

SPECIMEN GROUP MEMBER / PARTNERSHIP AGREEMENT

THIS AGREEMENT is made the day of Two thousand and

BETWEEN

- (1) [MEMBER] of [ADDRESS] and
 - (2) [MEMBER] of [ADDRESS] and
 - (3) [MEMBER] of [ADDRESS]
- (individually and collectively called "the Members")

WHEREAS:

- (1) The members perform together as a musical group professionally known as [NAME OF GROUP] ("the Group") or such other name as the Members from time to time use for the purpose of carrying on together business as [musicians and songwriters, recording artists, giving live performances, producing, remixing, promoting] for their mutual benefit in partnership together upon the terms and conditions set out in this Agreement.
- (2) Unless the context otherwise requires words defining one gender shall include both genders.

NOW IT IS HEREBY AGREED as follows:-

1. Constitution

- 1.1 The Group shall be constituted as a partnership and each Member agrees subject to the provisions of this Agreement to devote his time and attention to the business of the Group as reasonably required by the Members and to act in good faith in connection with any matter relating to the activities and any obligations of the Group.
- 1.2 This agreement shall remain in full force and effect in respect of all Members until such time as they shall cease to be Members except for those clauses which are stated to remain in force after cessation.

2. Group Activities

- 2.1 The following matters shall be decided and acted upon only with the unanimous consent of all the Members:-
 - 2.1.1 The appointment of any manager, agent, accountant, lawyer or business advisor to represent the Group and the terms of such appointment;
 - 2.1.2 The admission of a new permanent member ("New Member") to the Group;
 - 2.1.3 Any change in the professional name of the Group;
 - 2.1.4 The choice of record company and publishing company and the negotiation of the terms of all long term

agreements relating to the professional services of the Group or any promotion or exploitation of any product of or rights in the goodwill and reputation of the Group;

- 2.1.5 The undertaking of any significant Group activity such as major domestic or international touring or the recording of a TV Special;
- 2.1.6 Where applicable the choice of compositions to be recorded and the choice of producer recording budget and recording studio
- 2.1.7 The decision to modify change or contest any contractual commitment between the Group and any third party;
- 2.1.8 The forming of any limited liability company or partnership for the purpose of transforming the present partnership into a corporate entity whether for tax or liability or any other financial or commercial reason;
- 2.1.9 The making of any request for or commitment to any significant loan or other Group financial liability to any party (including entering into any hire purchase agreement or any guarantee of third party obligations) and for any purpose and in this context "significant" shall mean a transaction or series of related transactions or a facility exceeding [£500] whether or not the whole amount thereof is intended to be drawn down at any time;
- 2.1.10 Jointly investing or lending any excess Group income in or to any venture outside Group activities in the normal course of business;
- 2.1.11 The hiring of any "non" member musician and the terms upon which such non-member is hired;
- 2.1.12 The decision to embark on or defend any litigation brought against or contemplated by the Group and the terms of any settlement (if any) of such litigation.
- 2.2 Any decision on any matter not set out in sub-clause 2.1 above shall be decided upon by a simple majority of votes of the Members with each Member having one vote. In the event that the votes for and against any proposal are equal then subject to sub-clause 2.3 below the proposal shall be deemed to have been rejected.
- 2.3 The Group may unanimously decide to appoint the manager of the Group or any other party to adjudicate on any matter which cannot be resolved by the Members voting in which case the decision of the adjudicator will be accepted by the Group.

3. Non Group Activities

- 3.1 If a Member wishes to carry on a solo career as a musical performer or participate as in any solo projects or other work whilst remaining a Member of the Group they may do so without having to seek the written approval of all of the other Members provided always that such activity does not conflict with that Member's obligations to perform Group activities, does not compete with Group activities and does not place that Member or any other Member(s) in breach of any agreement with or obligation to any third party with whom the Group is contracted.
- 3.2 Any income arising to a Member from any non-Group activity shall be entirely his own and no part of any expense incurred in so doing will be the liability of any other Member or the Group.
- 3.3 Each Member agrees not to indulge in dangerous sports or activities without notifying the other

Members so that any Group insurance may be taken out reviewed or increased and so that the Members can ascertain which (if any) sports or activities nullify the insurance or cause the additional premiums to be payable.

4. Group Equipment

- 4.1 All professional equipment transport and all other items purchased before and after the date of this agreement by an individual Member out of his personal resources and used for the purposes of the Group's business shall remain the property of such individual Member and shall not be an asset of the Group. Any additional items purchased or acquired (subject to the Members' prior unanimous consent) by the Group with Group funds shall be deemed to be Group as are the partnership assets as set out in Schedule 1.
- 4.2 Save as otherwise agreed in writing between the Members from time to time all Group property shall be owned by the Members in equal shares and any New Member's entitlement to an equal share in the Group's property shall be decided by the majority of the continuing Members (excluding the New Member).
- 4.3 When a Member leaves the Group he shall be entitled to take with him any equipment owned or purchased by him out of his own personal resources and that Member's partnership account shall be credited with the value of his share of Group property retained by the Group.
- 4.4 In the absence of any agreement to the contrary all reasonable expenses necessarily incurred by any Member directly in connection with Group activities shall be paid by all of the Members in equal shares upon production of properly receipted invoices provided however that each Member shall first obtain the prior written unanimous consent of all of the other Members before incurring any expense or series of expenses which exceed [£250] .

5. Financial Affairs

- 5.1 Unless the contrary is agreed in writing signed by all of the Members the Members shall during membership of the Group share equally expenses and all income from all sources received in connection with Group activities.
- 5.2 The Group will be responsible for paying any permanent employees or independent contractors used for and in the Group's business.
- 5.3 Each Member shall be personally responsible for all income tax and national insurance contributions due on his share of Group income
- 5.5 If for any reason and at any time any Member is required to pay towards the satisfaction of any liability of the Group more than his proper proportionate share thereof he will be entitled to claim as a debt from all of the other Members their pro-rata contribution to such excess payments.
- 5.6 All Group income shall be paid into the Group bank account with [name of bank] in the name of [name of a/c] or such other bank account as the Members from time to time decide. Withdrawals and deposits may be made by [] acting always in good faith.

6. Confidentiality

Each Member hereby agrees to keep confidential and not to disclose to any confidential information relating to the Group's affairs and any other matters private to the Members as individuals without consent of all the other members. This obligation will remain in force after a Member has ceased to be a Member of the Group.

7. Unions

Each Member shall at all times maintain their membership of the Musicians Union and other trade union or organisation necessary or desirable to enable the Group to carry on its business effectively and such membership fees shall be borne by each individual Member respectively. .

8. Voluntary Leaving / Expulsion

- 8.1 If any Member wants to leave the Group for whatever reason he may do so by giving not less than 3 months written notice to the other Members subject to Clause 9 below.
- 8.2 A Member may only be expelled from the Group by the unanimous decision of all the other Members giving written notice to the expelled Member provided however that the other Members shall continue accounting to such expelled Member in respect of his entitlement to royalties and other income arising from records made songs written or events undertaken while he was a Member.

9. Change of Membership

- 9.1 Any Member leaving the Group for whatever reason shall not terminate the partnership with regard to the remaining Members.
- 9.2 The departing Member's share of net Group assets (excluding any goodwill in the name) by way of equipment capital or otherwise shall be credited to his account and he will be paid such sums as are due when the next Group account is taken which shall in any event be no later than six (6) months after the date of departure of the leaving Member and upon his returning to the remaining Members all books records and items of property belonging to the Group. In the event of any dispute as to the value of any Group assets the Members agree to accept a valuation given by the Group's accountants or such independent third party as the Group may appoint.
- 9.3 The share of continuing royalties due to any outgoing Member from any recording publishing or other agreement shall be paid to him promptly upon receipt by or on behalf of the continuing members subject only to the recoupment of his share of outstanding advances as at the date of his departure and the continuing Members shall use their best commercial endeavours to procure
 - 9.3.1 that no future advances made to them will be recouped from his future royalties, and
 - 9.3.2 that all relevant third parties will account directly to the outgoing Member for such royalties.
- 9.4 The outgoing Member may only take any musical instrument or other equipment which is generally recognised as belonging to him (and in the event of a dispute as to ownership the decision of the Company's accountants or an Official of the Musicians' Union shall be final) and if it is being leased or

bought on hire purchase by the Group or in the Group name then before he takes possession of such instrument or equipment the outgoing Member will take over (and fully document the substitution of) all such commitments to the Group's satisfaction and shall indemnify the Group in respect thereof.

9.5 No Member may leave voluntarily or may be expelled until the completion of any forthcoming commitment for personal appearances performances or recordings which cannot be safely cancelled or which could not proceed if the outgoing Member were not a Member for that appearance performance or recording and:-

9.5.1 if a Member leaves the Group in disregard of any such obligation he shall be wholly liable for the adverse financial consequences arising from any third party claim related to a breach of such commitment caused by his departure; and

9.5.2 if a Member is expelled in disregard of any such obligations the continuing Members shall be wholly liable for the adverse consequences arising from any third party claim relating to a breach of such commitment caused by their action.

9.6 The outgoing Member shall sign and execute all such documents and deeds and perform all such acts as the continuing Members may reasonably request for the purpose of enabling the continuing Members to recover the outstanding assets of the Group or for the purpose of conveying a name or transferring to the continuing Members any Group property which immediately prior to the date of departure of the outgoing Member is vested in him as one of the Members of the Group or in trust for the Group.

10. Disbandment / Group Name

10.1 If the Group disbands and terminates this Agreement then all the Members shall have an equal responsibility for resolving or terminating all outstanding third party Group contracts and liabilities and they will have an equal share of net Group assets or shall be equally responsible for net Group liability.

10.2 In the event that any Member leaves the Group for any reason whatsoever the name of the Group and the goodwill attached thereto shall remain with the continuing Members together with any New Members (for so long as they are Members) which remaining Members and New Members shall have between them the sole right to the use of the Group Name.

10.3 In the event that the Group disbands none of the Members shall be entitled to use the Group name without the written consent of all the then living current Members as at the date of cessation provided that if any such Member cannot be found after reasonably diligent research (which shall be documented for proof) the consent of such missing Member shall not be required.

11. New Members

In appointing any New Member the then current Members shall procure that any such New Member shall execute an agreement with all of the then current Members of the Group pursuant to which such New Member agrees to be bound by the terms identical (mutatis mutandis) to the terms of this Agreement.

12 Group Recordings and Songwriting

Notwithstanding anything to the contrary in this agreement all copyright and other rights in and to recordings made by the Group shall belong to the Group and any income derived from the exploitation of such recordings be apportioned in equal shares between the Members. The unanimous consent of the Members shall be required to exploit any Group recordings. All copyright in and to musical compositions and income derived therefrom shall be apportioned on a composition by composition basis provided that each Member shall be entitled to assign or license their share of the copyright and all other rights in and to any compositions to any bona fide music publisher on terms to be negotiated in the discretion of that Member PROVIDED THAT such assignment or license does not affect the other Members' ability to exploit their copyrights.

13. Notices

Any notice in writing referred to in this Agreement shall be deemed to have been duly and properly served if addressed to the parties at the above addresses or to any subsequent address duly notified by any of the Members and sent by Special Delivery prepaid post and the date of service shall be deemed to be the day of delivery in the normal course of posting.

14. Miscellaneous

- 14.1 No waiver by any Member of any breach by any other Member of any of the terms or conditions of this Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other terms or conditions.
- 14.2 No Member shall be liable to any other Member for any breach of the terms and conditions of this Agreement occasioned by any act of God war revolution riot civil disturbance strike lockout flood fire or other cause not reasonably within the control of such Member.
- 14.3 This Agreement constitutes the entire agreement between the Members to the exclusion of any prior representations conditions or warranties undertakings whatsoever and shall not be capable of variation except by instrument in writing signed by each Member.
- 14.4 The marginal headings hereto are for purposes of reference only and do not form part of and in no way govern or qualify the terms and conditions of this Agreement.
- 14.5 All sums herein mentioned are exclusive of any Value Added Tax that may be payable thereon.
- 14.6 This Agreement shall be governed by and construed in accordance with the Laws of England and the English Courts shall have sole jurisdiction.

15. Dispute Resolution

- 15.1 In the event of a dispute arising between the Members to this agreement concerning the subject matter hereof that cannot be resolved by the Members any Member of the Group concerned may refer such dispute to the General Secretary for the time being of the Musicians' Union.
- 15.2 Upon such referral the General Secretary (or his appointee) may in their sole discretion appoint an adjudicator to rule on the dispute or refer the dispute to the Musicians' Union's Dispute Resolution Scheme ("the Scheme") if the same is in operation at the time.
- 15.3 The parties agree to accept the decision of the adjudicator so appointed or, if appropriate, to abide by the

rules of the Scheme.

15.4 For the avoidance of doubt this clause shall remain in effect and binding upon parties who have left the Group.

SCHEDULE 1
Group Equipment

SPECIMEN

SIGNED by _____)
in the presence of:- _____)

SIGNED by _____)
in the presence of:- _____)

SIGNED by _____)
in the presence of:- _____)