Creator may participate at its own expense.

What it means

If someone sues you because of something they did wrong, like distributing your comic illegally, violating someone's rights, or breaking their promises, they have to pay for everything. Your legal fees, court costs, and anything else resulting from the lawsuit.

But you only get this protection if:

- You tell them about the lawsuit quickly;
- You let them run the defense (hire the lawyers, make the decisions).

You can hire your own lawyers, too, if you want, but you pay for that yourself.

8.3 Limitation.

Neither party shall be liable for indirect, incidental, or consequential damages under this Agreement.

What it means

If something goes wrong, neither side can sue for losses that are weird, unexpected, or far away.

Examples of what you can't claim:

- "I was going to make a million dollars from a movie deal, but because you delayed my comic, I lost that chance."
- "My cat got sick from the stress of this dispute."
- "My other projects failed because I was too upset to work."

Examples of what you can claim:

- Unpaid royalties you were owed;
- Actual money you lost directly (like paying a lawyer to fix their screw-up).

9. LIMITATION OF LIABILITY

Except for indemnification obligations or breach of confidentiality, neither party shall be liable to the other for any indirect, incidental, special, consequential, or punitive damages, including lost profits, arising out of this Agreement, even if advised of the possibility of such damages. Publisher's total liability to Creator under this Agreement shall not exceed three times the total amounts paid to Creator hereunder.

What it means

This clause has two parts.

- Part 1: No fantasy damages.
 - Neither side can sue for "what if" damages, such as lost future profits, missed opportunities, or emotional distress. Only actual, real-world losses count. This is standard and fair.
- Part 2: The cap (and this is the important part).
 - If the publisher messes up, the most they owe you is three times what they already paid you.
 - So if they paid you \$24,000, their maximum liability is \$72,000. If their screw-up causes you \$100,000 in real damage, you can recover \$72,000, not just the \$24,000 they already gave you.

The exception: This cap doesn't apply if they breach confidentiality or if you're indemnifying someone. Those are unlimited.

10. CONFIDENTIALITY

10.1 Definition.

"Confidential Information" means all trade practices, plans, price lists, supplier lists, customer lists, marketing plans, financial information, software, and any other knowledge or information of any type whatsoever supplied or disclosed by either party and which has not been disclosed by either party to the public, or which is not otherwise known or available to the public.

What it means

If you share something with the publisher that isn't publicly known, it's protected. If they share something with you that isn't publicly known, it's protected. Both sides have the same obligations.

What this means for you: Be mindful of what you disclose in conversations, emails, or meetings. Assume that anything you tell them about your creative process, business, or plans could be considered confidential. Similarly, you'll gain access to some of their internal information that you shouldn't share externally.

10.2 Obligations.

The receiving party shall not disclose Confidential Information to third parties and shall use it only to perform under this Agreement.

What it means

If the publisher shares secrets with you, you have two jobs:

1. Don't blab: No telling your friends, no posting on social media, no sharing with other companies.
2. Use it only for this deal: You can only use their secrets to do what this contract says. You can't use their secret sales data to start your own competing business. You can't take their secret marketing plan and give it to another publisher.

10.3 Exclusions.

Confidential Information does not include information that:

- (a) is or becomes public through no fault of the receiving party;
- (b) was known to the receiving party prior to disclosure;
- (c) is received from a third party without restriction; or
- (d) is independently developed.

What it means

Not everything is a secret. Here's what you're allowed to use or share:

- A. It's already public: If the info is out there already and you didn't leak it, it's no longer confidential. You can talk about it freely.
- B. You knew it already: If you had the info before they told you, and you can prove it (old emails, notes, etc.), it's not their secret to control. You already had it.
- C. Someone else told you: If you hear the same info from a completely different person who isn't bound by secrecy, you can use it. They can't lock up info that's floating around from other sources.
- D. You figured it out yourself: If you come up with the same idea independently, without using their secret info, it's yours. You're not blocked from your own original thinking just because they happened to have a similar idea.

10.4 Term.

This obligation survives termination for three (3) years.

What it means

Even after this contract ends, whether you finish the comic, walk away, or they cancel your deal, the confidentiality promise remains valid for 3 more years.

11. GOVERNING LAW AND DISPUTE RESOLUTION**11.1 Governing Law.**

This Agreement shall be governed by the laws of [Creator's Home State/Country], without regard to its conflict of laws principles.

What it means

This says the contract is interpreted under the laws where you live, not where the publisher is based. Whatever your local courts and laws say, that's what counts.

"Without regard to its conflict of laws principles" is lawyer-speak for: "And we're not going to let some technicality about which state's laws should apply muddy the waters."

11.2 Dispute Resolution.

Any dispute arising out of this Agreement shall first be submitted to mediation in [Creator's Home City] before a mutually agreed mediator. If mediation fails, either party may commence proceedings in the courts of [Creator's Home State/Country].

What it means

If you and the publisher end up in a fight, here's how it goes down:

- Step 1: Mediation (in your hometown). Before anyone runs to court, you both sit down with a neutral third person (a mediator) who tries to help you work it out. Mediation is cheaper, faster, and less stressful than suing each other.
 - Who pays: Usually, the mediator's fee is split 50/50, unless you agree otherwise.

- Step 2: Court (also in your hometown). If mediation doesn't solve it, then either of you can sue. And the lawsuit happens in the courts of your state, in your country.

11.3 Waiver of Jury Trial.

Each party waives any right to a jury trial.

What it means

Jury trials are unpredictable. A jury might feel sorry for you (or for the publisher) and award crazy money based on emotion. Judges are trained to follow the law and ignore feelings.

12. FORCE MAJEURE

Neither party shall be liable for delays or failures in performance resulting from causes beyond its reasonable control, including acts of God, natural disasters, war, terrorism, riots, embargoes, acts of civil or military authorities, fire, floods, accidents, pandemics, strikes, or shortages of transportation, facilities, fuel, energy, labor, or materials. The affected party shall promptly notify the other and shall resume performance as soon as reasonably possible.

What it means

If something crazy and unavoidable happens, like a hurricane wiping out your studio, a pandemic shutting down printing, or a war breaking out, nobody gets in trouble for being late or not delivering.

If the universe conspires against you, you get a free pass. But you have to communicate and get back to work when the universe stops conspiring against you. Fair for both sides.

13. GENERAL PROVISIONS

13.1 Entire Agreement.

This Agreement constitutes the entire understanding between the parties and supersedes all prior agreements.

What it means

Read this contract like it's **the only thing that matters**, because it is. If something important was promised, make sure it's written in here before you sign. Otherwise, assume it never happened.

13.2 Amendment.

Any amendment must be in writing and signed by both parties.

What it means

If you want to change anything in this contract later, even one word, you can't just agree on the phone or over email. You need a new document, in writing, with both signatures.

13.3 Waiver.

Failure to enforce any provision shall not constitute a waiver.

What it means

If they let something slide today, maybe you deliver a week late, and they don't complain, that doesn't mean they've given up the right to enforce deadlines forever. The same goes for you, of course. If they mess up and you don't complain, you can still complain next time.

13.4 Severability.

If any provision is found invalid, the remainder shall remain in effect.

What it means

If a judge looks at this contract and says, "this one clause is illegal" or "this part can't be enforced," the rest of the contract keeps living. Only the bad part gets cut out.

Example: Imagine a clause said, "Creator must work 24 hours a day" (obviously illegal). A judge would throw that out. But without this severability clause, the other side might argue, "the whole contract is ruined!" With this clause, the judge says "that part's gone, but everything else, like payment, rights, and distribution, stays."

13.5 Enurement.

This Agreement will enure to the benefit of and be binding on the Parties and their respective heirs, executors, administrators, and permitted successors and assigns.

What it means

This just ensures the deal survives normal transitions. If you pass away, your heirs inherit both the benefits (royalties) and obligations (confidentiality) of this agreement. If the publisher sells their company, the new owner steps in. Nothing unusual here.

13.6 Assignment.

Neither party may assign this Agreement without the other's written consent, except that Publisher may assign to an affiliated entity or in connection with a merger or sale of assets with notice to Creator, but without consent.

What it means

The general rule: Neither of you can sell this contract to anyone without first asking for permission. You're stuck together unless you both agree to the switch.

The exception (and it's a big one): Publisher can sell the contract without asking you for permission if:

- They're selling to a company they own or that owns them (an "affiliated entity"), or
- They sell their **whole** business, merge with another company, or sell off their assets.

They just have to tell you it happened.

13.7 Notices.

All notices shall be in writing and sent to the addresses on the first page.

What it means

If you need to send a formal notice, like "you breached the contract" or "we're terminating the deal," you can't just tweet at them or send a DM. You have to put it in writing and send it to the address listed at the beginning of the contract.

Pro tip: When you send something important, use certified mail or email with a read receipt so you can prove they got it. "Sent to the address" means nothing if you can't prove it arrived.

13.8 Independent Contractor.

The parties are independent contractors. Nothing in this Agreement creates a partnership, joint venture, or employment relationship.

What it means

You are not their employee. You are not their business partner. You are not in a joint venture with them. You are a separate person who agreed to let them do specific things with your comic.

What this means for you:

- They don't pay your taxes (you handle your own).
- They don't control your schedule (you work when you want).
- They don't owe you benefits (no health insurance, no vacation days).
- You're not responsible for their debts or screw-ups.
- They're not responsible for your other projects.

13.9 Headings.

Headings are for reference only and do not affect interpretation.

What it means

The little titles above each section, like "Grant of Rights" or "Ownership," are just there to help you find stuff. Headings are just labels. The real meaning is in the fine print. Always read what's underneath, not just what it's called.

PART II — MODULAR CLAUSE LIBRARY

These modules are optional add-ons. Each must be agreed to and initialed separately. They are not bundled into the core deal.

MODULE A — Exclusive Digital Window

A.1 Grant of Exclusivity

For a period of [12] months from the Effective Date (the "Exclusivity Period"), Creator agrees not to distribute the Work digitally through any other competing Publisher.

What it means

For up to a year, you promise to only have your comic on this Publisher. No posting it on other apps or your own website.

A.2 Increased Revenue Share

In consideration for exclusivity, Publisher shall pay Creator [Standard Share + 10%] of Gross Revenue, totaling [80–90]% to Creator.

What it means

Because you're giving them special treatment, they pay you more. Your cut goes up by 10%.

A.3 Marketing Commitment

Publisher commits to a minimum marketing spend of [\$12,000] or [50 million] promotional impressions during the Exclusivity Period, detailed in Exhibit A attached hereto.

What it means

They have to actually do something with your exclusive comic. Spend money on ads. Feature it on the homepage. If they don't, you shouldn't have to keep it exclusive.

A.4 Failure to Perform

If Publisher fails to meet the marketing commitment in Section A.3, the exclusivity obligation shall be immediately void, and Creator may distribute the Work elsewhere while retaining the increased revenue share.

What it means

If they don't hold up their end of the bargain (promoting your comic), you get the best of both worlds: you can publish it elsewhere and keep the higher revenue share.

IN WITNESS WHEREOF, the parties have executed this Module A by persons duly authorized as of the date of the last signature below.

[CREATOR NAME]

[PUBLISHER COMPANY NAME]

Name:

Name:

Title:

Title:

Date:

Date:

MODULE B — Print Rights

B.1 Separate License Required

This Module constitutes a separate license for print publication and must be signed in addition to the Core License.

What it means

Print is a whole different ballgame, so it gets its own special rules.

B.2 Limited Print Run

Publisher is authorized to produce no more than [5,000] print copies of the Work in [specified formats, e.g., softcover trade paperback].

What it means

They can only print a certain number. This prevents them from unlimited print runs that keep your rights tied down.

B.3 Reprint Trigger

If the initial print run sells out within [6] months, Publisher shall have the option to produce an additional print run of up to [5,000] copies on the same terms, with any additional runs requiring mutual agreement.

What it means

It rewards success. If your comic or manga blows up, they can quickly meet demand without delay. But the cap (5,000) and the "mutual agreement" for further runs mean you're not locked into endless printing without a say.

B.4 Creator Approval

Creator shall approve all print formats, covers, paper stock, and pricing prior to production. Such approval shall not be unreasonably withheld.

What it means

You get to see and say "okay" to what the physical book looks like. You don't want your beautiful art printed on cheap newsprint? You can say no.

B.5 Print Revenue Share

Creator shall receive [50]% of net receipts from print sales, with "net receipts" defined as revenue after returns and actual manufacturing costs only.

What it means

You get half of the money from book sales. They only get to subtract what it actually costs to print the books and any books that got returned unsold.

B.6 Reversion for Non-Execution

If Publisher fails to publish the print edition within [12] months of signing this Module, all print rights revert to Creator.

What it means

If they talk about doing a print book but never actually do it, you get the print rights back to take to someone else.

IN WITNESS WHEREOF, the parties have executed this Module B by persons duly authorized as of the date of the last signature below.

[CREATOR NAME]

[PUBLISHER COMPANY NAME]

Name:

Name:

Title:

Title:

Date:

Date:

MODULE C — Advance Module

C.1 Advance Payment

Publisher shall pay Creator a non-refundable advance of \$[50,000] against royalties due under this Agreement.

What it means

They pay you money upfront, before your comic earns a dime. It's a show of good faith and helps you pay rent while you create.

C.2 Recoupment

The advance shall be recouped solely from Creator's share of revenue generated by the Work. It shall not be recouped from any other work by Creator.

What it means

They get their advance back by keeping your share of the money until the advance is paid off. But they can only take it from this comic's earnings. If this comic flops, they don't get to take money from your other successful comic.

C.3 No Interest

No interest shall accrue on the advance.

What it means

It's not a loan. They don't get to charge you extra for the privilege of getting paid early.

C.4 Recoupment Waterfall

Revenue shall be applied as follows:

- (a) 100% of Creator's share to Publisher until advance is fully recouped;
- (b) Thereafter, standard revenue split per Section 3.2.

What it means

First, all your money goes to them until the advance is paid back. Then, once it's paid off, you start getting your normal percentage again. Simple.

C.5 No Repayment Upon Termination

If this Agreement terminates for any reason other than Creator's fraud, willful misconduct, or uncured material breach, Creator shall not be required to repay any portion of the advance. The advance is payment for work already delivered and shall be retained by Creator.

What it means

You keep the advance as long as you've completed the work and held your side of the contract. Even if the deal ends, or they walk away, or you walk away. The only exception is if you committed fraud (stole someone else's work) or did something deliberately illegal. Otherwise, that money is yours.

IN WITNESS WHEREOF, the parties have executed this Module C by persons duly authorized as of the date of the last signature below.

[CREATOR NAME]

[PUBLISHER COMPANY NAME]

Name:

Name:

Title:

Title:

Date:

Date:

MODULE D — Merchandising Rights

D.1 Separate Opt-In Required

Merchandising rights are not included in the Core License and require execution of this Module.

What it means

T-shirts, posters, action figures, mugs, and any other merchandise are not part of a digital comics deal. They have to ask separately and pay separately.

D.2 Minimum Royalty Floor

Creator shall receive no less than **[50]**% of net revenues from all merchandise sales.

What it means

You get at least half of the money from merch. This is a high floor—merchandising deals in traditional publishing can be much worse for creators.

D.3 Approval Rights

Creator shall approve all:

- (a) Merchandise designs and prototypes;
- (b) Manufacturing partners;
- (c) Third-party licensing arrangements;
- (d) Pricing and distribution channels.

What it means

You get to say yes or no to everything. The design of the t-shirt. The company making the toys. Who they license to. How much things cost. Your brand, your face, your approval.

D.4 Quarterly Reporting

Merchandise sales shall be reported quarterly, with itemized statements showing units sold, price, and deductions.

What it means

You get a report every 3 months specifically for merch, so you can see exactly what's selling.

IN WITNESS WHEREOF, the parties have executed this Module D by persons duly authorized as of the date of the last signature below.

[CREATOR NAME]

[PUBLISHER COMPANY NAME]

Name:

Name:

Title:

Title:

Date:

Date:

MODULE E — Adaptation / Media Option

E.1 Option Period

Publisher shall have an option to acquire adaptation rights (anime, film, television, streaming, etc.) for a period of [thirty-six (36)] months from the Effective Date (the "Option Period").

If, during the Option Period, Creator receives a bona fide written offer from a third party to acquire any adaptation rights, Creator shall provide written notice of such offer to Publisher, including all material terms. Publisher shall have thirty (30) days from receipt of such notice to elect to exercise its option on terms no less favorable than those offered by the third party. If Publisher fails to exercise its option within such 30-day period, the option shall terminate, and Creator shall be free to accept the third-party offer.

What it means

They have a ticket to jump to the front of the line if they want to make a movie or show. The ticket expires in 36 months. But if someone else shows up with a real offer during that time, they have 30 days to buy or get out of the way. No sitting on it forever.

E.2 Option Consideration

During the option period, Publisher shall pay Creator a non-refundable option fee of \$[25,000], which shall be applied against the purchase price if the option is exercised.

What it means

They pay you just to hold the option. If they actually make the anime, series, movie, etc., that money counts toward what they owe you for the rights. If they don't, you keep the money and still own the movie rights.

E.3 Option Extension

Publisher shall have the right to extend the Option Period for up to two (2) additional twelve-month periods (each, an "Extension Period") by providing written notice to Creator and paying an additional non-refundable extension fee of [\$10,000] prior to the expiration of the then-current Option Period. Each

extension fee shall be applied against the purchase price if the option is subsequently exercised.

If Publisher fails to timely pay any extension fee, the option shall immediately terminate, and all adaptation rights shall revert fully to Creator.

What it means

They can extend their ticket for another year by paying you \$10,000. They can do this twice. If they actually make the movie or show later, that money comes off the purchase price. If they never exercise, you keep all the fees and the rights come back. Miss a payment? Rights come back immediately.

E.4 Purchase Price and Revenue Share

If Publisher exercises the option, the purchase price for adaptation rights shall be \$[100,000] or [2]% of the production budget, whichever is greater, plus [5]% of net profits from the adaptation.

Net profits shall be calculated in accordance with industry-standard accounting principles, with a cap on distribution fees of [20%], no studio overhead or internal fees, and interest calculated at [prime + 1%]. Creator shall have the right to audit annually at Publisher's expense if underpayment exceeds 2%.

What it means

If they adapt your comic, they have to pay you. The price is either a flat fee OR a percentage of the adaptation cost (whichever is higher). Plus, you get a piece of the backend profits.

Let's break down those two parts:

- Part 1: The floor. You get at least \$100,000. If the production budget is huge, you get 2% of that budget instead. A \$50 million film pays you \$1 million. A \$10 million anime pays you \$200,000. You always get the larger amount.
- Part 2: The backend. You also get 5% of net profits, the money left after the film earns back its costs.

The protections added prevent the so-called "Hollywood accounting" of the net profits, ensuring you see some royalties.

E.5 Creator Consultation

Creator shall be entitled to a "consulting producer" or equivalent credit and shall be consulted on major creative decisions, including casting and key creative hires.

What it means

You get a say in how your story is adapted. They don't have to do everything you say, but they have to listen and talk to you about big choices.

E.6 Automatic Expiration

If the option is not exercised within the Option Period, all adaptation rights revert fully to Creator, and Publisher retains no further rights or "first look" privileges.

What it means

If they don't buy the rights in time, they're gone. No "we might get to it later" or "we get first dibs forever." The clock runs out.

IN WITNESS WHEREOF, the parties have executed this Module E by persons duly authorized as of the date of the last signature below.

[CREATOR NAME]

[PUBLISHER COMPANY NAME]

Name:

Name:

Title:

Title:

Date:

Date:

MODULE F — Translation & Territory Expansion

F.1 Separate Licenses Required

Each language edition and each additional territory requires a separate license under this Module.

What it means

French rights are one deal. German rights are another. They don't get the whole world in one bundle unless you agree to it separately.

F.2 Revenue Definitions

Revenue for each language/territory shall be calculated and reported separately. Revenue share splits defined in section 3.2 apply.

What it means

Money from France stays in the French column. Money from Germany stays in the German column. No mixing.

F.3 Reversion for Non-Exploitation

If Publisher fails to publish a translation or launch in a licensed territory within **[3]** months, those specific rights revert to Creator.

What it means

If they buy the French rights but never actually put the comic out in French, you get the French rights back to find someone who will.

(Signature page follows)

IN WITNESS WHEREOF, the parties have executed this Module F by persons duly authorized as of the date of the last signature below.

[CREATOR NAME]

[PUBLISHER COMPANY NAME]

Name:

Name:

Title:

Title:

Date:

Date:

MODULE G — Studio Tier (Funding / Incubation)

G.1 Applicability

This Module applies when the Publisher provides funding for production of the Work or commits significant marketing expenditures (exceeding \$[50,000]).

What it means

This is the "big leagues" module. If they're putting real money into making your comic or promoting it heavily, different rules kick in.

G.2 Extended Exclusivity

In consideration of funding, Publisher may require an extended exclusivity period not to exceed [5] years.

What it means

They might ask for a longer exclusive window because they're investing real money. But there's a hard cap: 5 years max.

G.3 Modified Revenue Split

During the recoupment period, revenue may be split [50/50] or as negotiated in Exhibit B. Following recoupment, the split shall revert to the Creator-favorable split in Section 3.2 [70/30 or 80/20].

What it means

While they're earning back their investment, the money might be split evenly. Once they've recouped their money, your cut goes back to the normal high percentage. They take the risk early; you reap the rewards later.

G.4 Defined Recoupment Waterfall

Recoupment shall follow this order:

- (a) Publisher recoups production/marketing costs;
- (b) Publisher recoups any advance;
- (c) Standard revenue split applies thereafter.

What it means

There's a clear order for who gets paid back first: production costs, then any advance they gave you, then you start splitting normally. It's transparent.

G.5 IP Ownership

Notwithstanding any funding provided, Creator retains 100% ownership of all intellectual property rights in the Work.

What it means

Even if they pay for everything: the art, the marketing, etc., you still own your comic. This is the line that never gets crossed.

IN WITNESS WHEREOF, the parties have executed this Module G by persons duly authorized as of the date of the last signature below.

[CREATOR NAME]

[PUBLISHER COMPANY NAME]

Name:

Name:

Title:

Title:

Date:

Date:

PART III — EXHIBITS

EXHIBIT A: MARKETING COMMITMENT

Referenced in Section A.3 (Marketing Commitment) of Module A

This Exhibit forms part of the Agreement between Creator and Publisher. All fields must be completed and initialed by both parties.

A.1 Minimum Marketing Guarantee

During the Exclusivity Period defined in Module A, Publisher commits to the following minimum marketing activities:

Marketing Activity	Minimum Quantity	Timing / Schedule
Homepage Feature (Premium Position)	[7] days	Within first [30] days of launch
Platform Newsletter Inclusion	[2] sends	[Month 1 and Month 2]
Dedicated Social Media Posts (Platform's official accounts)	[6] posts	Across [Twitter/Instagram/TikTok/Facebook]
Paid Advertising Spend	[\$[12,000]]	To be spent within first [90] days
Promotional Impressions	[50,000,000]	To be delivered within first [120] days
Cross-Promotion to Similar Titles	Throughout Exclusivity Period	Via recommendation algorithm
Creator Interview / Spotlight Feature	[1]	To be published within [60] days
Banner/Ad Placement on Platform Homepage	[14] days	Rotating placement

A.2 Definitions

Term	Definition
Paid Advertising Spend	Actual payments made to third-party platforms (Google, Facebook, TikTok, Instagram, etc.) for targeted advertising of the Work. Receipts shall be provided. Does not include internal labor, "swag," or promotional credits.
Promotional Impressions	The total number of times the Work or its marketing materials are displayed to users across all platforms (including social media, newsletters, banners, and paid ads), as measured by standard industry analytics tools (Google Analytics, Facebook Ad Manager, platform internal dashboards). Screenshots and reports shall be provided.
Homepage Feature	Placement in the top [3] positions on the platform's main landing page for desktop and mobile, visible to all visitors without scrolling.
Cross-Promotion	Direct recommendation of the Work to readers of similar titles via algorithm placement, email marketing, or push notification.

A.3 Reporting

Publisher shall provide Creator with a monthly marketing report within [15] days after each month's end, including:

- Screenshots or screen captures of all homepage features and banner placements
- Copies of all newsletter sends (with open rates and click-through rates)
- Social media post links (with impressions, engagement and reach metrics)
- Advertising spend receipts and platform dashboards
- Impressions reports from all channels (paid and organic)
- Reports demonstrating progress toward the [50,000,000] impressions target

A.4 Failure to Perform

If Publisher fails to meet any two of the following within the specified timeframes, the exclusivity obligation in Module A shall become void immediately:

Failure Condition	Consequence
Failure to spend \$[12,000] on paid advertising within [90] days	Exclusivity terminates immediately
Failure to deliver [50,000,000] impressions within [120] days	Exclusivity terminates immediately
Failure to provide monthly reports for two consecutive months	Exclusivity terminates immediately

Upon such termination, Creator may distribute the Work on other platforms while retaining the increased revenue share outlined in Module A.2. All other terms of this Agreement remain in full force.

A.5 Good Faith Efforts

Publisher agrees to use good faith efforts to maximize the effectiveness of the marketing spend and impressions, including:

- Targeting advertising to audiences likely to enjoy the Work;
- A/B testing creative materials to optimize performance;
- Consulting with Creator on key marketing messages and imagery;
- Providing Creator with [7] days' advance notice of major marketing campaigns.

A.6 Amendments

Any amendments to this Exhibit A must be in writing and signed by both parties.

IN WITNESS WHEREOF, the parties have executed this Exhibit A by persons duly authorized as of the date of the last signature below.

[CREATOR NAME]

[PUBLISHER COMPANY NAME]

Name:

Name:

Title:

Title:

Date:

Date:

EXHIBIT B: STUDIO TIER REVENUE SPLIT & RECOUPMENT

Referenced in Section G.3 (Modified Revenue Split) of Module G

This Exhibit forms part of the Agreement between Creator and Publisher. All fields must be completed and initialed by both parties.

B.1 Recoupable Costs

The following costs shall be eligible for recoupment from revenue generated by the Work. No other costs shall be deducted.

Cost Category	Eligible for Recoupment?	Cap (if any)
Direct Production Funding (art, writing, lettering, coloring)	Yes	[\$]
Third-Party Services (editing, translation)	Yes	[\$]
Marketing and Advertising Spend (third-party payments only)	Yes	[\$]
Advances Paid to Creator	Yes	[\$]
Platform Development Costs	No	N/A
General Overhead	No	N/A
Staff Salaries	No	N/A
Office Rent / Utilities	No	N/A

B.2 Revenue Split During Recoupment

B.2.1 During Recoupment Split.

During the period in which Publisher is recouping the costs identified in Section B.1 (the "Recoupment Period"), revenue generated by the Work shall be allocated as follows:

Revenue Source	Creator Share	Publisher Share
Digital Sales (per unit)	[50]%	[50]%
Subscription Revenue (attributable share)	[50]%	[50]%
Advertising Revenue	[50]%	[50]%
Tipping / Fan Support	[100]%	[0]%
Print Sales	[50]%	[50]%
Merchandise Sales	[50]%	[50]%
Translation / Territory Sales	[50]%	[50]%

B.2.2 Applicability of Other Modules.

The revenue sources listed above are subject to the execution of the corresponding Modules:

- Print Sales require execution of Module B (Print Rights);
- Merchandise Sales require execution of Module D (Merchandising Rights);
- Translation / Territory Sales require execution of Module F (Translation & Territory Expansion).

B.2.3 Superseding Effect During Recoupment.

Notwithstanding any revenue split provisions in the Modules referenced in Section B.2.2, during the Recoupment Period the splits set forth in the table above shall supersede and control. Upon completion of recoupment, the revenue splits in the applicable Modules shall revert to full force and effect.

B.3 Post-Recoupment Revenue Split

Once all recoupable costs identified in Section B.1 have been fully recovered by Publisher (the "Post-Recoupment Period"), revenue generated by the Work shall be allocated as follows:

Revenue Source	Creator Share	Publisher Share
Digital Sales (per unit)	[70-80]%	[20-30]%
Subscription Revenue (attributable share)	[70-80]%	[20-30]%
Advertising Revenue	[70-80]%	[20-30]%
Tipping / Fan Support	[100]%	[0]%
Print Sales	[50]%	[50]%
Merchandise Sales	[50]%	[50]%
Translation / Territory Sales	[70-80]%	[20-30]%

B.3.1 Relationship to Module Baselines.

The Post-Recoupment Period splits set forth above reflect the baseline revenue splits provided in:

- Section 3.2 (Core License) for Digital, Subscription, and Advertising revenue;
- Module B (Print Rights) for Print Sales;
- Module D (Merchandising Rights) for Merchandise Sales;
- Module F (Translation & Territory Expansion) for Translation Sales.

B.3.2 No Reduction Below Baselines.

Notwithstanding any provision to the contrary, following recoupment, Creator's share shall not be reduced below the minimum percentages set forth in the applicable Modules or Core License.

B.4 Recoupment Accounting Waterfall

Revenue shall be applied in the following order:

Step	Allocation
1	Platform Fee per Section 3.2 [20–30%] retained by Publisher
2	Creator's share per Section B.2 applied to recoupable costs until fully recouped
3	Thereafter, Creator's share per Section B.3 paid directly to Creator

B.5 Recoupment Reporting

Publisher shall provide quarterly recoupment statements showing:

Reporting Period	Gross Revenue	Platform Fee	Creator Share Applied to Recoupment	Remaining Recoupment Balance
Q1 [Year]	\$[]	\$[]	\$[]	\$[]
Q2 [Year]	\$[]	\$[]	\$[]	\$[]
Q3 [Year]	\$[]	\$[]	\$[]	\$[]
Q4 [Year]	\$[]	\$[]	\$[]	\$[]

B.6 Recoupment Completion Notice

Within thirty (30) days of full recoupment, Publisher shall provide Creator with written notice that the recoupment balance has been satisfied, along with a final accounting. Thereafter, the post-recoupment revenue split in Section B.3 shall apply.

B.7 Audit Rights

Creator shall have the right to audit Publisher's recoupment records annually. If an audit reveals an underpayment of 2% or more, Publisher shall pay the cost of the audit in addition to all amounts due.

B.8 No Cross-Collateralization

Costs recouped under this Exhibit shall be recouped solely from revenue generated by the Work. Publisher may not apply revenue from other works by Creator or any other creator toward recoupment of costs associated with this Work.

(Signature page follows)

IN WITNESS WHEREOF, the parties have executed this Exhibit B by persons duly authorized as of the date of the last signature below.

[CREATOR NAME]

[PUBLISHER COMPANY NAME]

Name:

Name:

Title:

Title:

Date:

Date:

PART IV — GENERAL APPENDICES

Appendix 1 — Tiered Structures

For quick reference, here's how these modules typically bundle into creator tiers.

Feature	 Indie Tier	 Growth Tier	 Studio Tier
Exclusivity	Non-exclusive	Optional (Module A)	Required (Module G)
Revenue Split	70-80% Creator	80-90% Creator	50/50 until recoup, then 70%
Advance	None	Optional (Module C)	Required (Module G)
Marketing	Publisher standard	Guaranteed minimum (Module A)	Major funded campaign (Module G)
Print Rights	Module B	Module B	Module B
Merchandising	Module D	Module D	Module D
Adaptation	Module E	Module E	Module E
Term	2 years	2 years + exclusivity window	Up to 5 years of exclusivity
Recoupment	N/A	N/A	Defined waterfall (Module G)

Appendix 2 — Demand in Printed Media

What drives numbers on printed media.

Factor	Impact
Title followers	100K+ followers → 5,000–10,000 print run (5% to 10%)
Kickstarter pre-orders	Direct indicator of demand
Retail placement	Barnes & Noble orders need 3,000+ to justify
Format	Hardcover = smaller run; Paperback = larger
Price Point	Higher price = smaller run

Appendix 3 — Fairness When Negotiating an Advance

What a “fair” advance means in different contexts.

Creator Profile	Fair Advance Range	Why it’s fair
First-time creator, unknown	\$25,000–\$40,000	Publisher takes risk on unproven name
Established following (50K+)	\$50,000–\$75,000	Audience de-risks the investment
Proven track record	\$75,000–\$100,000+	Previous sales demonstrate demand
Viral title / built-in audience	\$100,000+	Publisher is buying existing fans

Appendix 4 — Exclusivity Periods by Investment Level

How the amount of funding skews the exclusivity period that should be given to the publisher.

Investment Level	Typical Exclusivity
No funding (standard license)	Non-exclusive
Small advance (<\$25K)	1–2 years
Mid-range funding (\$25K–\$75K)	2–3 years
Major funding (\$75K–\$150K)	3–5 years
Full studio production (\$150K+)	5–7 years

PART V — COMMON RED FLAGS

Look out for these “gems” in contracts.

- If you see "perpetual," "now known or unknown," or "assigns" (instead of "licenses"), do not sign. These three words mean you lose your work forever, lose future technology rights, and lose control over who owns your contract, respectively. **Hard pass.**
- If a contract calls itself a "co-production" but gives the publisher control over everything, it's not a partnership. It's employment without benefits.
- "Approved by Platform" without an "unreasonably withheld" qualifier. If they alone decide whether your fix is good enough, they can terminate you on a whim.
- Automatic renewal can sometimes be triggered by publisher actions. If they can extend the contract without your consent by simply exploiting the rights they already took, you may never escape.
 - Does this mean you should never sign a contract with automatic renewal? No, but you need to know who pulls the trigger.
 - The following is an example of a safe automatic renewal clause:
"This agreement shall renew for additional one-year periods unless either party provides notice of non-renewal 30 days prior to renewal."
 - What it means: Either party (you or the publisher) has to actively say "stop," or it keeps going, and this still puts you in control. If you want out, you give notice.
- "Surviving Provisions" that include a rights grant. If the rights don't revert upon termination, you haven't actually terminated anything.
- The 50/50 trap: If a contract offers you "joint ownership" but gives the publisher or platform exclusive control over all decisions, you own a percentage of a prison. True co-ownership means that both parties can exploit the work without the other's permission. If they take exclusive rights for themselves, you own nothing.
- "Mutual agreement... but Publisher decides." This is not mutual. This is them telling you what's happening.
- Commonly known as “The Hollywood Accounting Trap”: If "Profits" are defined as "revenue minus all costs and expenses" without a specific, capped list of deductible expenses, you will never be paid. Insist on a clear definition of Gross Revenue and a fixed percentage split of that Gross Revenue, not "Profits."