

WHAT IS IT?

This chapter covers:

The legal implications for a band governed by partnership law

The pros and cons of setting up a limited company

The type of issues that need to be addressed between band members

WHY DO I NEED TO KNOW ABOUT THIS?

Most artists and managers would be extremely alarmed to find out that even without signing any documentation, when a band is formed, there is a presumption in law that a partnership has been formed. Even more alarming is the fact that UK partnership law is governed by the Partnership Act 1890, legislation which is over 100 years old and considered by many lawyers to be antiquated and unnecessarily complex.

An alternative option is to operate the band through a limited company where each band member becomes a Director and Shareholder of the company. Many musicians may be put off at the thought of becoming a company Director and as a result of this, many bands simply do nothing unaware that antiquated partnership laws could have serious and far reaching effects upon the internal administration of the band.

FOR THE PROJECT, PLEASE SEE CHAPTER 3 PROJECT