

Getting Paid: A Practical Guide to Invoicing and Collecting Unpaid Fees

About This Guide

A problem familiar to most artists is not getting paid for work completed. Whether the result of a client who has gone silent following delivery of a final product, or a venue that promised a fee that never materialized, unpaid invoices are, at some point or another, a near-universal experience in the creative industries.

This Guide sets out what artists should understand about invoicing, communicating around overdue accounts, and pursuing unpaid fees through both informal and formal means. It is intended to help you understand the options that may be open to you, and to give you a realistic sense of what each one is likely to require in time, cost, and effort.

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Before You Start!

If you are owed money under a contract (whether the contract was in writing or not), your rights to start a legal proceeding to enforce the payment will likely be subject to limits under the local laws that apply to the contract or under the wording of the contract itself. For example, if your contract is enforceable under Ontario law, you generally have up to two years from the date the debt became due to start a court action in Ontario (under the [Limitations Act, 2002](#)). This means you must actually file a claim in the applicable court by the deadline date. That window (called a “limitation period”) can pass faster than you think, especially if you are focused on efforts to collect and hope that the client will come through with payment. Track the date the payment was due and don’t let polite chasing run out the clock to file a court action if you need to. The longer any debt remains unpaid the less likely it is to ever get paid.

Note that the general limitation period can be longer or shorter than this general rule. Among the many reasons that can change this limitation period the most common is that the parties may have agreed in the contract itself to use a shorter limitation period. So, start with checking the wording of your contract on this point. Is there any wording used in the contract which specifies what court or law applies, or which limits the deadline for starting a court action or giving formal notice of a debt due under the contract? There are also some types of claims that are not based on breach of contract alone and may have a different limitation period. For example, claims that arise under the *Copyright Act* are generally subject to a three-year limitation period. You may need to get advice from a legal professional early on if you have any questions about these points.

Part 1: Set Yourself Up Before There's a Problem

Many payment problems can be avoided, or at least made much easier to deal with, by taking a few important steps at the outset. In practice, the most important steps that can ensure you are paid on time is to set out the terms of the agreed arrangement between the parties in writing.

Always Have Something in Writing

A written and signed contract is ideal, but if a full contract isn’t practical for the project, even a short email exchange confirming key facts and terms of agreement can go a long way to ensuring you are paid appropriately and on time for your work. At minimum, your written record should include:

- The names and contact information of both parties
- A clear description of the work or service you will provide
- The total fee, broken down by deliverables or milestones (if relevant)
- The payment schedule (initial deposit, milestone payments, final payment)
- The due date(s) for payment, ideally tied to specific events (e.g., “net 15 days from invoice date” or “10 business days from the day I notify you that the work is completed”)
- Who owns the work and what the client is allowed to do with it
- What happens if the client cancels, delays, or fails to pay

- Your moral rights as an author (if applicable), including credit to you for the work

As covered elsewhere in this database, contracts can be formed verbally (i.e. orally), but verbal agreements can be difficult to enforce when something goes wrong. If there is one practice worth adopting from this guide, it is this: record the basic terms of your agreement in writing, in every case.

Use Deposits and Milestone Payments

For any meaningful project, ask for a deposit before you begin work. Once you determine the estimated overall fee for the project, you can use that overall number to calculate your payment structure. A common structure is one-third of the overall fee on signing, one-third at a defined midpoint, and one-third on delivery of the finished work or end of the service for the project, but the exact split can vary by industry, project size, and the out-of-pocket expenses included in any project. You should always make sure you are at least covered for your out-of-pocket costs before you incur them or put in the contract that the client pays for these directly and in advance (e.g., materials and supplies). A deposit serves two purposes: (1) it is evidence that the client is committed to the arrangement, and (2) it reduces the amount you stand to lose if the project does not proceed as planned.

For longer projects, milestone payments tied to deliverables (e.g., a first draft, a rough cut, a sketch approval) keep the client invested in the project and keep your cash flow steady. Avoid agreements that allow the client to pay the entire fee only upon final delivery, especially with new clients.

Keep Deliverables Simple and Objective

In the creative industries, a common area of dispute is whether the terms of a contract concerning a deliverable were indeed met. A client may say that the work delivered did not meet the specifications or requirements of the contract and argue that they should not be required to pay you for the work. Therefore, when negotiating a contract, it is a good idea to keep the deliverables as specific and as objective as you can. For example, a work of visual art can be described by its dimensions and the materials to be used in creating it. More difficult are working out written descriptions of content or quality. If there is a client-approved sketch for a final work, then the sketch could be specified as the subject matter for the final version of the work.

Most clients will want wide latitude to judge the completed work, perhaps as wide as wording like “final payment will be made upon the Client’s receipt and approval of the completed Work.” As an artist, you will want to narrow the specifications as much as you can and limit the conditions for any payment. For example, “final payment will be made upon delivery of the completed Work to Client meeting written specifications of this contract as to dimensions, media and subject.” There is often give and take in negotiations to find mutually agreed wording for a contract that protects the client’s interest as a buyer to receive what they reasonably expect to buy while also protecting the artist’s interest as a seller to be paid for their work without relying on the client’s own subjective judgement of the artistic merit of the artist’s work product.

Build Late Fees and Interest into the Terms of the Contract

Your written terms should specify what happens if the client pays late. A typical clause might read:

Invoices not paid within 30 days are subject to interest at 2% per month (24% per year) on the outstanding balance.

Without a specific contractual rate, your ability to recover interest is limited to the rates set out in the *Courts of Justice Act* and only if you specifically claim interest in a court action and if you succeed in obtaining a judgement allowing you to charge interest that is not in the contract. This court-ordered interest is set by regulation periodically, but it is generally very modest. A clear contractual interest rate gives you better leverage by setting out a typically higher interest rate that then applies to all late payments, increasing the debt you can sue for the longer payment is delayed. It also signals that you (and the client) take payment seriously.

Working Note

Sections 127 to 130 of the *Courts of Justice Act* address prejudgment interest and postjudgment interest rates that you may claim if you try to enforce your rights under an agreement through the courts. Prejudgment interest, set out in section 128 of the *Courts of Justice Act*, is the interest calculated from the date of the breach (likely the date the payment became due but was not paid), to the date the court issues an order. Postjudgment interest, set out in section 129 of the *Courts of Justice Act*, is the interest that accrues from the date the court issues its order to the date the money is paid.

The Government of Ontario posts Tables of Prejudgment and Postjudgment Interest Rates [here](#).

In Ontario, courts have found that where a contract did not include terms permitting a party to charge interest on payments, a party cannot impose interest on those late payments unilaterally or by including an interest fee in an invoice. Even so, courts may award prejudgment interest under section 128(1) of the *Courts of Justice Act* even where it is not included in the contract.

Section 4 of the Canadian *Interest Act* states that in order to collect more than 5% interest per year, the contract must include a statement of the **yearly** rate or percentage of interest to which any other rate or percentage is equivalent. This is why the interest clause example provided above includes

Don't Agree to Give Up Rights or Property Until You Get Paid in Full

Clients tend to prefer contracts that give them rights in what they are buying from you (whether it is ownership or a license to the final deliverables) immediately upon any part of payment. Your best interest is to press for written terms that do not grant any rights until you are paid in full. For example, it makes a huge difference to simply add a phrase like “subject to the payment of the Fee to the Artist in full” either before or after a typical grant of rights phrase like “Artist grants the Rights to the Work to the Client.” Just that simple additional wording means that it was agreed you were to be paid in full before the client receives “Rights” under the contract, however those Rights may be defined in the contract.

Know Who You're Contracting With

Before you start work, find out the client's legal name and business structure. Are you dealing with an individual? A sole proprietorship? A registered corporation? This matters for two reasons. First, you need to know whose name to put on the contract and the invoice(s) to be issued under the contract. Second, if you ever need to sue for non-payment, you need to sue the correct legal entity. Suing "Jane Smith" when the contract was actually with "Jane Smith Productions Inc." can have negative implications for your case down the road.

For corporations, you can search the [Ontario Business Registry](#) database or the federal [Corporations Canada](#) database to confirm the legal name and that the company is in good standing. If the company has been dissolved or is bankrupt, your options to collect an overdue debt will be limited, and you will certainly want to address this before continuing the project.

Keep Your Accounts Receivable in Perspective

All businesses, whether in the creative industries or not, will have accounts receivable (i.e., invoices they issue) that they cannot collect (often called "bad debts"). It is important to be clear-eyed about bad debt risk. Many people simply assume that if they are not paid for their work, the court system will help them collect the payments they are owed. While this is certainly always open to you, it is not a substitute for caution and good business practice. The courts can take a very long time to come to a final judgement, the court process is expensive, it will require you to spend new money to chase a bad debt, few cases are sure things and you do not know how your claim will be contested and whether you will succeed, and even if you succeed you do not know if the client has the assets to satisfy any court judgement. Common sense avoidance of bad debt risk remains the best strategy for business success. If despite your best efforts you persistently find yourself with unmanageable bad debts, obtaining business advice on other ways you can manage credit risk may also be helpful.

Part 2: Invoice Properly

A clear, professional invoice is your first line of defence against non-payment. It also serves as evidence later if you need to escalate to a more formal process for collecting payment, including through court. A proper invoice should include:

- A unique invoice number (e.g., 2026-014)
- The date the invoice was issued
- Your full legal or business name and contact information
- The client's full legal name and contact information
- A description of the services or goods provided, with dates
- The amount owing, with a clear subtotal, taxes, and total
- Your HST/GST registration number, if you're registered (required by CRA if you charge HST)

- The payment due date and accepted payment methods
- A reference to your contract or agreement, if relevant
- Your late-fee or interest terms

Send invoices promptly. Ideally, you should send your invoice(s) on the same day work is completed or the milestone is hit. Delays on your end give the client an excuse to delay on their end. Keep copies of every invoice you send, along with proof of when you sent it (an emailed PDF with a timestamp is usually fine but check your contract wording to make sure that any specific notice requirements of the contract are also met).

HST/GST Reminder

If your gross revenue from self-employment exceeds \$30,000 in any four consecutive calendar quarters, you are generally required to register for and charge HST. Check your status periodically. Failing to register when required can create a tax liability you'll have to pay personally.

For more information about HST/GST Registration requirements, see the following resources from the Government of Canada:

- [When to Register for and Start Charging the GST/HST \(June 2026\)](#)
- [GST/HST Memorandum 2-2: Small Suppliers \(June 2026\)](#)
- *Excise Tax Act*, RSC, 1985, c. E-15, ss. [148](#), [240](#).

Part 3: When Payment Is Late

Most overdue invoices are not the result of bad faith. They're the result of disorganization, cash-flow problems on the client's end, or invoices getting buried in someone's inbox. A clear, professional escalation process can resolve most late payments without further action. Establish standardized email templates for each stage of the escalation process and implement them as part of an automatic and consistent collection routine. Delaying action until you individually assess each client's invoice or circumstances increases the risk of avoidable delays. Sticking to a schedule also reduces the likelihood that clients will interpret enforcement measures as your personal judgment about their financial situation, rather than as an ordinary and impartial business process.

The suggested timelines in the following steps are a guide only. What is a reasonable delay following the due date before sending a reminder or demand letter depends on each contract. On the one hand, you want to provide a reasonable time for a client to pay. On the other hand, if your invoice already allows 30 days to pay, once it is past due there is no need to delay much more. You also want to be sure that if you have additional obligations to provide more services or deliverables under the contract, the delays in following up a past due payment do not mean that you add significantly more work which may add to the client's unpaid debt to you, so in that case your delays to allow payment should be much shorter.

Step 1: The Friendly Reminder

Once the payment is a few weeks past due, it is a good idea to send a polite email or make a phone call referencing the invoice number and due date. If you send an email, you can attach a copy of the original invoice. Assume good faith. Something like:

“Hi [Name], I am following up on Invoice [number], which was issued on [date] and for which payment was due on [date]. I’ve attached a copy for your reference. Could you let me know when I can expect payment? Happy to answer any questions.”

Many invoices are paid within a few days of this kind of nudge.

Step 2: The Firmer Follow-Up

If you haven’t heard back within roughly a week or two from the time you send your friendly reminder, consider sending a more direct message. State the amount overdue, reference your contract or terms, mention any interest or late fees that have accrued, and ask for a specific response by a specific date. Keep it professional — these messages may end up as evidence in a court action if you escalate further. Consider:

“Hi [Name],

I am following up again on Invoice [number], issued on [date], and for which payment was due on [date]. I have attached for your reference a copy of the invoice, as well as a copy of our original written agreement. According to the terms of that agreement, [set out the specific timeline agreed upon in which you should have been paid].

Please let me know when I can expect payment by no later than [date that is seven to ten business days from the time you send the firmer follow-up].

Kind regards,

[Sender’s name]

Step 3: The Demand Letter

If a payment is more than 60 days past due, you should consider sending a demand letter. A demand letter is a formal written communication where you identify your problem or dispute (in this case, that you are owed an outstanding payment), state your proposed solution and what you expect the recipient of the letter to do. You may choose to draft a demand letter yourself, or you can have a lawyer or paralegal draft and send a demand letter on your behalf. A demand letter will generally:

- Be clear about who you are and who the recipient is;
- Set out the terms of any agreement between you and the recipient, whether oral or written;
- Be specific about the amount owed, the basis for the debt, and any interest or fees;
- Include a specific deadline for payment (commonly one or two weeks from the time you send the letter);

- Specify what you will do if payment is not made (e.g., start legal proceedings in court)
- Be calm and professional in tone (do not assume any bad faith)

Send the demand letter by registered mail or courier so you have proof of delivery. Keep copies of everything, including the proof of delivery, as these will be required as evidence in any court action. Here again be careful that any specific requirement of the contract to give notice is also met. Check the exact language used in the contract, if any, concerning who must receive such a notice of breach of the contract and how it is to be sent. For example, if the contract requires delivery by email, then you should also add delivery of a copy by email to comply with your contract. Be sure you do not do less than exactly as the contract requires but also make sure that at least one of the methods you use for delivery allows you to also receive proof of delivery (e.g., registered mail or courier), since these are the preferred ways to evidence that a demand was actually delivered if you later proceed to court action.

For more information on demand letters, see the ALAS resource Demand Letter Template.

When to Bring in a Legal Professional

For larger debts, a demand letter on a legal professional's letterhead can be worth the cost. Some lawyers will send a demand letter for a flat fee. Even a single letter from a legal professional can move a long-stalled file. For smaller debts, the cost of professional legal help may exceed what you're likely to recover, and self-help options like sending your own letter and then navigating Small Claims Court on your own, with the limited retainer of a lawyer or paralegal, or with the assistance of pro bono counsel through [Pro Bono Ontario](#) may make more sense financially (see below).

Part 4: Other Formal Options for Recovering Unpaid Fees

If informal collection efforts fail, you have several formal options. Each has trade-offs in cost, time, and the kinds of claims it can handle.

Start by checking the exact terms of your contract concerning the formalities in the event of a breach of the contract, if any. Some contracts stipulate that the parties have agreed to use alternative dispute resolution (e.g., mediation or arbitration) before they can proceed to court or instead of court action. Some contracts also stipulate that the contract is governed by the laws of a particular place or legal jurisdiction (e.g., Ontario) or the parties agree that a particular court must hear any dispute. Not all contracts have such clauses. Those that do may not always be clear on this point. If you think there are any questions here, you should get legal advice before you set upon any particular formal course of action rather than start and find you are not in the right court or have made incorrect assumptions about what you can or cannot formally do. Contractual restrictions are not always intuitive, so do not jump to conclusions without legal advice. For example, contractual stipulations about the applicable law of contract (e.g., New York law) do not necessarily prevent you from starting an action in an Ontario court if Ontario law allows it and the contract does not stipulate the use of a New York court.

Small Claims Court

Ontario's Small Claims Court hears claims up to [\\$50,000](#). It is the most common venue for artists pursuing unpaid fees, and it is designed to be navigable without a lawyer. The Government of Ontario has published a helpful [Guide to Procedures in Small Claims Court](#) and the Ontario Superior Court of Justice has also published a page with helpful links for resources about [Starting and Responding to a Case](#). [Filing fees](#) are modest (a few hundred dollars depending on the claim amount), procedures are simplified, and most matters are resolved on a shorter timeline.

Small Claims Court is well-suited to claims for unpaid invoices, breach of straightforward contracts, and damages for failure to deliver paid-for goods or services. Although you can bring a claim for copyright infringement to the Small Claims Court, it is less suited for complex disputes where you are claiming something other than monetary compensation less than \$50,000. For example, the Ontario Small Claims Court cannot award an injunction (where the court orders someone to do something, or stop doing something, such as an order to stop infringing your copyright). Disputes seeking those kinds of remedies typically go to the Superior Court.

If you win, a court issues a judgment in your favour. Importantly, a judgment is not the same as actually getting paid. You may still need to enforce the judgment if a party does not, or refuses to, pay the amount the court ordered.

It is important to be realistic about whether you can handle a court action on your own. Some artists are very comfortable with the clerical and time-sensitive demands of following the court process under court rules (the Small Claims Court rules are simplified, but they still are rules to be followed). Other artists find the process well outside their comfort zone. If you are up for the challenge of representing yourself, it can be done with some self-education using online resources perhaps supplemented by occasional and limited scope advice from private paid lawyers or paralegals. Check with your lawyer or paralegal about limited scope retainers where they may agree to answer specific questions as requested by you, but they do not take on formal representation of your case before the court. Some legal professionals will accept such limited scope retainers, but others prefer not to do this kind of work.

You might also qualify for support from the pro bono lawyers who provide pro bono summary legal advice over the telephone related to the court process through [Pro Bono Ontario](#). Please note that ALAS does **not** provide advice or representation concerning litigation (i.e., any part of the court process from filing a claim, responding to a claim, or advising on any appearances before the court or filings with the court).

Superior Court of Justice

For claims over \$50,000, or for more complex disputes that involve more than money (such as an injunction to stop someone from using your work), you'll generally need to go to the Superior Court. This is more expensive, slower, and more difficult to navigate without the help of a lawyer. The [Simplified Procedure](#) rules apply to most claims up to \$200,000 and are somewhat streamlined, but it is still a serious commitment.

Alternative Dispute Resolution

Mediation and arbitration can be faster and more flexible than going through a court process. The difficulty is that you and the person you are entering into a contract with must generally agree to use mediation or arbitration instead of a court action. If you have not included a term about going through arbitration or mediation in your contract at the outset, it is less likely that you will then be able to mutually agree to use a mediator or arbitrator once a dispute arises. Even so, sometimes it is in the interests of both parties to consider some form of alternative dispute resolution process.

Mediation is especially worth considering when you want to preserve a working relationship with a recurring client, a venue you want to keep performing at, or a collaborator you may want to work with again. Many disputes that look like pure payment problems are actually about underlying misunderstandings that can be resolved through the kind of guided conversation you can have at a mediation. Another consideration is that a mutually agreed mediation or arbitration can be private and confidential, whereas a court action is publicly reported and open to public scrutiny as a matter of law. Even if there is no public court judgment, documents filed in a court proceeding are available to the public. Sometimes both parties prefer to have a matter judged out of the public light.

Depending on where you bring a claim, you may have to engage in mediation even if you wish to proceed all the way through the court (or litigation) process. For example, if you bring a claim to the Superior Court in Toronto, Ottawa or the County of Essex (including Windsor), you will have to engage in court-managed mandatory mediation via the [Ontario Mandatory Mediation Program](#) before a dispute that then remains unresolved can be heard in a formal trial. This has been added to the court process to leave the process open to settlement by the parties short of a full trial. Parties can also voluntarily opt to engage in mediation at any time in the process, even where not required. If there is good faith and the parties are willing to engage in pretrial mediation, mediation has a good track record, and many claims are settled at mediation before the action proceeds to trial.

Construction Liens (For Certain Public Art and Mural Work)

Artists creating murals, public art, or architectural works that are attached to land or buildings may have additional rights through a construction lien under Ontario's *Construction Act*. A construction lien is a form of legal claim for payment where you have improved a real property (i.e., real estate) by providing materials or services. A construction lien can attach to the real property registered title where the work was performed, giving you a powerful security interest to secure payment of your outstanding account.

Although this is a very meaningful remedy, construction liens are legally complex and the deadlines to file a construction lien under the *Construction Act* are strict and short. Because of their complexity and the short deadlines to file, if you think a construction lien might apply to your situation, it is a good idea to get advice from a legal professional as soon as possible. Remember that under the *Construction Act*, a claim for lien must be registered in title (or filed, if the lien is against a government body) within 60 days after the labour or materials were last supplied by you to the project.

Collection Agencies

Under some circumstances, you may wish to use the services of a collection agency to pursue unpaid debts, though using the services of a collection agency is not a widespread practice in the Ontario arts community. A collection agency will pursue a debt on your behalf in return for a percentage of whatever it recovers. Such an agency tends to be of most use where the debt is clear and undisputed and the debtor is simply not paying. It is of much less use where there is a genuine dispute about whether the work was satisfactorily completed, since collection agencies generally prefer not to go through a trial process to resolve such disputes.

Part 5: Special Situations

The Client Says the Work Isn't Good Enough

Where a client refuses to pay because they are dissatisfied with the work, the question becomes more difficult. The refusal may reflect a genuine concern about quality, an attempt to renegotiate the fee, or simply an effort to avoid paying for work already done. Look carefully at what the contract provides about revisions, about acceptance, and about the standard the work was required to meet. If the client approved earlier milestones without objection that will assist your position. Keep a record throughout as you work with the client, including what was sent for client approval, what client approvals were given at each stage, what revisions were requested by the client (if revisions were allowed under the contract), who provided the approvals, etc.

The Client Has Disappeared or Gone Bankrupt

If you can't locate the client, you may need to do some investigating before you can sue them. If you're dealing with a corporation that has gone bankrupt, you become an unsecured creditor (unless you have made special additional and less common legal arrangements to take security under your contract and have registered that "security interest"). If you are an unsecured creditor, you will likely recover only a small fraction of what you're owed, if anything. This is one reason why deposits matter. Money already in your bank account is safer than money you are still waiting for. If a contract is for a large enough sum, it may be worth the additional expense of exploring alternative credit arrangements with a lawyer before you enter into such contracts. These alternative legal arrangements can include deposits in escrow, letters of credit, registered security interests, and other methods of improving your ability to collect a debt but that are less common in most day-to-day business for the added costs involved.

You Were Paid, But Not Enough

Sometimes a client pays less than the agreed amount and treats the lesser sum as settling the account in full. Depending on the circumstances, you may decide to accept this amount as payment in full, or you may not. The question often is whether accepting the lesser payment (or cashing the cheque for this lesser payment, for example), by itself, means you no longer have a claim for the full amount on which you originally agreed. Some courts have held that cashing a cheque alone is not sufficient to waive any entitlement to bring a claim for the rest of the amount you are owed. If you do accept a lesser amount but intend to pursue the rest of the payment, however, you should communicate that clearly to the other party at the time you accept the partial payment, though there is still some risk that a court might

find you accepted the lesser payment in full satisfaction of the amount you were owed, depending on the circumstances (for example, if the memo on the cheque delivered to you or a covering letter with the cheque states “in full satisfaction of the debt”). Given that the law on this point is very context sensitive and the consequences to you of accepting a part payment in some circumstances could bar you from claiming the balance, this is a point for which you should seek specific legal advice if it arises.

The Client Is Outside Ontario or Outside Canada

Cross-border debt collection is significantly harder than domestic collection. Suing in Ontario may not help you if the client has no assets in Ontario. You may need to either sue in their jurisdiction or to sue in Ontario but then enter into a further court procedure in their home jurisdiction to have a judgement recognized against them there, which usually requires a local lawyer in the client’s home jurisdiction. For international clients, build extra protections into the contract upfront. This may include larger deposits, escrow arrangements, or partial payments before final delivery.

Always Keep Settlement Options in Mind

Just because you send a demand letter or even start a court action, it does not mean that you should close the door on settlement options and leave payment entirely up to the client. In any dispute, there is often uncertainty about whether you can prevail in court because the legal process requires not only that you have facts and law in your favour but that you can **prove** the facts and convincingly **present** the legal case to the court. This process adds time and cost to you, which you may also be uncertain to recover. These two realities of a court action are often also true of the client who disputes your claim. So, both parties frequently have economic incentives to find a compromise short of taking the case all the way to trial, judgement, and enforcement. You can present settlement offers to the client at any time, but you must be careful to do so in such a way that they are expressly made “without prejudice”, legal terminology which means that the client is clearly made aware you are not waiving or losing any of your rights or privileges in making the offer. You should not include any settlement offer within any demand letter. Keep these two types of communications separate.

The term “**without prejudice**” is often used in some kinds of formal letters to signal that they are written to try to resolve an issue but are not admitting any fault or waiving any rights the sender might have to take further legal action such as an arbitration or lawsuit down the line if the problem outlined in the letter is not resolved.

For a demand letter intended to be evidence to a court that the recipient was given proper notice of a dispute and a reasonable opportunity to resolve it, the best practice is **not to add** the words without prejudice to the letter.

On the other hand, if you are setting out the facts of a dispute and then offer to settle the dispute for something less than what is due to you, then the best practice is **to add** the words without prejudice to the letter which offers to settle. It is generally not advised to mix such a settlement offer in with a demand letter. If you want to offer a settlement, it is a good idea to send a separate “without prejudice” letter after you send the demand letter. In any settlement offer, summarize the dispute and then make an offer setting out the terms you would accept to settle it, but always provide a deadline date by which

the offer to settle is automatically ended unless it has been accepted and completed by the recipient before the deadline, all settlement amounts or other property demanded have been received by you, and any other terms of the settlement offer completed.

Part 6: Practical Record-Keeping

Whether you end up in a dispute or not, keeping good records protects you. For every project, keep:

- The signed contract or email exchange(s) confirming agreed terms
- All invoices and proof of when they were sent
- Records of all payments received, with dates
- Copies of all communication with the client about the project and about payment
- Drafts and deliverables, with timestamps showing when work was completed
- Notes of any verbal conversations, ideally made at the time of or shortly after they happen

If you ever have to escalate a payment dispute, this paper trail is what determines how strong your position is. Reconstructing it after the fact is much harder than building it in real time.

Final Thoughts

Getting paid is part of the business of being an artist and approaching it in that spirit will serve you well over the course of your career. The artists who are paid reliably are not necessarily those with the most prominent clients; more often, they are the ones who set out clear written terms, invoice in a businesslike way, and follow up firmly and consistently when an account falls overdue.

If you find yourself in a payment dispute, you don't have to figure it out alone. ALAS offers free summary legal advice to artists in Ontario, and we can help you understand your options and next steps before you commit time or money to a particular path.