



Thank you for your interest in applying for Fair Trade Music certification. Please see checklist and instructions below. FAQs are also included to assist you in the application process.

Fair Trade Music International
RELEASE CERTIFICATION APPLICATION.

Please email all of the following to info@fairtrademusic.info

- 1) Completed FTM Release application form (Print and sign page 2)
- 2) Completed FTM Certification Agreement (Print and sign page 7)
- 3) A copy of the completed executed artist contract
- 4) Application fee \$25 by email transfer

If you wish to submit your application by mail, please include completed and signed documents listed above, and a check or money order for \$25.00 payable to:

FT Music International
41 Valleybrook Drive
Toronto ON
Canada M3B 2S6

Once your application has been approved, we will email to you the Fair Trade Music Certification seal for application on your release.



Fair Trade Music International
41 Valleybrook Drive
Toronto ON M3B 2S6
Phone: 416 961 1588
Fax: 416 961 2040
info@fairtrademusic.info

APPLICATION FOR FTM RELEASE CERTIFICATION
(PRINT, COMPLETE, SIGN, SCAN, EMAIL: info@fairtrademusic.info)

Name of Organization: _____

Address: _____

City: _____ Province/State: _____

Country: _____ Postal Code/Zip Code: _____

Phone: _____ Fax: _____ email: _____

Website/Links: _____

Type of Applicant: Independent Artist Label

Contact: _____ Title: _____

Phone and email (if different from above): _____

Release details/ Name of Release: _____

Anticipated Date(s) of Release: _____

Submission Requirements:

- FTMI agreement pages 2 & 7 signed and dated by the Applicant
- \$25 fee (check, money order, email transfer, cash)
- Copy of complete executed artist contract

Please list any questions or comments here:

All the information contained in this application is true and correct:

Signature: _____

Print Name: _____

Date: _____

OFFICE USE ONLY: 00 01 Date: _____ Staff Initials _____



Fair Trade Music International Certification

Release Certification

Fair Trade Music International, the body that governs the Fair Trade Music (FTM) initiative, regard the following Release Criteria as a reasonable minimum standard for any music release to be considered Fair Trade Music compliant.

Fair Trade Music International recognizes that many Independent Releases are, and have long been, in general accord with these Release Criteria. Further, FTM applauds all such equitable, sustainable, and fair efforts, both the past and present, and has looked to such releases as inspiration for these Release Criteria.

As the music industry continues to be on the frontlines of technological advancements, it is understood that the criteria will be reviewed and revised on a regular basis. Likewise, FTM acknowledges that such changes also mean that compliance will be an evolving journey. FTM will work with any of its qualified applicants to try to ensure that all changes to the Release Criteria are done with advance notice and that all qualified applicants have sufficient time to adapt.

The following Release Criteria pertain to certification for an *individual release only*. Only the specific album or single being released is certified – and only when the FTM seal is present. Currently, an FTM Certified Release does not certify the channel, label, digital platform, store, or venue in which that music is being sold. Criteria to certify such categories are currently being developed.



FTM Certified Release Criteria

1. Disclosure of Revenues

A record label or similar entity releasing an FTM certified release (“Applicant”) will regularly disclose through full, complete, and comprehensive accounting statements, any and all forms and levels of gross and net revenue and remuneration relating to the Certified Release, to the music creators and rights holders downstream of that revenue and remuneration. This criteria applies whether or not the Certified Release is in a recouped position.

This disclosure would include, but not be limited to the following:

- a) physical distributions and sales, and related revenue and remuneration;
- b) music service subscription, streaming and download revenue and remuneration;
- c) any other revenue and remuneration derived from the exploitation of the Certified Release;
- d) advertising revenues and remuneration related to music access; and
- e) music-related data mining revenue and remuneration.

2. Payment of Royalties and Royalty Splits

Applicant will pay the applicable recording artist(s) no less than fifty (50) percent of net revenue derived from the Certified Release, and will pay all applicable creators and rights holders their royalties and payments due at a rate of no less than 100% of any and all statutory and industry-negotiated royalty rates, which rates shall not be subject to contractually-based deductions other than recoupment of advances (if any) rendered directly to such third parties.

3. Efficient Royalty Distribution

Applicant will efficiently, accurately and comprehensively distribute royalty earnings no less than semi-annually, and will engage best practices with respect to financial distribution methods as new and improved technologies emerge.

Applicant agrees to use, disseminate and respect the integrity of up-to-date standard identifiers (i.e. metadata in the digital realm) including the following examples where applicable: for sound recordings - ISRC, for musical works - ISWC, for authors - IPI, for publishers - IPI, and for performers - IPN.



FTM Certified Release Criteria

4. Accurate Royalty Accounting

Applicant will:

- (a) Regularly account to the applicable creators and rights holders, and do so in a comprehensive, accurate and accessible manner. Reporting should include all costs and deductions related to the Certified Release, including without limitation recording, production, marketing, and distribution costs.
- (b) Use best efforts to employ up-to-date technologies, real-time reporting and online portals wherever possible.
- (c) Refrain from including contractual language specifying that failure to object to a particular accounting statement within a time period shorter than any applicable statute of limitations shall constitute a waiver of rights.
- (d) Ensure the creator(s) is entitled to a right, upon reasonable notice, to have a certified public accountant (or applicable equivalent in a given jurisdiction) of his/her choosing and at his/her expense (unless otherwise agreed) audit the books and records of such Applicant no more frequently than once per year.

5. FTM Compliance Audits

Applicant agrees and acknowledges that Fair Trade Music International and/or its designee(s) has the right, at its own expense, upon reasonable notice, to perform a monitoring audit with respect to the Certified Release, no more frequently than once every 3 years.

6. Disclosure of Equity Stakes and Conflicts of Interest

Applicant will disclose third party and all other equity stakes connected to potential conflicts of interest to all applicable creators and rights holders, and will engage in fair sharing of all revenue and remuneration derived from such equity stakes and similar compensatory arrangements.

7. Ancillary Provision Terms and Maximums

Applicant must demonstrate that if Certified Release is subject to a so-called “360 Deal,” the terms of such agreement comply with the following:



FTM Certified Release Criteria

- a. There shall be no cross-collateralization among or between income derived from different representation categories (i.e., master rights, publishing, merchandising, touring, etc.);
- b. All such representation categories shall be no longer than the master rights period, which master rights shall be subject to reasonable rights of reversion/termination and standard re-record provisions; and
- c. Maximum thresholds of Applicant remuneration shall be fair subject to industry norms.



Schedule A
FTM Certification Agreement

The following constitutes a legally binding agreement (“Agreement”) concerning Applicant’s Certified Release status as Fair Trade Music compliant. FT Music International d/b/a Fair Trade Music International (“FTMI”) may, in its sole discretion, modify or revise these Terms and Conditions at any time, and you agree to be bound by such modifications or revisions, provided Fair Trade Music International gives you reasonable notice of the same.

Any and all information regarding the certification process herein, including without limitation any third party agreements disclosed thereunder shall remain confidential as between Fair Trade Music International and the applicant. Neither party shall, without the prior written consent of the other, disclose confidential information to any person or entity. Each party shall take such care to protect the confidentiality of such information as would be taken by a reasonable party to protect its own confidential information from disclosure. The confidentiality obligations hereinabove shall survive the termination or expiry of this Agreement.

You hereby represent and warrant that you shall comply with the Certification Criteria enumerated hereinabove. FTMI may terminate this Agreement and revoke any rights granted herein forthwith, in the event of any material breach of your obligations herein, and may revoke Applicant’s Fair Trade Music compliance status, with public disclosure of such revocation in its sole discretion.

Subject to your ongoing compliance with the terms of this Agreement and payment of the application fee of \$25.00, FTMI hereby grants to you a non-exclusive license in the Territory and during such time as you remain compliant with this Agreement (“Term”), to use the FTMI certification logo, as provided to you by FTMI, in accordance with the directions given to you by FTMI.

Signature: _____

Print Name: _____

Date: _____

FTM FAQ

What is the Certification Process?

FTM currently certifies releases of singles and albums.

Here are the steps to certification:

- (1) An Applicant (label, independent artist) contacts FTM ([hyperlink](#)) to assess whether or not the applicant's project may be eligible for certification.
- (2) FTM sends the Applicant an application package, consisting of the Certification Criteria, and an agreement between the Applicant and FTM.
- (3) The Applicant submits: (a) the FTM agreement, signed by the Applicant, (b) a US\$25 fee, and (c) a copy of their complete, executed artist contract.
- (4) All documents are reviewed by a third-party accounting professional in strict confidence.

If the submission conforms with FTM Certification Criteria, the Applicant is licensed to use the FTM Seal on the applicable release(s).

FTMI reserves the right to confirm continued compliance (including through Monitoring Audits) for as long as the Applicant uses the FTM seal.



Will An Applicant's Record Deal or Monitoring Audits be Made Public?

No. FTMI adheres to strict non-disclosure agreements with all of its applicants. The only information that FTM may make public about an Applicant is that it has been certified.

Who Pays for the Monitoring Audits and Who Does Them?

FTMI pays for the Monitoring Audits.

Who Pays for the FTM Certification Sticker or Seal?

Once certified, the accepted applicant pays costs associated with applying the FTM Seal.



FTM FAQ

Will Users of the FTM Seal See A Boost in Sales of Items That Carry the Seal?

Studies have shown that a buyer is 15% more likely to buy the item with the “Fair Trade” seal – even if that item is more expensive ([hyperlink to study](#)).

Is FTMI Affiliated With Other Fair Trade organizations?

No. FTMI is an independent not-for-profit organization overseen by music creators, but we continue to communicate with and draw inspiration from the work of other Fair Trade organizations.