

FREQUENTLY ASKED QUESTIONS

Rights, Responsibilities and Profits:

How do we share profits among artists, salaried staff, and people working on behalf of the guild on a percentage basis?

- Artists will continue to own all of the rights to their work, however 20% of income from all sources will be retained by the collective to fund its operations, until such time as the artist leaves the collective. The collective will decide what to do with any surpluses or profits each year. It could fund recording or video projects, make donations to causes, fund long-term investments, or be distributed as year-end bonuses, for example.

What are the contractual terms and conditions for entry in to the guild? What must artists agree to contribute?

- Artists agree to allow the collective to market their music and services for an initial period of three years.
- Artists agree to participate in the collaborative process by sharing resources such as databases, social media and booking contacts; participating in collective decision making; building a community based on cross-pollination and mutual support; working to promote and uplift the collective as well as the individual artists.
- Artists agree to commit to use resources to raise money and awareness for mutually agreed upon social causes. Artists agree to share profits derived from the collective's 20% share of earnings, and to collectively agree about how those profits are invested or disbursed.

What are the terms if the collective funds a project for an individual artist?

- The collective will receive 80% of income and the artist 20% until the initial funds have been recouped. After recoupage, the collective will receive 20% and the artist will receive 80%.

What are the provisions for exit?

- 6 month notice, after the initial 3 year term has expired. Artists will retain rights to their intellectual property, but continue to pay a percentage of royalties until exit.

What about music created with patron and / or collective support during the term of an artist's involvement with the guild?

- Artists will continue to own their work, but the collective will have the right to continue to recoup its investment on an 80% collective / 20% artist basis. If the investment has been recouped, the collective will retain 20% of earnings as long as it exists. This right will not pass to any future entity that might absorb or succeed the collective.

Are there several classes of artists? For example, partners who share in profits from the overall operations of the guild, artists who receive income only from their concerts and intellectual property, and artists who are not members of the guild, but who access guild services for a fee?

- Initially, all artists will be partners, and share in the profits of the collective. Eventually, if we are thriving and wish to expand, we may decide to include other artists. Depending on the artist, we might offer partnership, or invite them to join us on a more limited basis..



Structure and Decision Making:

What is the decision making structure? Who has final say? If there is a founding team, what structures do they want to put into place from the beginning?

- A small council will supervise pre-launch and initial fund-raising. Thereafter, the entire collective will meet once annually to elect a governing council that will set priorities and review major financial decisions. Terms of service on the governing council will be staggered to assure continuity of knowledge over time. Decision-making in many areas of policy, administration, and action will be delegated to self-selected cells or small groups which will meet more frequently.

What is the protocol if there are major disagreements about certain issues?

- A consensus process within an agreed upon time frame. If the time limit has been reached, and there is no consensus, then a 2/3 majority vote will prevail.

Is there one person who has more leverage here or does it go to a moderation process?

- One person will always be nominated by the group to assume the role of a neutral facilitator in the event of a disagreement.

What core philosophies is it expected that artists in the collective will adhere to?

- Dedication to the health of the collective as much as the welfare of each individual artist. Respect for the process, respect for the other artists, respect for collaboration as a creative process on artistic, personal and business levels.

What is the protocol if someone is not meeting their agreed upon responsibilities?

- The governing council will first have a private conversation with the individual. If this is not effective, the issue will be resolved by the full group.

What is the stream of communication for most major plans and decisions? In other words, who creates written records of plans or decisions and disseminates them to the rest of the guild?

- The elected core group will direct this, but an effort will be made to always have an intern or staff member take notes at any meetings. Collective members will receive monthly email updates and accounting from the administrative team.



Corporate Sponsorship:

What characteristics and issues are important in deciding which corporations to solicit, and which to turn away?

- The corporations solicited for sponsorships and funding must have clear records regarding labor and manufacturing practices. The values of fair trade, fair labor, organic standards, human rights assurances and more must be reflected in the corporate practices. The environmental impact of their production must also be transparent.

What areas of activity will corporate sponsorship benefit?

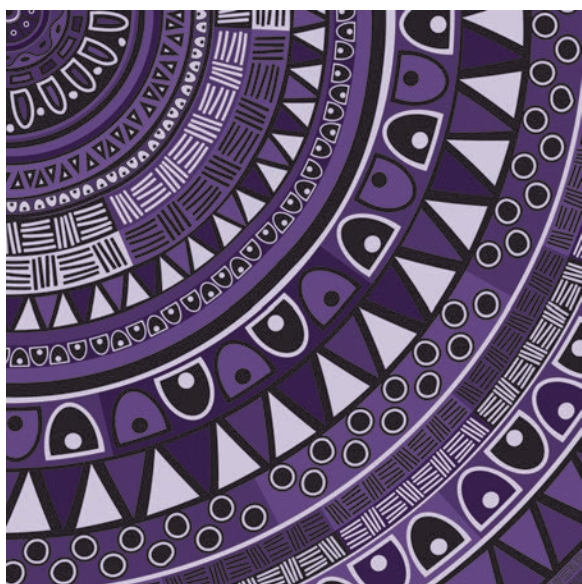
- All programs can and will be sponsored, tours, merchandise and albums in particular.

What is our code of business and manufacturing ethics? We need to be very clear about whose money is an option and whose is not!

- All potential donors/corporate sponsors will be vetted through watchdog organizations such as: Veritas, Green Festivals, Global Organic Textile Standard, As You Sew Foundation, Fair Trade USA, Organic Trade Association, and more.

What limitations will we put on corporate sponsorship?

- The values of fair trade, fair labor, organic standards, human rights assurances and more must be reflected in the corporate practices.



Non Profit:

How much of the initial funds raised will come back to the organization as investment for future projects? How much of album sales or patron revenue will be allocated to the cause?

- Percentages will initially be determined by the governing council and eventually by the entire collective. Funds can be used to produce compilation albums to benefit causes and organizations chosen by the collective. They can also be used to make direct contributions that respond to immediate crises.

Who will decide on the themes / causes to support?

- The governing council will determine the first causes to support, with vetting and recommendations by a smaller team in charge of the non-profit aspect of the collective. Eventually these decisions will be brought to a vote by the collective. A focused group of causes (2 or 3) or organizations will be supported per year by benefit albums, tours, and special benefit performances and product sales.

Who will vet and communicate with the organizations and projects receiving funds?

- Suzanne Sterling will be vetting organizations and communicating with potential organizations about their needs and potential projects. This process will include thorough checks on infrastructure and practices of each organization, as well as the success quotient for proposed use of funds.

What will be asked of the projects in return for the support?

- In return for financial and promotional support, projects and organizations funded by the work of the Collective will be asked to document progress and maintain a strong flow of communication during and after the timeline of the funded project.

How will the projects we support demonstrate how they will use the money?

- All proposed organizations and projects will be asked to provide a detailed proposal for the use of funds as a tool for fundraising (ie: \$200 donation funds a project for 2 days etc.). This proposal will demonstrate that the organization or project has a strong plan and ability to utilize funds fully. They will also be asked to provide documentation of project and use of funds.