



Society of Audiovisual Authors
Société des Auteurs Audiovisuels

“SOCIÉTÉ DES AUTEURS AUDIOVISUELS/ SOCIETY OF AUDIOVISUAL AUTHORS”

Co-operative Society with Limited Liability

Registered office in Ixelles (B-1050 Brussels), Rue du Prince Royal 87

Value Added Tax number BE 0450.976.556 – RPM Brussels

CHAPTER 1: FORM – NAME – HEAD OFFICE – PURPOSE – DURATION

Article 1 – Form and Name

The society shall be a non-trading co-operative company with limited liability.

It shall be named “SOCIÉTÉ DES AUTEURS AUDIOVISUELS / SOCIETY OF AUDIOVISUAL AUTHORS”, in short “SAA”.

This name or short name must always be preceded or followed by the words “société coopérative à responsabilité limitée” or by the letters “SCRL”, as well as the words “Société civile à forme commerciale”, just before or after the name (long or short) of the society. It also has to be accompanied by the precise indication of the head office of the society, by the words “Registre des personnes morales” or short name “RPM”, followed by the precise indication of the jurisdiction of the Commercial Court where the society has its head office and place of business, together with the society number and the Value Added Tax number.

Article 2 – Head Office

The head office is established in Ixelles (B-1050 Brussels), rue du Prince Royal 87.

It can be transferred to any place in Belgium by decision of the managing body having the powers to legally modify these statutes. Any transfer of the head office shall be published in the Annexes of the Moniteur Belge.

Should the managing body decide to transfer the head office and the place of business it shall follow the linguistic legislation concerning the said offices.

Through a decision of the managing body, the society shall be allowed to create any administrative subsidiaries, holdings, representations or agencies in Belgium or abroad.

Article 3 - Purpose

The society’s purpose, be it in Belgium or abroad, on its own behalf, on behalf of third parties or in partnership with third parties, in the fields regarding the exploitation by any means of the works of its members or their representatives, shall be the following:

- 1) The defence and strengthening of the rights, including but not limited to legal and economic rights, of audiovisual authors, scriptwriters and directors, with specific reference to but not limited to Europe;
- 2) To develop, promote and facilitate the management of rights by member societies;
- 3) To secure fair remuneration for audiovisual authors for every use of their works;

The society can carry out any task, be it industrial, financial, or concerning real or personal property, which is directly or indirectly related to its purpose.

It shall be allowed to take an interest in any society or enterprise having a similar or closely related purpose, or of a nature to encourage its business development.

Article 4 - Duration

The society is created for an indefinite duration.

CHAPTER II: CAPITAL –SHARES IN CAPITAL– RESPONSIBILITY

Article 5 - Capital

The share capital is unlimited.

The fixed part of the share capital is set at the amount of nineteen thousand eight hundred thirty-one euros and forty-eight cents (19.831,48 EUR).

Article 6 –Shares in Capital

The capital is made up of a variable number of shares without nominal value.

No securities, whatever their name or form, shall be created, except for those standing for the contributions.

Each associate, as defined in article 10, shall subscribe or buy ten (10) shares. Each share shall be paid at least up to one fourth of its value.

Forty (40) shares, representing the fixed part of the capital, shall be subscribed at any given time.

Article 6bis - Call for Capital

The commitment to pay up a share is unconditional and indivisible.

The board of directors is the sole organ authorized to call for capital.

Shares that are not be fully paid up at the time of their subscription shall be paid by the dates and in the amounts set by the board of directors.

An associate which, after a call for capital (notified by registered letter), fails to pay the amount within the time set by the said letter, must repay the society with interest at the legal interest rate plus two percent a year, calculated according to the date by which the amount to be paid was due.

The powers attached to the shares shall be suspended as long as the payments required have not been made within the time limit set by the last paragraph.

Article 7 – Register of Shares

The shares are nominative and are indivisible towards the society which has the right, in case of joint ownership, to suspend the rights pertaining to the shares until only one of the joint owners has been recognized as the sole owner.

A register of the shares is kept at the head office, at the disposal of all associates. This registry shall record:

1. The denomination, legal form, identification number if any, and head office of each associate;
2. the number of shares held by each associate as well as new share subscriptions and paid-back shares, with their dates;
3. the transfer of shares, with dates;
4. the admission, resignation or exclusion date of each associate,

5. the total amount of the payments made;
6. the total amount of money withdrawn in case of resignation, partial withdrawal of shares and withdrawal of payment.

These registrations are made by the management on the basis of relevant dated and signed documents.

Article 8 – Transfer of Shares

The shares shall not be sold or transferred to third parties, under penalty of nullity, unless a decision of the general assembly, taken by a majority of three quarters, should authorize it and only if the third party complies with the terms of admission that these statutes require. They shall only be sold or transferred to other associates with the approval of the general assembly, with a three quarters majority and as long as the sale or transfer should not upset the balance between the associates.

Article 9 - Responsibility

The associates shall be responsible for the debts of the society only up to the limit of their contribution.

There shall be no interdependence or indivisibility between them.

CHAPTER III: ASSOCIATES

Article 10 – Associate’s Qualification

The associates are:

- a) the associated societies which signed the set up act;
- b) any legal entity authorised by the general assembly, it being understood that associates can only be collective management societies administering the rights of audiovisual authors (writers and directors), disposing of an efficient system of collection and distribution of the remuneration for the benefit of the authors and assuming sole responsibility for the management of the rights entrusted to them. The general assembly’s decision on the acceptance of a new associate shall not be valid unless the associates representing at least half of the votes are present or represented. Should this requirement remain unfulfilled, a second general assembly shall be held at least one month after the date of the first assembly. The decision shall then be taken whatever the number of attending associates. The decision of the general assembly shall be taken by a majority of three quarter of the votes of the associates present or represented.

The contribution value of the shares shall be based on the annual accounts of the fiscal year preceding the arrival of the new associate.

The position of associate automatically entails the full approval of these statutes and of the society policies.

Article 11 – Termination of Associate’s Position

The associates are no longer part of the society if they resign, are excluded, suspended, go bankrupt or fail.

Article 12 - Resignation

An associate shall only be allowed to resign from the society or ask for the withdrawal of a part of its shares in the first six months of the fiscal year. A resignation shall be valid for the year following the resignation of a member.

In any event, this resignation or withdrawal shall only be authorized as long as it does not bring the total capital of the society down to an amount lower than the fixed part or the number of associates down to less than three.

Article 13 - Exclusion

Any associate can be excluded on valid grounds.

The exclusion shall be decided by the general assembly by a three quarters majority.

The associate whose exclusion has been required shall be invited to make his remarks known in writing to the assembly within the month following the mailing of a registered letter containing the proposal for exclusion, with reasons.

Should it require it in writing in the letter containing its remarks, the associate shall be invited to be heard in front of the assembly.

The decision to exclude an associate shall be made on valid grounds. Non-payment of the annual subscription shall be a reason for exclusion.

A certified copy of the decision shall be addressed by registered letter by the managing body to the excluded associate, within fifteen days.

The exclusion shall be recorded in the register.

Article 14 – Reimbursement of the shares in capital

A resigning, withdrawing or excluded associate shall be entitled to receive the value of its shares fully paid up, as mentioned in the annual accounts of the current fiscal year. It shall be entitled to a part of the reserves minus the potential tax to which this payment shall be subjected.

The payment shall be made within three months of the approval of the annual accounts.

Article 15 - Liability

In accordance with article 371 of the Society Law Code, a resigning or excluded associate or an associate which withdraws its shares shall be liable for a five year period for all the society's commitments made by the end of the year in which its exclusion or resignation was published or the withdrawal of its shares took place.

Article 16 - Bankruptcy

In case of bankruptcy, failure or exclusion of an associate, its creditors or their representatives shall recover the value of its shares as determined by article 14 of these statutes.

CHAPTER IV: ADMINISTRATION

Article 17 – Composition of the board of directors

The society is managed by a board of directors, which includes a minimum of five and a maximum of eight directors elected by the general assembly for a term of 3 years.

The mandate of a director can be cancelled by the assembly at any given moment, with a majority of three quarters, without giving any grounds or notice.

The mandate of a director is renewable.

A legal entity elected as director, must designate a permanent representative, a natural person, who shall be in charge of the execution of this mission in the name and on behalf of the legal entity. This representative is subject to the same conditions and incurs the same natural and criminal responsibilities as if he were fulfilling this role on his own name and own account, without prejudice to any joint legal liability of the legal entity he represents.

The director shall not cancel the appointment of its representative unless a new representative is designated simultaneously.

The same rules of publication are applicable to the appointment as for the termination of the role of the permanent representative as if he were fulfilling this role on his own name and own account.

In case of the appointment of the society as director or manager in another society, it is the responsibility of the board of directors of the society to designate a permanent representative to that society.

Article 18 – Mandate of a director

The office of director may or may not be remunerated, depending on the decision and the terms determined by the general assembly in relation to the appointment.

Article 19 – Powers of the board of directors

a) In case of vacancy of a director's seat, the remaining directors shall be allowed to fill the vacant position, until the next general assembly takes a formal and final decision.

b) The board of directors shall choose a president and a vice-president from amongst its members.

It shall meet as often as the society's interests require, by notification of the president. It shall also be summoned upon request of two members. The meetings shall take place at the headquarters or at the location mentioned on the notification. The decisions of the board shall only be valid if half of the members are present or represented.

Should a director be prevented from attending, he shall give a proxy to any other board member, be it by written, facsimile, email or any other (tele)communications means that results in a written document, in order to replace him at the meeting and vote on his behalf. Nevertheless, one director shall not hold more than one proxy.

c) The decisions shall be taken by the board by a simple majority of the members present or represented. The decisions will be recorded in a special register, signed by the president of the board or by two directors.

d) The board is mandated to oversee the daily management of the society in order to take all necessary management acts or measures within the frame of the business purpose, except for those that the law or these statutes grant to the general assembly or to another organ of the society. In particular, the board shall propose the amounts of the yearly membership fees to the general assembly, as required to enable the society to carry out its activities.

e) The board shall be allowed to delegate its powers, in full or in part, to one or several members or to third parties.

In particular, it may delegate the day to day management and the representation of the society in relation to this management to an executive director.

The board of directors and the executive director may, within the context of this management, delegate special powers to any proxy. The board shall determine the amount of the remuneration and the extent of the mandate that is attached to the delegations it confers.

- f) The society shall be validly represented in all actions by the executive director, to the extent of his mandate, the president, the vice-president or two directors, including those requiring the intervention of a public servant, a ministerial or legal official, and including legal actions, whenever the initial approval of the board is not required. Moreover, the society shall be validly committed by special proxies, within the limitation of their mandate.
- g) Subject to legal and statutory provisions, the board of directors may make internal rules of the board of directors to supplement the provisions of this chapter.

CHAPTER V: GENERAL ASSEMBLY

Article 20 – Composition and Powers

The general assembly gathers all the associates.

Its decisions bind all associates including absentees and associates which opposed a decision.

It shall enjoy all the powers granted by the Society Law Code and these statutes.

It is the only body allowed to modify the statutes, to elect and dismiss directors and auditors, as well as accepting their resignation, to give discharge of their management and to approve the annual accounts.

Article 21 – Notification

A general annual assembly shall be held on the first Wednesday of May at twelve o' clock.

Should this day be a legal holiday, the assembly shall take place on the next working day, except for Saturdays, at the same time.

The assembly shall be summoned exceptionally at any time should the need arise.

It shall also be summoned within a month of a request made by the associates representing one fifth of the shares.

The assembly shall be invited by the board of directors, by letter signed by the president or two directors and sent at least fifteen days before the date of the meeting.

Assemblies take place at the head office or such other place indicated in the invitation.

Article 22 –Voting rights

Each share carries one voting right.

The rights pertaining to unpaid shares shall be suspended, as well as the right to dividends.

Article 23 - Proxies

Each associate can give, by any means, written proxy to be represented at an assembly and vote for and on their behalf, to any third party, be they a member of their own society or of another associate.

Article 24 - Organisation

The assembly shall be chaired by the president or the vice-president of the board of directors or the eldest of the attending associates.

The president shall be allowed to name a secretary.

A participants list, mentioning the full legal names of the associates, their head office, the number of shares owned and the name of their representative, shall be signed by the attendants or their proxy upon entering the meeting.

Article 25 - Decisions

An assembly may not make decisions on points that are not mentioned in the agenda.

The decisions of the assembly shall be taken by a majority of the votes of the associates present or represented, unless these statutes or the Society Law Code should state otherwise.

Should the decisions be related to the modification of the statutes or to the dissolution of the society, the general assembly shall only be valid if the proposed modifications were expressly mentioned in the notification and only if the associates present or represented make up at least half the capital of the society.

Should this last requisite condition not be fulfilled, a new notification referring to the same agenda shall be sent and the new assembly shall validly deliberate no matter how many associates are present or represented.

A modification shall only be accepted if approved by three quarters of votes of the associates present or represented, subject to the application of the special terms of the Company Law Code regarding the modification of the business purpose, or the alteration, merger or scission of companies.

Article 26 – Minutes and Internal Rules

The minutes of the general assemblies shall be signed by the president of the board of directors or two directors.

Subject to legal and statutory provisions, internal rules shall supplement the provisions of this chapter if the assembly so decides.

CHAPTER VI: COUNCIL OF GENERAL POLICY

Article 27 – Role

On decision of the board of directors and without prejudice to the legal and statutory competence of the general assembly and of the board of directors, a Council of General Policy (CGP), shall be established as a consultative body. Its statutory mission is to study all subjects, and to formulate proposals, including the proposals for public position statements and action by society, regarding:

- 1) the defence and strengthening of the rights, including but not limited to legal and economic rights, of audiovisual authors, scriptwriters and directors with specific reference to but not limited to Europe;
- 2) the development, promotion and facilitation of the management of rights by member societies;
- 3) the securing of fair remuneration for audiovisual authors for each use of their works;

The CGP shall ensure the broadest consensus between the associates throughout its work, whilst taking into account the necessities of European cultural diversity and of the diversity of legal regimes and professional practices.

Article 28 - Composition

The CGP is composed of a maximum of two representatives per associate, and by natural persons designated by the General Assembly, for a term of one year.

The appointment of a CGP member can be cancelled by the general assembly at any given moment, by a majority of three quarters, without giving any grounds or notice. The mandates of the CGP members are renewable.

Article 29 - Meetings

The CGP shall choose a president and a vice-president amongst his associates.

The CGP shall meet as often as the society's interests require, by notification of the Board of Directors.

It shall also be summoned upon request of three associates.

The meetings shall take place at the society's registered address or at the location mentioned on the notification.

The decisions of the CGP shall only be valid if at least half of the associates are present or represented.

Should an associate representative be prevented from attending, he shall give proxy to any other associate representative, be it by written document, facsimile, email or any other (tele)communication means that results in a written document, in order to replace him at the meeting and vote for and on his behalf. Nevertheless, an associate representative shall not hold more than two proxies.

The decisions of the CGP shall be taken by a majority of two-thirds of the associates of the CGP present or represented.

The decisions will be recorded in the minutes of the meeting that are kept in a special register and which are signed by the president or by two members of the CGP. A copy is systematically made for the members of the board of directors.

Subject to legal and statutory provisions, the CGP may make internal rules to supplement the provisions of this chapter. They shall be settled with the agreement of the board of directors which will make a draft.

CHAPTER VII: FINANCIAL YEAR – ANNUAL ACCOUNTS – AUDITING

Article 30 – Financial Year

The financial year shall begin on January 1st and end on December 31st each year.

At the end of each financial year, the board of directors shall close the annual accounts, in accordance with the Company Law Code.

Should the society be legally bound to do so, the board of directors shall produce a report, called "management or annual report", which shall report on their management. This report shall include all the comments, information and data mentioned by the Society Law Code.

The auditor, appointed, shall also prepare a written detailed report called "control report" that shall take into account the terms of the Society Law Code.

At least fifteen days before the date of the general assembly, the associates shall be able to consult all documents required by the society law code that shall be at their disposal at the society's head office.

After the annual accounts have been approved, the assembly shall take a special vote on the discharge of the directors and auditor, should there be one.

Within thirty days of the approval of the annual accounts by the general assembly, the management shall deposit the documents required by the Society Law Code.

Article 31 – Annual Accounts

At least five percent of the net profits, as determined by the annual accounts, shall be withdrawn to set up the legal reserve. This withdrawal shall no longer be obligatory when the reserve reaches ten percent of the capital of the society. It shall be resumed should the legal reserve fall below this level.

The surplus funds shall be managed by the assembly, following the proposals of the board of directors, as stated in the Society Law Code.

The payment of dividends shall take place at the times and places determined by the board of directors.

Article 32 - Auditing

Should the society be legally bound to do so, the control of the financial situation of the society, of the annual accounts, the compliance to the Society Law Code and to these statutes and the operations that are to be registered in the annual accounts, shall be given to one or several auditors, elected by the general assembly amongst the members of the "*Institut des Réviseurs d'Entreprise*".

They shall be nominated for a period of three years. This period shall be renewable. The auditors shall only be dismissed on valid grounds. The general assembly shall decide on the amount of their remuneration.

Should the society not be legally bound to elect an auditor and decides not to elect one, any associate shall be entitled to assume the powers of inspection and control of an auditor.

CHAPTER VIII: DISSOLUTION – SELL OFF

Article 33 - Dissolution

Except for a juridical dissolution, the society shall only be dissolved following a decision of the general assembly, complying with the criteria required for a modification of the statutes.

A proposal for dissolution shall be accompanied by a supporting report drawn up by the general assembly and mentioned in the agenda of the general assembly that is to take place.

This report shall be accompanied by a statement describing the assets and debts of the society, dated no earlier than three months beforehand. The auditor (or the financial auditor or an accountant elected by the board of directors) shall make a report on this situation and indicate whether it fully, faithfully and correctly reflects the situation on the society.

Should the net assets amount to less than half the fixed part of the share capital, the general assembly shall be summoned in accordance with the the legal requirements, within two months of the time the loss has (or should have) been notified in order to decide on the dissolution of the society and also on other measures mentioned in the agenda according to the modes described in the Society Law Code.

Should the net assets be reduced to an amount lower than a quarter of the fixed part of the share capital, the same rules shall be applied. Nevertheless, in this case, the dissolution shall only take place should it attract one quarter of the votes put forward at the Assembly.

Should the net assets be reduced to an amount lower than the minimum legal capital, any party can request the dissolution of the Society by the Court. The Court may in an appropriate case to grant the society an extension of time in order to put its situation in order.

Article 34 - Liquidation

Should the society be dissolved, at any time and regardless of the cause, the General Assembly of the associates shall appoint a liquidator or liquidators, who shall determine their powers and fees and establish the manner of the dissolution, according to the articles 181 and 196 of the Society Law Code.

The liquidators shall take office after their nomination only after confirmation by the Commercial Court of the decision of the General Assembly.

In case of refusal of the ratification or the confirmation, the competent Court shall nominate the liquidator, possibly on proposal of the General Assembly.

The liquidators shall deliver during the sixth and twelfth months of the first year of the dissolution a detailed account of the situation of the dissolution to the Commercial Court to which the office of the society is attached.

Article 35 – Distribution of the net assets

After all debts, expenses, and liquidation fees have been discharged, or the necessary amounts to do so have set aside, the net assets shall be used first to reimburse the amount of the paid capital.

Should all shares remain unpaid in an unequal proportion, the liquidators shall take this situation into account before starting to distribute the capital and re-establish the balance between all parties by putting all shares at the same level, be it by calling in some more funds to compensate for the shares that have not been fully paid up, or by reimbursing first, in cash, the paid up shares.

The balance shall be distributed equally amongst all shares.

CHAPTER IX: MISCELLANEOUS

Article 36 – Internal Rules

The Board of Directors shall establish its own internal rules and shall propose the internal rules of the CGP to be ratified by the CGP.

These internal rules shall govern the day to day running of the society, including the rules of notification, quorum of attendees, of decision, etcetera, within the limits set by the Law and the present statutes.

They can provide for all measures regarding the implementation of these statutes and the regulation of business. In particular they may compel the associates and their rightsholders to fulfil any duties that the interests of the society requires. Subject to the law, penalties, including fines of up to twenty-five euros (25€) per offence, as well as suspension of rights and benefits, can be imposed by the internal rules to ensure that the requirements of these internal rules and those of the statutes are met.

The general assembly may review the internal rules modify them as necessary;

Article 37 – Election of domicile

All associates, directors, and liquidators resident abroad must elect a domicile in Belgium for the implementation of the present statutes.

Should they fail to do so, the associates, directors and liquidators shall be deemed to have elected domicile at the head office of the society where all summonses, notifications and communications may be validly addressed to them.