Articles of Association Sacem's Regulations followed by the Audiovisual Rules

2012



SOCIÉTÉ DES AUTEURS, COMPOSITEURS ET ÉDITEURS DE MUSIQUE

SOCIÉTÉ CIVILE (CIVIL-LAW PARTNERSHIP) WITH VARIABLE CAPITAL, 775 675 739 RCS NANTERRE REGISTERED OFFICE: 225 AVENUE CHARLES DE GAULLE, 92200 NEUILLY SUR SEINE

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2012

Articles of Association

Established by deed executed before Maître Halphen, Notary in Paris on January 30 and 31, and February 1, 5, 6, 21 and 28, 1851.

AMENDED IN GENERAL MEETINGS

On March 11, 1889 - March 11, 1899

December 16, 1900 - June 23, 1902 - May 29, 1905 - October 15, 1923

May 31, 1926 - May 28, 1927 - May 14, 1928 - May 10, 1933

March 25, 1936 - May 13, 1936 - May 2, 1939 - March 19, 1946

May 3, 1948 - November 7, 1949 - April 30, 1952 - May 11, 1954

May 10, 1955 - May 15, 1956 - November 26, 1957 - November 24, 1959

February 28, 1961 - May 14, 1963 - May 15, 1968 - May 11, 1971 - June 13, 1972

June 11, 1974 - June 10, 1975 - June 15, 1976 - March 9, 1978

June 10, 1980 - June 16, 1981 - June 19, 1984 - December 12, 1985 - June 16, 1987

June 14, 1988 - June 13, 1989 - June 12, 1990 - March 11, 1992 - April 28, 1993

June 9, 1998 - June 8, 1999 - June 13, 2000 - June 29, 2001 - June 17, 2003

June 15, 2004 - June 15, 2005, - January 16, 2007 - June 17, 2008 - December 17, 2009, June 15, 2010,

June 15, 2011 and June 19, 2012.

And registered again with all amendments at the office of D. PARGADE SELARL Notary, at 24 rue La Fayette, 75009 Paris

^{*} Words importing persons include corporations, and words importing the masculine gender include the feminine.

2012 Articles of Association

1. Incorporation of the Society

Article 1

A *société civile* (civil-law partnership) under the name SOCIÉTÉ DES AUTEURS, COMPOSITEURS ET ÉDITEURS DE MUSIQUE (Society of Authors, Composers and Publishers of Music), called SACEM, is hereby formed among the parties appearing and all authors, author-directors, composers and publishers who are hereafter admitted to adhere to these Articles of Association.

Every author, author-director or composer admitted to adhere to these Articles of Association contributes to the Society, by the very fact of this adherence, in all countries and for the duration of the Society, the right to authorize or prohibit the public performance of his works as soon as they are created.

The publisher of a work whose authors and/or composers are Members of the Society shall himself be admitted as a Member of the Society, by reason of the stipulations made by said authors and/or composers for his benefit within the limits of these Articles of Association.

Every publisher who exploits works of authors and composers that are not Members of the Society, and who is admitted to adhere to these Articles of Association, contributes to the Society, by the very fact of this adherence and insofar as he was able to acquire it, the exercise of the public performance rights for the works he exploits.

Article 2

By adhering to these Articles of Association, the Members of the Society contribute to the Society, on an exclusive basis and for all countries, the right to authorize or prohibit the mechanical reproduction of their works as defined in Article 1 above, by any means known or to be discovered, subject to the right for each Member of the Society to withdraw the contribution referred to in this Article, at the end of each ten-year period, beginning from the date of adherence to these Articles of Association, upon one year's notice.

Those Members of the Society who were admitted prior to the date on which this Article was included in the Articles of Association may, at any time, contribute to SACEM the rights referred to in this Article and of which they have free disposition.

Notwithstanding the provisions of the first and second paragraphs of this Article, the Members of the Society may retain the right to authorize or prohibit the reproduction of their works in films intended for screening in movie theaters and for which these works were specially written.

The owners of the publishing rights in dramatico-musical works retain the right to authorize or prohibit the reproduction of said works, totally or in large excerpts, in television films.

The owners of the reproduction rights in pre-existing works may retain the right to authorize or prohibit the reproduction of said works in films intended for screening in movie theaters.

The exercise of all or part of the prerogatives inherent in the mechanical rights of its Members can be delegated by resolution of the Board of Directors of the Society, and under its responsibility, to any appropriate organization, provided that such organization applies the provisions set forth in the second, third and fourth paragraphs of Article 9.

Article 2A

Should the management of the right to authorize or prohibit the public performance of his works have previously been entrusted to the Society by an organization to which an author, composer or publisher has delegated the exercise of such right, the Board of Directors may accept that the author, composer or publisher concerned be admitted to adhere to these Articles of Association, although his personal contribution is limited to the sole right of authorizing or prohibiting the mechanical reproduction of his works.

Conversely, should the management of the right to authorize or prohibit the mechanical reproduction of his works have previously been entrusted to the Society by an organization to which an author, composer or publisher has delegated the exercise of such right, the Board of Directors may accept that the author, composer or publisher concerned be admitted to adhere to these Articles of Association, although his personal contribution is limited to the sole right of authorizing or prohibiting the public performance of his works.

In the cases provided for in the above two paragraphs, the Board of Directors may also restrict the territorial scope and the duration of the limited contribution that it decides to accept.

Article 2B

Because of their special character, the rights defined in Articles 1, 2 and 2A hereof, which the Members contribute to the Society for the purpose of their exercise, do not enter into the formation of the capital of the Society, but they do constitute a right to vote at General Meetings under the conditions established in Article 25A hereof, if they give rise to a minimum actual exercise by the Society.

2. Registered Office and Duration of the Society

Article 3

The registered office of the Society is at 225 Avenue Charles de Gaulle, Neuilly-sur-Seine, and may be transferred by resolution of the Board of Directors to any other location in the same town or adjacent departments.

The duration of the Society is extended for a period of fifty years from June 23, 2012 and shall expire on June 23, 2062.

Upon the expiration of the current period, it shall be extended in the manner provided for in Article 28 hereof for a period of fifty years, subsequently renewable in the same manner.

3. Purpose of the Society

<u> Article 4</u>

The purpose of the Society is:

- 1. To exercise and administer, in all countries, all the rights relating to public performance or mechanical reproduction, and, in particular, to collect and distribute the royalties accruing from the exercise of said rights;
- 2. To take provident, solidarity and mutual-aid action by setting up and paying benefits under the welfare scheme, in accordance with Article 33 of the Articles of Association;
- 3. To take cultural action by implementing technical and budgetary measures, in accordance with Article 33 of the Articles of Association, conducive to developing the Society's repertoire [(also referred to as the "registered repertoire") *Translator*] and to promoting it to the public; and
- 4. Generally, to defend the material and moral interests of its Members or their beneficiaries with a view to and within the scope of the Society's purpose, as well as to determine rules of professional conduct in relation to the activities of its Members.

4. Composition of the Society

<u> Article 5</u>

Authors, author-directors and composers who have adhered to the Articles of Association of the Society have the status of Members (*Adhérents* (adherents), *Stagiaires* (provisional members), *Sociétaires professionnels* (professional members) or *Sociétaires définitifs* (full members)).

Publishers who publish works by authors or composers who are Members of the Society or members of an authors' society that has given the Society a power of attorney to represent it, and who have adhered to the Articles of Association of the Society also have the status of Members (*Adhérents*, *Stagiaires*, *Sociétaires professionnels* or *Sociétaires définitifs*).

Terms of admission and membership status are determined by these Articles of Association and by the General Regulations.

5. Capital of the Society

Article 6

The capital of the Society is variable. It is made up of the monies derived from the Members' admission fees, the amount of which is fixed each year by the Board of Directors.

The capital of the Society is increased by the admission of new members. It is reduced by the resignation or exclusion of members; provided, however, that it may not become less than one-tenth of the capital fixed by the Articles of Association.

The amount of the capital may not be reduced to less than 1.5 million euros or increased to more than 15 million euros without a resolution of an Extraordinary General Meeting.

6. Shares in the Capital of the Society

Article 7

The capital of the Society is divided into equal shares that are allocated to the Members on the basis of one share per natural or legal person, whatever his category or categories (author, author-director, composer, publisher) or status (*Adhérent*, *Stagiaire*, *Sociétaire professionnel*, *Sociétaire définitif*). Each share carries the right to one vote at General Meetings.

Heirs, legatees and assignees of deceased Members, in representation of the latter as well as assignees of rights referred to in Article 18 of the General Regulations who adhere to these Articles of Association, also have one share in the capital of the Society carrying the right to one vote at General Meetings.

The shares in the capital of the Society are not evidenced by any document of title.

7. Management Account

Article 8

- (A) Charges are made up of:
 - 1. All expenditure necessary for running the Society and the staff welfare scheme.
 - 2. Capital losses on sales of fixed assets.
- (B) Revenue is made up of:
 - 1. Income from the fees for registering works in the Society's repertoire and from dues.

 The amount of the above-mentioned fees and dues, as well as the rules for their application, are determined by the Board of Directors.
 - 2. Monies derived from collections, except for monies collected pursuant to Articles L 132-20-1 and L 311-1 of the Intellectual Property Code, that could not be distributed.
 - 3. Interest from investment of cash pending distribution.
 - 4. Royalties not claimed pursuant to Article 84 of the General Regulations by Members or their beneficiaries after a period of ten years.
 - 5. Donations and gifts as well as fines and damages that the Society may receive.

- 6. Sums withheld and not distributed, as provided for in Article 11.
- 7. Capital gains on sales of fixed assets.
- 8. Deduction of a percentage of the amount of the royalties: one portion at the time of their collection, and another portion at the time of their distribution.

The percentage of the above-mentioned deduction is set by the Board of Directors and changed by it as often as necessary to ensure the financial balance of the Management Account. Should the proceeds of this deduction cause the Management Account to show a surplus or deficit on December 31 of any financial year, such surplus or deficit shall be carried forward as the first revenue or first charge, as the case may be, on the Management Account for the following year. The Board of Directors must ensure that the amount to be carried forward is as small as possible, and in any case less than 5% of the total charges for the corresponding financial year.

8. Collection and Distribution of Royalties

Article 9

The royalties collected by the Society in respect of public performance rights shall, after deduction of the overheads and the withholdings provided for in the Articles of Association, be distributed according to the general principle of an equal three-way division among the author, the composer and the publisher of each of the works performed.

The procedures for applying this principle, like the rules applying to the author-director, are specified in the General Regulations.

The royalties collected by the Society in respect of mechanical rights shall, after deduction of the withholding under Article 8(B)(8) of the Articles of Association, be distributed among the author, the composer and the publisher of each of the works reproduced, in accordance with the agreements entered into by and among them.

However, the royalties collected by the Society in matters relating to the manufacture and use of mechanical reproductions by radio and television broadcasters and by entertainment entrepreneurs bound to SACEM by a representation contract, as well as in respect of the private copying of phonograms and videograms, shall be distributed according to the general principle of an equal two-way division between, on the one hand, the authors and composers, and, on the other hand, the publisher, pursuant to the scale set forth in Articles 76 and 77 of the General Regulations, it being specified that should the global share accruing to the authors and composers, under the terms of assignments between rights-holders, be greater than that arising from the application of the aforementioned scale, the contractual distribution shall apply.

The Board of Directors shall set for each financial year a provisional withholding to cover the costs inherent in the exercise of mechanical rights which, for royalties other than those collected solely from the entertainment entrepreneurs referred to in the third paragraph above, cannot exceed 20% of the gross amount collected as provided in the second and third paragraphs above.

In all cases in which SACEM itself exercises the rights under Article 2 of theses Articles of

Association, separate accounts, recording charges and revenue, shall be drawn up for the royalties collected and distributed in this respect.

With respect to non-entrance-paying events organized by the general-interest associations referred to in Article L 321-8 of the Intellectual Property Code, the royalties payable to the Society in exchange for the right granted to them, on their prior request, to use the registered repertoire during such events shall be reduced by 5%.

Those of the above-mentioned associations:

- a) whose main purpose consists in promoting musical creation and education,
- b) which fall within the scope of Article L 132-21 of the Intellectual Property Code,
- c) which are members of federations of associations, representative on a national level, having signed a general memorandum of agreement with the Society,

may benefit from a more substantial reduction in the royalties payable by them.

Article 10

Those Adhérents, Stagiaires, Sociétaires professionnels or Sociétaires définitifs who are managers, partners, silent partners, stage managers, directors, secretaries, conductors, stage or audiovisual-works directors, artistic agents, performers, in a word, all employees, in whatever capacity, whether paid or not, of an establishment dependent on the Society, cannot take up all of them together, for any one program, in said establishment, more than one-tenth of the numbers, nor share together in more than one-tenth of the royalties relating to the entire program.

Any piece in which the name of one of the aforementioned employees appears shall count as one number. This prohibition also extends to all the other Members of the Society, but in the following manner: none of them may share in more than one-fifth of the royalties relating to the programs, nor figure for more than one-fifth of the numbers in the programs of the dependent establishments where they are not employed.

The Board of Directors is vested with the broadest powers to make cuts in programs composed at variance herewith and to adjudicate, without appeal, any disputes that may arise in their application.

Article 11

The monopolizing or attempted monopolizing of programs or rights by the use any form of combination or any other fraudulent concerted practice devised with that aim and engaged in by one or more *Adhérents*, *Stagiaires*, *Sociétaires professionnels* or *Sociétaires définitifs*, or by an assignee, heir, legatee or beneficiary in any capacity, in a dependent establishment, shall, for each violation established, give rise to a fine whose amount shall be fixed in accordance with the provisions of Article 30 of the General Regulations, without prejudice to any decision that may be taken by the Board prohibiting the violator(s) from benefiting, even through an intermediary, from the provisions of Article 82 of the General Regulations for a period of three months to one year.

If a Director or a Committee member is found to have committed the violations forming the subject matter of this Article, such Director or Committee member shall thenceforth no longer be able to be a member of the Board of Directors or of the statutory and regulatory Committees [i.e., the Committees provided for by these Articles of Association and the General Regulations — *Translator*] in any capacity whatsoever.

The Board of Directors may, moreover, order the posting of the decision.

In the event that duly established violations show repeated inaccuracy of programs in the same establishment, the Board of Directors shall have full powers to cancel, in whole or in part, the distribution of the sums collected in that establishment.

The royalties of those persons whose works were really performed outside of any combination and any fraud shall be distributed.

The monies withheld and not distributed shall be paid into the Management Account.

Article 11A

The author, author-director, composer and publisher Members of the Society cannot share the royalties derived from the exploitation of their works with establishments dependent on the Society or other authors' societies – directly or indirectly (including through publishing companies affiliated with and/or controlled by such establishments) – with the sole aim of getting such establishments to give said works preferential treatment when they use the Society's repertoire.

In the event of breach of the preceding paragraph, the sanctions provided for in Article 11 shall apply, without prejudice to the sanctions provided for in Article 30 of the General Regulations.

9. Administration of the Society

Article 12

The Société des Auteurs, Compositeurs et Éditeurs de Musique is administered by a Board of Directors composed of:

- 1. six authors, six composers and six publishers elected by the General Meeting for three years and renewable every year by one-third and by category;
- 2. one author-director and one alternate author-director, both elected by the General Meeting for two years.

In the event of a tied vote, the benefit of the election shall go to the candidate who has been a *Sociétaire définitif* for the longer or longest time. In the event of equal seniority in that rank, the benefit of the election shall go to the candidate who has been a *Sociétaire professionnel* for the longer or longest time. In the event of equal seniority in that rank, the benefit of the election shall go to the candidate who has been a Member of the Society for the longer or longest time.

Any outgoing member may be re-elected only as from the Annual General Meeting following the one marking the expiration of his term of office, on the understanding that, within the meaning of the present provision, where different natural or legal persons find themselves in a situation of direct or

indirect legal dependence in relation to one of their number, they and the latter shall be considered as constituting one and the same member.

The election of the alternate author-director shall take place at the Annual General Meeting preceding the one marking the expiration of the author-director's term of office.

At the end of the author-director's term of office, the alternate author-director shall immediately be called upon to replace the author-director until the expiration of his term of office, as principal author-director.

Article 13

If one or more vacancies arise on the Board of Directors for any reason whatsoever, the Board of Directors may call an Exceptional General Meeting to fill the vacancies in accordance with these Articles of Association.

However, if more than two vacancies on the Board of Directors arise in the same category at least one year before the end of the term of office, an Exceptional General Meeting must be called within a maximum of two months to fill the vacancies in accordance with these Articles of Association.

The Directors thus elected shall hold office only for the remainder of their predecessor's term.

If, however, the seat of the author-director becomes vacant for any reason whatsoever, the alternate author-director shall immediately be called upon to replace him as principal author-director.

Any member who has resigned and/or any legal representative of a publishing company that has ceased to be a member of the Board of Directors pursuant to Article 14(2) may be re-elected only for the period whose expiry date is that of his former term of office.

Any member who fails to attend more than four consecutive meetings of the Board of Directors shall be deemed to have resigned, unless he is absent for normal vacation or has a valid excuse for being absent

Article 14

The only persons who can be members of and are eligible for election to the Board of Directors are Members holding the nationality of a Member State of the European Union or European Economic Area, enjoying their civil rights, appointed as *Sociétaires définitifs* at least one year previously, this time requirement not being applicable, however, to *Sociétaires définitifs* appointed pursuant to the first paragraph of Article 15 and the last paragraph of Article 26 of the General Regulations when one of the companies involved in the merger has been a Member of SACEM as a *Sociétaire définitif* for at least one year at the date of the merger, and not having been the subject of any disciplinary measure by a board of directors of an authors' society in a Member State of the European Union or European Economic Area during the last five years, in particular for: infringement, plagiarism, false programs, false declarations, or breaches of the Articles of Association and Regulations.

Sociétaires professionnels who have served for two successive terms on the Committees referred to in Article 24 of these Articles of Association and who meet the other conditions established in the preceding paragraph are also eligible for election to the Board of Directors.

The following persons are ineligible for election to the Board of Directors or statutory Committees or cannot be appointed to the Mechanical Rights Management Committee, or shall cease to be members thereof:

- 1. Members who have alienated their performance rights or mechanical rights.
- 2. Natural persons who are not the legal representatives of publisher Members incorporated as companies and, if there are several legal representatives, those who were not appointed in the manner provided for in Article 16 of the General Regulations.
- 3. Members and natural persons representing a publishing company who belong or may come to belong in any capacity, on a permanent basis, to an entertainment company or to a private or public body engaged in radio, cinema or television production or exploitation, or using any other method of exploitation or reproduction, whether existing now or in the future, except for private bodies engaged in the production or exploitation of phonograms and without their being able to be members of the Mechanical Rights Management Committee, or who personally carry on one of those activities and whose interests, in respect of those activities, are manifestly likely to have a material influence on the activity in respect of which they are members of SACEM or on the activity of the publishing company that they represent.
- 4. Members who are or become, during their term of office, chief executive, manager or director of a society that collects and distributes royalties in respect of neighboring rights.
- 5. The Board of Directors is responsible for enforcing this Article and has the power to reject candidacies barred by said disqualifications, after calling the candidate to an interview and hearing him.

Resolutions of the Board of Directors are passed by a majority of the members present.

A meeting of the Board shall be valid only if a majority of its members are present.

In the event of a tied vote, the Chairman or, in his absence, the chairman of the meeting, shall have a casting vote.

The alternate author-director shall attend the meetings of the Board of Directors. He shall take part in votes only in the absence of the author-director.

The minutes of each meeting, as well as any extracts therefrom that may be issued, shall be signed by the Chairman or a Deputy Chairman and the Secretary or Deputy Secretary.

The wording of the minutes shall be read and approved at the following meeting and transcribed in a register kept for this purpose. In the event of a vote by roll call, the minutes shall specify the names of the Directors who took part in the vote, and whether each voted for or against the resolution.

Any Member may, on a private basis, personally consult at the registered office of the Society the text of the minutes of the meetings and resolutions of the Board of Directors.

The Board of Directors may deliberate *in camera* whenever it deems it necessary, for reasons that shall be stated.

Article 15A

Directors, members of the Mechanical Rights Management Committee and Committee members are not remunerated for their duties; however, monthly allowances for entertainment and travel expenses can be granted to them. The maximum forecast budget for the above-mentioned monthly allowances shall consist of a percentage of the Society's gross revenue, proposed every year by the Board of Directors to the Annual General Meeting for ratification.

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10. Duties, Functions and Powers of the Board of Directors

Article 16

The Board of Directors administers the Society.

Consequently, the Board of Directors decides on dealing, contracting, pleading, compounding and agreeing to go to arbitration in the name of the Society and, generally, on doing all acts of administration.

The Board of Directors must, however, inform the General Meeting of decisions calling into question the basic principles of the Society.

On a proposal from the Chief Executive, the Board of Directors appoints and removes the senior executives of the Society and the area managers, but it may not choose a Member of the Society.

The Board of Directors has at its disposal all the funds of the Society and determines the investment, displacement and use thereof.

The Board of Directors must, however, keep sufficient available funds to cover the distribution payments and payment of the advances provided for in the General Regulations.

The Board of Directors shall have the power to acquire and alienate, free of charge or against payment, both in matters relating to personal property and in matters relating to real property.

The Board of Directors authorizes expenditure and rules on applications for aid submitted by Members or their beneficiaries.

It also has authority to decide to enter into contracts with bodies representative of all categories of SACEM employees to fund the welfare scheme and social benefits of such employees.

The Board of Directors may, moreover, call for the assistance, in an advisory capacity and for a temporary period of time, of one or more former Directors who are in a period of ineligibility and whose assistance is deemed necessary.

Any and all disputes between or among authors, composers and publishers, especially with respect to the composition and ownership of their works, may, upon the written request of all the interested parties, be finally settled by the Board of Directors.

By adhering to the Articles of Association, each Member of the Society recognizes that the Society, represented by its Chief Executive, alone has *locus standi* in any legal proceedings instituted against third parties on the basis of the public performance rights or mechanical rights contributed by him to the Society under the Articles of Association in order to recover the amounts owing in this respect.

Article 18

Since, as stated in Article 16, the Board of Directors alone has the right to decide to enter into contracts, no *Adhérent*, *Stagiaire*, *Sociétaire professionnel* or *Sociétaire définitif* may assign the right that he has already vested in the Society under its Articles of Association, nor may he personally authorize or prohibit the public performance or the mechanical reproduction of his works.

Any authorization given by an *Adhérent*, *Stagiaire*, *Sociétaire professionnel* or *Sociétaire définitif* in violation of this prohibition shall be absolutely void and shall render him liable to a fine whose amount shall be fixed in accordance with Article 30 of the General Regulations, after the interested party has been heard or duly summoned.

11. Managing Board

<u> Article 19</u>

The Board of Directors shall appoint a Director General by secret ballot.

In connection with his duties and powers specified in Article 21, the Director General shall be assisted by an Executive Board, which shall ensure, under his authority, the smooth running of SACEM.

The members of the Executive Board shall be appointed by the Board of Directors on a proposal from the Director General.

The members of the Managing Board may be removed from office, on a proposal from the Director General, by a decision of the Board of Directors.

The Director General must be a national of a member state of the European Union or European Economic Area.

To be elected, he must obtain at least two-thirds of the votes of the members of the Board.

The Board of Directors shall determine, under the same conditions of majority, in agreement with the Director General and within the framework of the contract entered into with him, the duration and the possible terms of renewal or extension of his term of office.

The Board of Directors shall determine, in the same manner, after consulting the Pay Committee provided for in Article 93B of the General Regulations, the amount and terms of the Director General's compensation. In addition, it shall approve, under the conditions of majority provided for in the first paragraph of Article 15, the compensation of the members of the Executive Board.

12. Management – Duties, Functions, and Powers of the Director General

Article 19A

The Director General cannot be selected from among the Members of the Society, or be directly or indirectly, involved in the management of an industrial, commercial or civil undertaking, connected or unconnected with the purpose of the Society, except those in which he may come to represent the Society by reason of his functions within the latter.

He shall not make any arrangement, deal or special agreement with Members or employees of the Society or users of the repertoire.

Article 20

The Board of Directors may, by secret ballot and a majority of two-thirds of the votes of the members of the Board, remove the Director General from office before the end of his term, notwithstanding the provisions of the penultimate paragraph of Article 19.

Article 21

The Director General is the Chief Executive of the Society.

He attends all the General Meetings of the Society. He assists the Board of Directors there.

His duties consist in managing the Society, in accordance with the instructions and decisions of the Board.

In particular, he is responsible for:

- 1. Executing, or causing to be executed, all the decisions taken by the Board.
- 2. Keeping the Society's accounts and correspondence.
- 3. Ensuring that the royalties or other items of revenue are collected, and keeping, under the control and supervision of the Treasurer, the Society's cash.
- 4. Making sure, on the one hand, that the Society's accounts with banks and financial institutions, caisses de dépôts (autonomous public institutions in charge of certain deposits and consignments) or government agencies are opened in the name of Société des Auteurs, Compositeurs et Éditeurs de Musique and, on the other hand, that withdrawals of the monies deposited therein can be made only jointly by the Treasurer, replaced in the event of his being absent or unable to attend to his duties by the Assistant Treasurer, and by the Director General, replaced in the event of his being absent or unable to attend to his duties by a special attorney-in-fact approved by the Board.
- 5. Collecting, on behalf of the Members of the Society or their beneficiaries, the royalties in France and abroad, as well as the income of the Society; drawing up the distribution statements and paying the share relating to each rights-holder, after prior approval by the Board.
- 1. Appointing persons to and dismissing them from all administrative positions other than those of senior executive and area manager without being able to choose a Member of the Society, on condition that he informs the Board of Directors thereof.
- 7. Monitoring and instituting all legal actions and proceedings, pursuing their enforcement, even on real property, or withdrawing them.
- 8. Obtaining all assistance and authorizations, presenting all petitions and, generally, doing whatever the Board of Directors may deem necessary.

13. Mechanical Rights Management Committee

Article 22

The Mechanical Rights Management Committee is composed of six authors, six composers, six publishers and two author-directors appointed by the Board of Directors for a renewable term of one year.

Only *Sociétaires définitifs* who are nationals of a Member State of the European Union or European Economic Area and who have not been the subject of any disciplinary measure by a board of directors of an authors' society in a Member State of the European Union or European Economic Area during the last ten years, notably for: infringement, plagiarism, false programs, false declarations, or breaches of the Articles of Association and Regulations, may be appointed.

Throughout their term of office, the members of the Mechanical Rights Management Committee cannot be members of any statutory or regulatory Committee of SACEM.

The Board of Directors must select the members of the Mechanical Rights Management Committee from among the most representative members of the profession, and cannot appoint thereto more than five incumbent Directors of SACEM.

The SACEM representatives on the board of directors of any organization provided for in the last paragraph of Article 2 of these Articles of Association must be appointed by the Board of Directors, on a priority basis, from among the members of the Mechanical Rights Management Committee.

The above-mentioned representatives are required to comply with such mandatory instructions as may be given to them.

The Committee is exclusively competent to ensure, under the authority of the Board of Directors, the administration of the mechanical rights contributed to SACEM. It shall take any measures likely to further the development of mechanical rights in the context of their management associated with that of the public performance rights.

The decisions of the Committee are executed by the Director General. However, such decisions may, within eight days, be submitted by one of the Director members of the Committee or by the Director General to the Board of Directors. The latter shall then adjudicate without appeal.

The Committee must be consulted on any proposed amendments to the Articles of Association and General Regulations of SACEM relating to provisions specific to mechanical rights, notably the provisions contained in Articles 2 and 9 of these Articles of Association.

The Committee appoints a Chairman, a Deputy Chairman and a Secretary.

The Director General of SACEM attends by right, in an advisory capacity, the meetings of the Committee.

Decisions of the Committee are taken by a majority of the members present.

The Committee normally meets once a quarter, but a meeting of the Committee may be held at any time, upon special notice given by the Society. A meeting of the Committee shall be valid only if a majority of its members are present.

In the event of a tied vote, the vote of the Chairman, or, in his absence, that of the chairman of the meeting, shall be decisive.

The minutes of each meeting, as well as any extracts therefrom that may be issued, are signed by the Chairman or Deputy Chairman and the Secretary.

14. Committees

Article 23

Besides the Committee provided for in Article R 321-6-3 of the Intellectual Property Code, there exist statutory Committees and regulatory Committees functioning as provided for in the Articles of Association and General Regulations.

Such Committees may to no extent interfere in the administration of the Society. Their task is to study the questions falling within their sphere of competence as well as those submitted to them and to propose appropriate solutions to the Board of Directors.

The Board of Directors has authority to create if necessary, and determine the duties, functions and powers and appoint the members of, committees other than those cited in the 1st paragraph.

The Committees shall keep minutes of their meetings, signed by the Chairman and the Secretary.

Article 24

The statutory Committees are as follows:

- 1. The Accounts and Supervisory Committee, responsible for controlling the Society's revenue and expenditure and for checking all the accounts thereof. This Committee is composed of two authors, two composers and two publishers, elected for three years by the General Meeting and renewable by one-half and by category.
- 2. The Programs Committee, responsible for checking the programs, distribution tables and documents, as well as the reports on inspections in all the establishments or various places where the works of the Society's Members are publicly performed. This Committee is composed of three authors, three composers and three publishers, elected for three years by the General Meeting and renewable by one-third and by category.

The only persons who can be members of and are eligible for election to the statutory Committees are Members holding the nationality of a Member State of the European Union or European Economic Area, enjoying their civil rights, admitted as *Sociétaires définitifs* or *Sociétaires professionnels* at least one year previously, this time requirement not being applicable, however, to *Sociétaires définitifs* or *Sociétaires professionnels* appointed pursuant to the first paragraph of Article 15 and the last paragraph of Articles 26 and 24 of the General Regulations when one of the societies involved in the merger has been a Member of SACEM as a *Sociétaire définitif* or a *Sociétaire professionnel* for at least

one year at the date of the merger, and not having been the subject of any disciplinary measure by a board of directors of an authors' society in a Member State of the European Union or European Economic Area during the last five years, in particular for: infringement, plagiarism, false programs, false declarations, or breaches of the Articles of Association and Regulations.

In the event of a tied vote, the benefit of the election shall go to the higher or highest ranking candidate. In the event of a tied vote between or among *Sociétaires définitifs*, the rule laid down in the second paragraph of Article 12 of these Articles of Association shall be applied. In the event of a tied vote between or among *Sociétaires professionnels*, the benefit of the election shall go to the candidate with the longer or longest seniority in that rank. In the event of equal seniority in that rank, the benefit of the election shall go to the candidate who has been a Member of the Society for the longer or longest time.

In the event of the death, resignation, or long-term unavailability — duly established on account of absence from more than twelve sittings of a statutory committee during a one-year period — of one or more committee members, the Board of Directors shall appoint the candidate or candidates from the same category who obtained in the same Committee the largest number of votes at the last General Meeting and at least one-third of the votes cast in that category. Failing this, the Board of Directors shall select the replacement(s) from among the former committee members. In such case, the rule that each of the author, composer and publisher categories must be represented by the same number of members may be waived.

In the event that a publishing-company member of a statutory Committee disappears due to merger, the Board of Directors may appoint to the same Committee the publishing company resulting from the merger and admitted to *Sociétariat définitif* (full membership) or *Sociétariat professionnel* (professional membership) pursuant to the last paragraph of Articles 26 and 24 of the General Regulations, or the acquiring company (in the merger) having the same legal representative as the publishing company that ceases to be a member of said Committee because of the merger.

Such appointments shall be valid only for the time remaining to run before the next General Meeting. If the latter takes place at least one year before the expiration of the term of office of the replaced committee member(s), a new election shall then be held. The committee members thus elected shall remain in office only until the date of expiration of their predecessor's term.

Any outgoing member may be re-elected to the statutory Committees or elected to the Board of Directors only as from the Annual General Meeting following the one marking the expiration of his term of office.

Every year, each statutory Committee shall present a report on its proceedings to the General Meeting.

Article 24A

The members of the regulatory Committees are appointed by the Board of Directors.

The composition and duties, functions and powers of such Committees are defined in the General Regulations.

Article 24B

The Committee provided for in Article R 321-6-3 of the Intellectual Property Code is composed of two authors, two composers and two publishers, elected for one year by the Annual General Meeting from among those members who do not hold any office within the Society or who are not serving as chief

executive or member of the board of directors within another performing rights society.

The Board of Directors may, after calling the candidate to an interview and hearing him, reject any candidacy that does not comply with the provisions of the preceding paragraph.

In the event of a tied vote, the benefit of the election shall go to the candidate who has been a Member of the Society for the longer or longest time.

If, due to death, resignation or any other reason, one or more vacancies arise on a Committee, the Committee shall continue its proceedings with the remaining members until the next Annual General Meeting. However, if more than one vacancy arises on a Committee at least four months before the next Annual General Meeting, the Board of Directors shall call an Exceptional General Meeting to elect persons to fill the vacancies in accordance with these Articles of Association, such election taking effect until the date of the next Annual General Meeting.

The provisions of Article 15A hereof apply to the members of the Committee.

The Committee, by a majority of its members, elects its Chairman. A meeting of the Committee shall be valid only if a majority of its members are present. It shall meet to the extent necessary to give effect to Article R 321-6-3 of the Intellectual Property Code, upon notice given by the Chairman, in particular when a Member has been refused communication of information and he brings the matter before the Chairman.

Its opinions are adopted by a majority of the members present and are communicated to the Board of Directors and the Director General. In the event of a tied vote, the vote of the Chairman, or, in his absence, that of the chairman of the meeting, shall be decisive.

The minutes of each meeting are signed by the Chairman.

In the event that the Committee is seized of a refusal to communicate information to one of its members, the latter shall not take part in the Committee's consideration of his case or in the vote on the opinion concerning him.

15. Annual General Meeting

Article 25

Every year, the General Meeting of the members shall be held on the third Tuesday in June.

The members shall be given notice of the Meeting by notices inserted in the journals *La Gazette du Palais* and *Le Quotidien Juridique* and posted on SACEM's web portal not less than one month before the Meeting.

The *Sociétaires professionnels* referred to in Article 25A below and the *Sociétaires définitifs* shall, in addition, be given individual notice of the Meeting by post or, if they have so requested, by electronic means, at least fifteen days before the date of the Meeting.

If the Annual General Meeting cannot be held on the date fixed above, notice thereof shall be given to the members in the same manner as above. The notice shall state the reasons for the deferment, as well as the date on which the Meeting will be held.

The conditions governing the calling of an Annual General Meeting for a date other than the third Tuesday in June are set forth in Article 26.

The Annual General Meeting shall consider the annual accounts, the overall report on the Society's activities that is presented to it by the Chief Executive and all questions that are submitted to it by the Board of Directors.

The Meeting normally votes on a show of hands, by a majority of the votes held by the Members present. However, a secret ballot must be instituted:

- 1. Whenever the Board of Directors so demands:
- 2. Upon the oral request, during the Meeting, of at least fifty Members present, without the Members being able to ask for this voting method more than twice during the Meeting.

The Annual General Meeting elects the members of the Board of Directors, the members of the two statutory Committees and the members of the Committee provided for in Article R 321-6-3 of the Intellectual Property Code by the list system and by the greatest number of votes cast, either at the General Meeting during the time the polling booths are open, or beforehand, by electronic means, it being specified that with respect to the Sociétaires professionnels referred to in Article 25A and the Sociétaires définitifs the right to vote may be exercised by post. The practical conditions for the exercise of voting rights are determined by the Board of Directors.

The members of the Board of Directors and the Chief Executive are the officers of the General Meeting, and the General Meeting is chaired by the Chairman or one of the Deputy Chairmen, or, in default thereof, the eldest of the members of the Board of Directors.

Resolutions are passed by a majority of the votes held by the Members present and no one can be represented by proxy, save, with respect to publishing companies, as provided in Article 16 of the General Regulations.

The proceedings are recorded in minutes drawn up and signed by the chairman of the Meeting and the Chief Executive. Such minutes shall be posted, after the General Meeting, on the SACEM web portal space reserved for members, for one year, and shall be entered into a special register kept for such purpose. Any member may personally and in a private capacity consult the wording of minutes of General Meetings.

Article 25A

The General Meeting is composed of all the Members of the Society, each of whom has thereat:

- one vote, as provided for in Article 7 hereof, whatever his category or categories and whatever his status;
- fifteen additional votes, in accordance with Article 2B hereof, whatever his category or categories, when he has been appointed as a *Sociétaire professionnel* either after January 1, 1972, or prior to that date if he fulfils the conditions for appointment to *Sociétariat professionnel* from January 1, 1972, or when he has been appointed as a *Sociétaire définitif*.

16. Exceptional General Meeting

Article 26

During the course of a year, General Meetings may be held for a special purpose pursuant to resolutions of the Board of Directors and upon its request. In that case, no other business may be placed on the agenda of such a General Meeting. The members are given notice of such a Meeting by notices inserted in the journals *La Gazette du Palais* and *Le Quotidien Juridique* and posted on

SACEM's web portal at least one month before the date fixed.

However, the *Sociétaires professionnels* referred to in Article 25A above and the *Sociétaires définitifs* shall, in addition, be given individual notice, by post or, if they have so requested, by electronic means, at least fifteen days before the date of the Meeting.

The provisions set forth in Article 25 with respect to the chairman and officers of Meetings, as well as the conditions of voting and the manner of preparing and consulting minutes, are applicable to Exceptional General Meetings.

.....

17. Extraordinary General Meeting

Article 27

Any amendments to the Articles of Association can be voted by an Extraordinary General Meeting only.

If an Extraordinary General Meeting is held on the date of the Annual General Meeting as fixed in these Articles of Association, it shall be governed by the provisions set forth in Article 25 hereof.

If it is held on another date, it shall be governed by the provisions set forth in Article 26 hereof.

In all cases, the notice of the Meeting must be published one month before the Meeting in the journals *La Gazette du Palais* and *Le Quotidien Juridique* and on SACEM's web portal and must contain the wording of the proposed amendments.

The provisions set forth in Article 25 with respect to the chairman and officers of Meetings, as well as the conditions of voting, and the manner of preparing and consulting minutes, are applicable to Extraordinary General Meetings.

18. Rules Common to all Meetings

Article 27A

Any Member may request that notice of Meetings or notice of certain Meetings be given to him individually by registered letter with return receipt requested.

When notice of a Meeting is given by notice in the press, the cost of the registered letter shall be borne by the person concerned.

19. Dissolution and Liquidation of the Society – Excluded or Resigning Members

Article 28

At least one year before the date of expiration of the current period of duration of the Society, an Extraordinary General Meeting shall be convened, in the manner provided for in Article 27 hereof, for the purpose of deciding on the extension of the Society for a further fifty-year period. In such case, the Society shall continue to be governed by the same Articles of Association, and the Board of Directors, as well as the Chief Executive in office, shall continue to perform their duties.

The Society shall not be dissolved by the prohibition, placing under judicial protection, guardianship or curatorship, personal bankruptcy, judicial liquidation, exclusion or resignation of one or more of its Members.

Nor shall the Society be dissolved by the death of a Member. It shall continue to exist with the heirs and/or legatees of the deceased Member, including when the estate has devolved to a legal entity.

With due regard for the procedure provided for in Article 34 of the General Regulations, the exclusion of an *Adhérent*, *Stagiaire*, *Sociétaire professionnel* or *Sociétaire définitif* may be pronounced, at the request of the Board of Directors, by the General Meeting acting by a majority of the votes under the conditions set forth in Article 25 hereof, in the event of a felony or misdemeanor conviction under the ordinary criminal law sanctioning conduct relating to the activity of author, composer or publisher, or in the event of breach of these Articles of Association or of the obligations provided for in Article 29 of the General Regulations. Exclusion shall terminate the contributions made by the excluded Member to the Society pursuant to these Articles of Association as from the first day of the calendar half-year following the one in which the exclusion was pronounced.

The proceeds of the dues and withholdings paid by Members who have been excluded or have resigned, as well as their share in the assets of the Society, shall be definitively forfeit to the Society. The admission fee provided for in Article 6 hereof shall be refunded to them.

Article 30

In the event that revenue does not cover expenditure, the Board of Directors shall call a General Meeting convened extraordinarily. On the report of the Board of Directors, such Meeting shall pronounce the dissolution of the Society if there is cause to so do; but if the Meeting decides that the Society shall continue, any Member of SACEM shall be at liberty to withdraw immediately.

Article 31

Upon the expiration of the Society, the liquidation shall be effected by the Board of Directors assisted by the Chief Executive.

20. General Regulations

Article 32

These Articles of Association are supplemented by General Regulations legally binding on all the Members.

Any proposal to amend the General Regulations shall be submitted to a General Meeting.

In order to be presented, the proposal must come from the Board of Directors, or be backed by the signatures of at least a quarter of the Members and be addressed to the Board of Directors, which shall

be required to call the General Meeting within a maximum period of six months. The notice of the General Meeting called to consider the proposed amendments shall include the wording of such amendments

21. Welfare and Cultural Scheme

Article 33

In accordance with Articles 4(2) and 4(3) hereof, the special budget for the welfare and cultural scheme is the subject of separate accounts.

The funding of the Members' welfare and cultural scheme is covered out of:

- A withholding, expressed as a percentage, from the Society's net revenue from the exercise of the rights directly managed by the Society, which percentage is determined by the Board of Directors but cannot be greater than 10%;
- A withholding, expressed as a percentage, from the royalties distributed to the Members from the exercise, in France and in the territories where the Society collects directly, of the rights for which the Society has entrusted the management to a third-party organization pursuant to Article 2 hereof, which percentage is determined by the Board of Directors but cannot be greater than 5%;
- A withholding, expressed as a percentage, from the royalties distributed to the Members from the collections made in France and in the territories where the Society collects directly, in compliance with the statutory provisions for the private copying of phonograms and videograms, but which cannot be greater than 10%.

Whatever the circumstances, the Members shall retain the rights to the social benefits that they have previously acquired.

22. Contribution – Withdrawal of Contribution. Special Rules

<u> Article 34</u>

Notwithstanding any other provision of the Articles of Association and General Regulations, the following rules apply to authors, author-directors, composers and publishers as well as their beneficiaries:

(1) Admission to the Society - Contribution

The contribution made to the Society by adhering to the Articles of Association can be either:

- In accordance with the provisions of Articles 1 and 2 hereof and therefore apply both to the right to authorize or prohibit in all countries the public performance and to the right to authorize or prohibit in all countries the mechanical reproduction, of all their works as soon as they are created; or

- Limited to one or more of the categories of rights specified below or to certain territories for one or more of such categories of rights, when the management of the category or categories of rights to which the contribution does not apply is entrusted for all countries to one or more other authors' societies and when the territories not covered by the contribution are entrusted to the management of one or more other authors' societies, it being specified that the territories that the Society manages directly outside the European Union or European Economic Area where the Society makes investments and where management difficulties make the unity of the repertoire indispensable - such as Canada and Lebanon - cannot be dissociated from the contribution unless the Society so agrees.

The categories of rights are as follows:

- 1. The general right to public performance, including the right to perform cinematographic and audiovisual works;
- 2. The right to broadcast including the right to rebroadcast simultaneously and in full programs broadcast by all means of telecommunication and the right to public reception of said programs;
- 3. The right to reproduce on sound media including the right to public use of such media authorized for private use as well as the right to public performance by means of such media;
- 4. The right to reproduce on sound and image media including the right to public use of such media authorized for private use as well as the right to public performance by means of such media;
- 5. The right to reproduce works in films intended for screening in movie theaters and for which such works were specially written;
- 6. The right, in respect of pre-existing works, to reproduce said works in films intended for screening in movie theaters;
- 7. The mechanical reproduction right and the right to public performance for the exploitation of works within the framework of interactive services provided by means of wire or wireless electronic networks using Internet Protocols (IP), WAP (e.g., SMS or MMS) or other similar protocols;
- 8. The mechanical reproduction right and the right to public performance for the exploitation of works within the framework of non-interactive services provided by means of wire or wireless electronic networks using Internet Protocols (IP), WAP (e.g., SMS or MMS) or other similar protocols;
- 9. The exploitation rights arising from technical developments or from changes in legislation in the future.
- (2) Resignation Withdrawal of contribution.

The contribution made to the Society by adhering to the Articles of Association can, subject to three months' notice before the end of each annual period in progress, be either:

- wholly withdrawn by the resignation of a Member; or
- partially withdrawn, whether the partial withdrawal concerns one or more of the categories of rights contributed or whether it concerns territories in which one or more of the categories of rights had been contributed; when the management of the right or rights forming the subject of the total or partial

withdrawal of contribution is entrusted for all countries to one or more other authors' societies and when the territories that cease to be covered by the remaining contribution are entrusted to the management of one or more authors' societies, it being specified that the territories that the Society manages directly outside the European Union or the European Economic Area where the Society makes investments and where management difficulties make the unity of the repertoire indispensable such as Canada and Lebanon - cannot be dissociated from the contribution unless the Society so agrees.

The same rules for the administration and collection of royalties and for the distribution of royalties collected, provided for by the Articles of Association, the General Regulations and the decisions of the Board of Directors, apply to the contributions referred to in Articles 1 and 2 and to the contributions referred to in the present Article. However, the special management charges that may result from the limitation of the contributions shall give rise, if necessary, by decision of the Board of Directors, to an additional deduction to cover the corresponding costs.

(3) Notwithstanding the stipulations of this Article, the Board of Directors may, on a reasoned request, agree that an author, author-director, composer, publisher or his beneficiary need not contribute some of his rights to the Society or to one or more other authors' societies. Its decision must state the grounds on which it is based.

23. Conditions of Exercise of the Right of Access Provided for in Article R 321-6 of the Intellectual Property Code

Article 35

The right of access to the Society's books and records, provided for in Article R 321-6 of the Intellectual Property Code, can be exercised by a Member at such place and on such date as shall be simultaneously indicated to him by the Society. The right of access can be exercised only between 10 A.M. and 5 P.M. in the presence of the member(s) of the Society's staff designated by the Society. The Member shall be required to sign a document prepared by the Company attesting to the documents brought to his knowledge.

The Member cannot obtain copies of said documents.

Articles of Association

Current as of 2012

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SOCIÉTÉ DES AUTEURS, COMPOSITEURS ET ÉDITEURS DE MUSIQUE

 $SOCIETE\ CIVILE\ (CIVIL-LAW\ PARTNERSHIP)\ WITH\ VARIABLE\ CAPITAL,\ 775\ 675\ 739\ RCS\ NANTERRE\ .$ REGISTERED OFFICE: 225 AVENUE\ CHARLES\ DE\ GAULLE,\ 92200\ NEUILLY\ SUR\ SEINE

2012 General Regulations

FOLLOWED BY

Regulations for Audiovisual

GENERAL MEETINGS

Of February 21, 1907 - February 24, 1908 - March 1, 1909 - February 27, 1911 February 3, 1913 - October 16, 1922 - February 26, 1923 October 15, 1923 - February 25, 1924 - May 31, 1926 - March 28, 1927 May 14, 1928 - May 13, 1929 - April 26, 1932 - May 10, 1933 April 26, 1934 - May 8, 1934 - November 26, 1934 - March 25, 1936 - May 13, 1936 September 9, 1936 - May 12, 1937 - November 16, 1937 - April 27, 1938 May 2, 1939 - March 19, 1946 - February 3, 1948 - May 3, 1948 May 9, 1949 - November 7, 1949 - May 9, 1950 - May 8, 1951 - April 30, 1952 May 11, 1954 - May 15, 1956 - November 26, 1957 - May 6, 1958 November 24, 1959 - May 10, 1960 - May 9, 1961 - May 15, 1962 - May 14, 1963 May 12, 1964 - May 11, 1965 - May 10, 1966 - May 9, 1967 - May 15, 1968 May 13, 1969 - May 5, 1970 - May 11, 1971 - June 13, 1972 June 11, 1974 - June 10, 1975 - June 15, 1976 - March 9, 1978 - June 12, 1979 June 10, 1980 - June 16, 1981 - June 8, 1982 June 19, 1984 - June 16, 1987 - June 14, 1988 - June 12, 1990 March 11, 1992 - June 16, 1992 - April 28, 1993 - June 10, 1997 June 9, 1998 - June 8, 1999 - June 13, 2000 - June 12, 2001 - June 29, 2001 - June 18, 2002 June 17, 2003 June 15, 2004 - June 15, 2005 - January 16, 2007 - June 17, 2008 December 17, 2009, June 15, 2010, and June 15, 2012.

2012

General Regulations

These General Regulations are divided into four parts:

- Part I deals with *Adhérents* (adherents), *Stagiaires* (provisional members), *Sociétaires professionnels* (professional members) and *Sociétaires définitifs* (full members);
- Part II, with the works and the rights relating thereto;
- Part III, with the funds of the Society;
- Part IV, with the administration of the Society and the Appendix to the General Regulations dealing with the Regulations for Audiovisual.

PART I

MEMBERS OF THE SOCIETY

- **CHAPTER 1 GENERAL CONDITIONS OF ADMISSION**
- **CHAPTER 2 SPECIAL CONDITIONS OF ADMISSION**
- CHAPTER 3 **APPOINTMENT TO SOCIETARIAT PROFESSIONNEL** (PROFESSIONAL MEMBERSHIP)
- CHAPTER 4 APPOINTMENT TO SOCIETARIAT DEFINITIF (FULL MEMBERSHIP)
- CHAPTER 5 RULES COMMON TO ALL MEMBERS OF THE SOCIETY

CHAPTER 1

GENERAL CONDITIONS OF ADMISSION

Article 1

The Société des Auteurs, Compositeurs et Éditeurs de Musique (Society of authors, composers and publishers of music) is composed of Members who can be:

- 1. Adhérents;
- 2. Sociétaires professionnels;
- 3. Sociétaires définitifs.

Members admitted as *Stagiaires* before January 1, 1972, keep that designation and retain the rights and obligations attached to that status.

Members appointed as *Stagiaires professionnels* before January 1, 1999, take the designation *Sociétaire professionnel* and retain the rights and the obligations that were attached to their former status.

Article 2

The Board of Directors deals with the admission of *Adhérents* and the appointment of Members as *Sociétaires professionnels* and *Sociétaires définitifs*. It may reject or defer applications for admission or oppose any appointment after examining the cases; these rejection or deferment decisions shall be reasoned.

This may occur, for example, when the application comes from any paid or unpaid employee of an establishment dependent on the Society, or from any person involved in such an establishment who by virtue of his duties has the possibility of performing or having performed, or mechanically reproducing or having mechanically reproduced, works at his option.

Members of the Society admitted to several categories (author, author-director, composer, publisher) may be appointed as *Sociétaires professionnels* and *Sociétaires définitifs* in a single category only. They may benefit only once and only in one capacity from the advantages attached to their membership status (*Sociétaire professionnel, Sociétaire définitif*).

Applications for membership shall be made on forms made available to applicants.

When submitting his application and for the purpose of making it possible to apply the Articles of Association and General Regulations, the applicant shall declare if he is, temporarily or permanently, a manager, shareholder, partner, silent partner, director, stage manager, stage or audiovisual-works director, secretary, conductor, artistic agent, performer or employee in any capacity whatsoever, whether paid or unpaid, of, or if he is in a position of dependence on:

- 1. an establishment dependent on the Society;
- 2. a music publishing company;
- 3. a phonographic, cinematographic, radio or television exploitation firm.

If necessary, and for the same purpose, such a declaration must be made by any Member during his membership.

Members admitted to adhere to SACEM whereas, being *Sociétaires professionnels* or *Sociétaires définitifs*, they had previously totally withdrawn their contribution pursuant to Article 34 (2) or (3) of the Articles of Association, shall adhere in the same capacity.

Every applicant admitted to adhere to the Articles of Association of the Society shall, within three months, sign a document that shall contain, besides his adherence to the Articles of Association and General Regulations and the contribution provided for in Articles 1, 2, 2A and 34 of the Articles of Association, the commitment:

- 1. to notify for registration in the Society's repertoire all his works before their performance or mechanical reproduction; and
- 2. generally, to abide by the Articles of Association and General Regulations, which the applicant shall declare to have read.

If, except for a valid reason, the applicant admitted to adhere to the Articles of Association has not signed his Membership Agreement Form within the aforementioned three-month time limit, the admission decision shall lapse and a new application must be submitted to the Board of Directors.

CHAPTER 2

SPECIAL CONDITIONS OF ADMISSION

1. Authors and Composers

<u> Article 4</u>

An author or composer applicant may be admitted to adhere to the Society's Articles of Association as an *Adhérent* if (subject to exemption granted by the Board of Directors) he substantiates either that:

- one of the five works created by him, which is the minimum he must submit in support of his application, has been recorded on a commercial phonogram or videogram; or that
- at least one of those five works has been the subject of five performances in the course of five public showings or performances over a minimum period of six months.

This condition does not, however, automatically lead to the applicant's admission to adhere to the Articles of Association. Such admission remains within the discretion of the Board of Directors as provided for in Article 2 hereof.

With respect to the applicants referred to in the fifth paragraph of said Article, collaboration works shall not be taken into account.

Furthermore, without prejudice to the application of Articles 39 and 67, the *Adhérent* cannot sign any work in collaboration with an *Adhérent* in the category to which he himself belongs (author or composer), unless he has successfully undergone an examination of his professional abilities as an author or composer, the details of which shall be fixed by the Board of Directors.

In the event of breach of the preceding paragraph, the share of the royalties distributable to all the categories of rights-holders (authors, composers and publishers) of the work shall be reduced by half, the non-distributed portion being credited under the heading of revenue in the Management Account.

The Board of Directors has the power to exempt from examination those authors and composers whose reputation and professional abilities appear to it to justify this exemption.

Article 5

The author of a play with or without music, in several acts, performed and notified to the Société des Auteurs et Compositeurs Dramatiques, fragments of which play are or can be performed in establishments dependent on the Society or mechanically reproduced, may be admitted to adhere to the Articles of Association as an *Adhérent*.

The person concerned must, in this case, file with the Society the handwritten or typed copies of, or the recordings of the pieces extracted from, said play, of which he is the author or composer.

Article 6

Any Member who shall have made false or incomplete statements concerning his identity or status, on the grounds of which he was admitted, may be excluded; if such exclusion is not decided upon, the examination of any application by him for appointment to a higher membership status shall be postponed for five years.

Article 7

Applicants shall send their membership application to the Chairman of the Board of Directors.

Under-age applicants must have their application countersigned by their guardian or legal representative.

Article 8

Every applicant must provide a complete list of his published and unpublished works and indicate those of them for which he might have previously delegated the right to collect [royalties] in respect of their public performance or their mechanical reproduction.

He must communicate his pseudonym(s) and produce a certificate establishing that his pseudonym(s) do(es) in fact correspond to him.

For the purpose, inter alia, of determining the protection applying to his works in accordance with national and international copyright laws, he must produce, in addition, a statement of his nationality and a birth certificate.

Article 9

Revoked by the Extraordinary General Meeting of January 16, 2007.

Article 10

(Revoked by the Extraordinary General Meeting of June 10, 1980)

On joining the Society, each applicant can assume a pseudonym or keep one of those which he may have already used. The pseudonym selected must be submitted to the Board of Directors for approval. Unless the Board of Directors grants a special exemption, each Member is entitled to only one pseudonym per category.

The notification of a work by a Member in a category other than that to which he was admitted shall be taken into consideration only insofar as the Member shall have obtained admission to that category.

Article 12

The first statement of account of every new Member shall be drawn up at the time of the first distribution conferring the right to payment of royalties following the date of his admission.

2. Author-Directors

Article 12A

An author-director applicant may be admitted to adhere to the Articles of Association as an *Adhérent* if he provides evidence of the public exploitation, by means of performance and/or reproduction, of at least one work created by him. This condition does not, however, automatically lead to the applicant's admission to adhere to the Articles of Association. Such admission remains within the discretion of the Board of Directors as provided for in Article 2 hereof.

3. Publishers

Article 13

A publisher applicant may be admitted to adhere to the Articles of Association as an *Adhérent* if he presents publishing contracts for at least ten original works included in the repertoire of the Society or in the repertoire of an authors' society that has given the Society a power of attorney to represent it, which he has published graphically and for which he produces evidence of public exploitation.

These conditions do not, however, automatically lead to the applicant's admission to adhere to the Articles of Association. Such admission remains within the discretion of the Board of Directors as provided for in Article 2 hereof, in particular as regards applicants who are publishers of symphonic music works.

Article 14

A publisher applicant must furnish:

- 1. a statement of his nationality;
- 2. a birth certificate:
- 3. a certificate of registration in the Commercial Register.

When owing to death, or sale, or transfer of his business, e.g., in the case of a merger by acquisition, a publisher being a natural or legal person ceases to be Member in that capacity, his or its successor to the business can, if approved by the Board of Directors, be admitted and appointed in the same capacity as his predecessor.

As regards publishing businesses operated in the form of companies, any transformations of and amendments to their articles of association that could lead to loss of the status enjoyed by these companies may, by analogy, give rise to a similar decision of approval by the Board of Directors.

Nevertheless, Members thus admitted or appointed remain subject to the rules concerning eligibility provided for in the Articles of Association.

Article 16

As regards publishing firms operated in the form of companies, the following are required:

- at the time the publishing company applies for admission to adhere to Articles of Association: a certified true copy of its articles of association, an issue of the legal gazette in which the particulars of the publishing company's incorporation were published, and documentary evidence of the company's registration in the Commercial Register;
- during the existence of the publishing company: a certified true copy of each of the decisions or resolutions amending the company's articles of association, and a statement of changes in the members of the company.

By a resolution of its board of directors or supervisory board or a collective decision of its members, the publishing company can appoint, as its representative *vis-à-vis* SACEM in lieu of its legal representative, or of one of its legal representatives appointed for this purpose, a natural person holding a managerial position within the publishing company.

In order to act in lieu of the legal representative of the publishing company, such person must be approved by the Board of Directors of SACEM. In that case, he shall be eligible to benefit as such from the advantages that may arise from membership status, subject, however, to the application of Article 14(2) of the Articles of Association.

When, owing to the death, resignation or revocation of the designated representative of the publishing company, the publishing company finds itself without a designated representative *vis-à-vis* SACEM, it may appoint another natural person, selected as provided for in the preceding paragraph, who, if approved by the Board of Directors, shall be substituted for his predecessor.

The Board of Directors of SACEM retains at all times the right to withdraw its approval of the designated representative of a publishing company, after hearing the person concerned.

The SACEM Membership Agreement Form must mandatorily be signed by the legal representative of the publishing company.

Any publisher Member who sells his business and assigns his business name shall cease to be Member in that capacity. The same shall apply to any publisher Member who ceases to satisfy the general and special conditions for admission hereinbefore provided.

Article 18

Except in the event of application of Article 15 hereof, the person who acquires the business of a publisher Member does not thereby become a Member of the Society. He is only the assignee and as such he only receives the royalties generated by the works included in said business.

Article 19

(Revoked by the Extraordinary General Meeting of June 10, 1980)

Article 20

An author or composer Member publishing his own works cannot have a special publisher's statement of account unless he has one hundred works published by him.

Article 21

In order to be admitted as publisher Members, author or composer Members must comply with the requirements of Articles 13 and 14.

Article 22

The first statement of account of every new Member shall be drawn up at the time of the first distribution conferring the right to payment of royalties following the date of his admission.

CHAPTER 3

APPOINTMENT TO SOCIETARIAT PROFESSIONNEL (PROFESSIONAL MEMBERSHIP)

.....

1. Authors and Composers

Article 23

An author or composer Member shall, at his request and upon a favorable opinion from the Board of Directors or as a matter of course, be appointed as a *Sociétaire professionnel* if he satisfies the following conditions:

- 1. He must, for at least three years, have been a Member of the Society, or, if he is a national of a Member State of the European Union (EU) or European Economic Area (EEA), a member of an authors' society carrying on its activities in the territory of one of those States.
- 2. (a) In the case of a *Stagiaire* admitted before January 1, 1968: he must have received, during at least three years in the course of the previous four years, from the Society or from the EU or EEA authors' society with which he was previously affiliated as a national of an EU or EEA Member State, an amount of public performance royalties at least equal to a sum that is fixed at the start of each financial year by the Board of Directors.
 - (b) In the case of a *Stagiaire* admitted after January 1, 1968, and an *Adhérent*: he must either:
 - ♦ have received, during at least three years in the course of the previous four years, from the Society or from the EU or EEA authors' society with which he was previously affiliated as a national of an EU or EEA Member State, an amount of public performance royalties at least equal to the sum provided for in (a) above, and more than 50% of this minimum must have consisted of royalties from the performance of original works created by him; or
 - have received, during at least three years in the course of the previous four years, from the Society or from the organization that may be delegated to him pursuant to Article 2 of the Articles of Association or from the EU or EEA authors' society with which he was previously affiliated as a national of an EU or EEA Member State, a total amount of public performance royalties and/or mechanical reproduction royalties at least equal to a sum separate from the one provided for in (a) above – that is fixed at the start of each financial year by the Board of Directors, and more than 50% of this minimum must have consisted of royalties from the public performance and/or the mechanical reproduction of original works created by him. To express its opinion on the appointment to Sociétariat professionnel (professional membership) of the author or composer referred to in this item (b), the Board of Directors shall study the case of the person concerned and the catalog of works created by him. In addition, the Board of Directors shall check that, by his behavior, the person concerned observes the rules of professional conduct whose definition falls within the scope of the Society's purpose. The study thus made should make it possible to establish that the person concerned exercises a regular and sustained activity in the artistic domain justifying his taking part in the General Meetings of the Society. On the occasion of this study, the Board of Directors can, moreover, require the person concerned to undergo a probative examination designed to demonstrate that his literary-writing or musicalcomposition abilities are consistent with the works previously notified by him.

3. He must not have been the subject of any disciplinary measure during the previous three years.

The Board of Directors has the power to exempt from the above conditions those authors or composers whose reputation and professional status appear to it to justify this exemption.

However, Members appointed as *Sociétaires professionnels* by virtue of the preceding provision shall be eligible for election to the statutory Committees only after meeting the conditions provided for in paragraph 2 of the present Article.

2. Author-Directors

Article 23A

An author-director Member shall, at his request and upon a favorable opinion from the Board of Directors or as a matter of course, be appointed as a *Sociétaire professionnel* if he satisfies the following conditions:

- 1. He must, for at least three years, have been a Member of the Society, or, if he is a national of a Member State of the European Union (EU) or European Economic Area (EEA), a member of an authors' society carrying on its activities in the territory of one of those States.
- 2. He must have received, during at least three years in the course of the previous four years, from the Society or from the organization that may be delegated to him pursuant to Article 2 of the Articles of Association or from the EU or EEA authors' society with which he was previously affiliated as a national of an EU or EEA Member State, a total amount of public performance royalties and/or mechanical reproduction royalties at least equal to a sum that is fixed at the start of each financial year by the Board of Directors.
- 3. He must not have been the subject of any disciplinary measure during the previous three years.

To express its opinion on an author-director's appointment to *Sociétariat professionnel* (professional membership), the Board of Directors shall study the case of the person concerned and the catalog of works created by him. In addition, the Board of Directors shall check that, by his behavior, the person concerned observes the rules of professional conduct whose definition falls within the scope of the Society's purpose. The study thus made should make it possible to establish that the person concerned exercises a regular and sustained activity in the artistic domain justifying his taking part in the General Meetings of the Society.

The Board of Directors has the power to exempt from the above conditions those author-directors whose reputation and professional status appear to it to justify this exemption.

However, Members appointed as *Sociétaires professionnels* by virtue of the preceding provision shall be eligible for election to the statutory Committees only after meeting the conditions provided for in paragraph 2 of the present Article.

.....

3. Publishers

Article 24

A publisher Member shall, at his request and upon a favorable opinion from the Board of Directors or as a matter of course, after examination of the case of the person concerned and having regard to the professional activities carried on by him, be appointed as a *Sociétaire professionnel* if he satisfies the following conditions:

- 1. He must, for at least three years, have been a Member of the Society, or, if he is a national of a Member State of the European Union (EU) or European Economic Area (EEA), a member of an authors' society carrying on its activities in the territory of one of those States.
- 2. (a) In the case of a *Stagiaire* admitted before January 1, 1968: he must have received, during at least three years in the course of the previous four years, from the Society or from the EU or EEA authors' society with which he was previously affiliated as a national of an EU or EEA Member State, an amount of public performance royalties equal to three times that required of authors and composers pursuant to Article 23(2)(a) hereof for their appointment to *Sociétariat professionnel*.
 - (b) In the case of a *Stagiaire* admitted after January 1, 1968, and an *Adhérent*: he must either:
 - ♦ have received, during at least three years in the course of the previous four years, from the Society or from the EU or EEA authors' society with which he was previously affiliated as a national of an EU or EEA Member State, an amount of public performance royalties at least equal to the sum provided for in (a) above, and more than 50% of this minimum must have consisted of royalties from the performance of original works first published (or published simultaneously within the meaning of Article 3(4) of the Bern Convention) in an EU or EEA Member State, of which he is the original publisher; or
 - ♦ have received, during at least three years in the course of the previous four years, from the Society or from the organization that may be delegated to him pursuant to Article 2 of the Articles of Association or from the EU or EEA authors' society with he was previously affiliated as a national of an EU or EEA Member State, a total amount of public performance royalties and/or mechanical reproduction royalties equal to three times that required of authors and composers, pursuant to the last paragraph of Article 23(2)(b) hereof, and more than 50% of this minimum must have consisted of royalties from the performance and/or the mechanical reproduction of original works first published (or published simultaneously within the meaning of Article 3(4) of the Bern Convention) in an EU or EEA Member State, of which he is the original publisher.
- 3. He must not have been the subject of any disciplinary measure during the previous three years.

The Board of Directors has the power to exempt from the above conditions those publishers of print music whose reputation and professional status appear to it to justify this exemption.

However, Members appointed as *Sociétaires professionnels* by virtue of the preceding provision shall be eligible for election to the statutory Committees only after meeting the conditions provided for in paragraph 2 of the present Article.

The Board of Directors moreover has the power to exempt from the above conditions publishing companies created by the merger of publishing companies when one of the latter was a Member of SACEM as a *Sociétaire professionnel*.

CHAPTER 4

APPOINTMENT TO SOCIETARIAT DEFINITIF (FULL MEMBERSHIP)

1. Authors and composers

Article 25

An author or composer *Sociétaire professionnel* shall, at his request and upon a favorable opinion from the Board of Directors or as a matter of course, be appointed as a *Sociétaire définitif* if he satisfies the following conditions, it being specified that to express its opinion the Board of Directors shall study the case of the person concerned and the catalog of works created by him and shall check that, by his behavior, the person concerned is fit to exercise in their entirety the rights attached to the status of *Sociétaire définitif*:

- 1. He must, for at least three years, have been a *Sociétaire professionnel*, or have held the corresponding status in the European Union (EU) or European Economic Area (EEA) authors' society with which he was previously affiliated as a national of an EU or EEA Member State.
- 2. (a) In the case of a *Sociétaire professionnel* admitted before January 1, 1968: he must have received, during at least three years in the course of the previous four years, from the Society or from the EU or EEA authors' society with which he was previously affiliated as a national of an EU or EEA Member State, an amount of public performance royalties at least equal to twice that provided for in Article 23(2)(a) hereof.
 - (b) In the case of a *Sociétaire professionnel* admitted after January 1, 1968: he must either:
 - ♦ have received, during at least three years in the course of the previous four years, from the Society or from the EU or EEA authors' society with which he was previously affiliated as a national of an EU or EEA Member State, an amount of public performance royalties at least equal to the sum provided for in (a) above, and more than 50% of this minimum must have consisted of royalties from the performance of original works created by him; or
 - ♦ have received, during at least three years in the course of the previous four years, from the Society or from the organization that may be delegated to him pursuant to Article 2 of the Articles of Association or from the EU or EEA authors' society with which he was previously affiliated as a national of an EU or EEA Member State, a total amount of public performance royalties and/or mechanical reproduction royalties at least equal to twice the amount provided for in the last paragraph of Article 23(2)(b) hereof, and more than 50% of this minimum must have consisted of royalties from the public performance and/or the mechanical reproduction of original works created by him.

The above-mentioned public-performance or mechanical-reproduction royalties must, moreover, have been received for works other than those which may have been performed or recorded in establishments to which the person concerned may be or have been attached, in any capacity whatsoever, paid or not.

3. He must not have been the subject of any disciplinary measure during the previous three years.

The Board of Directors has the power to exempt from the above conditions those authors and composers whose reputation and professional status appear to it to justify this exemption.

However, Members appointed as *Sociétaires définitifs* by virtue of the preceding provision shall be eligible for election to the Board of Directors or the statutory Committees only after meeting the conditions provided for in paragraph 2 of the present Article.

2. Author-Directors

Article 25A

An author-director *Sociétaire professionnel* shall, at his request and upon a favorable opinion from the Board of Directors or as a matter of course, be appointed as a *Sociétaire définitif* if he satisfies the following conditions, it being specified that to express its opinion the Board of Directors shall study the case of the person concerned and the catalog of works created by him and shall check that, by his behavior, the person concerned is fit to exercise in their entirety the rights attached to the status of *Sociétaire définitif*:

- 1. He must, for at least three years, have been a *Sociétaire professionnel*, or have held the corresponding status in the European Union (EU) or European Economic Area (EEA) authors' society with which he was previously affiliated as a national of an EU or EEA Member State.
- 2. He must have received, during at least three years in the course of the previous four years, from the Society or from the EU or EEA authors' society with which he was previously affiliated as a national of an EU or EEA Member State, a total amount of public performance royalties and/or mechanical reproduction royalties at least equal to twice the amount provided for in Article 23A(2) hereof.
- 3. He must not have been the subject of any disciplinary measure during the previous three years.

The Board of Directors has the power to exempt from the above conditions those author-directors whose reputation and professional status appear to it to justify this exemption.

However, Members appointed as *Sociétaires définitifs* by virtue of the preceding provision shall be eligible for election to the Board of Directors or the statutory Committees only after meeting the conditions provided for in paragraph 2 of the present Article.

3. Publishers

Article 26

A publisher *Sociétaire professionnel* shall, at his request and upon a favorable opinion from the Board of Directors or as a matter of course after review of the case of the person concerned and having regard to the professional activity carried on by him, be appointed as a *Sociétaire définitif* if he satisfies the following conditions:

- 1. He must, for at least three years, have been a *Sociétaire professionnel*, or have held the corresponding status in the European Union (EU) or European Economic Area (EEA) authors' society with which he was previously affiliated as a national of an EU or EEA Member State.
- 2. (a) In the case of a *Sociétaire professionnel* admitted before January 1, 1968: he must have received, during at least three years in the course of the previous four years, from the Society or from the EU or EEA authors' society with which he was previously affiliated as a national of an EU or EEA Member State, an amount of public performance royalties equal to three times that required of authors and composers pursuant to Article 25(2)(a) hereof for their appointment to *Sociétariat définitif*.
 - (b) In the case of a *Sociétaire professionnel* admitted after January 1, 1968: he must either:
 - ♦ have received, during at least three years in the course of the previous four years, from the Society or from the EU or EEA authors' society with which he was previously affiliated as a national of an EU or EEA Member State, an amount of public performance royalties at least equal to the sum provided for in (a) above, and more than 50% of this minimum must have consisted of royalties from the performance of original works first published (or published simultaneously within the meaning of Article 3(4) of the Bern Convention) in an EU or EEA Member State, of which he is the original publisher; or
 - ♦ have received, during at least three years in the course of the previous four years, from the Society or from the organization that may be delegated to him pursuant to Article 2 of the Articles of Association or from the EU or EEA authors' society with which he was previously affiliated as a national of an EU or EEA Member State, a total amount of public performance royalties and/or mechanical reproduction royalties equal to three times that required of authors and composers pursuant to the penultimate paragraph of Article 25(2)(b) hereof, and more than 50% of this minimum must have consisted of royalties from the performance and/or the mechanical reproduction of original works first published (or published simultaneously within the meaning of Article 3(4) of the Bern Convention) in an EU or EEA Member State, of which he is the original publisher.
- 3. He must not have been the subject of any disciplinary measure during the previous three years.

The Board of Directors has the power to exempt from the above conditions those publishers of print music whose reputation and professional status appear to it to justify this exemption.

However, Members appointed as *Sociétaires définitifs* by virtue of the preceding provision shall be eligible for election to the Board of Directors or the statutory Committees only after meeting the conditions provided for in paragraph 2 of the present Article.

The Board of Directors moreover has the power to exempt from the above conditions publishing companies created by the merger of publishing companies when one of the latter was a Member of SACEM as a *Sociétaire définitif*.

4. Sociétaire définitif "honoris causa"

Article 27

The Board of Directors may appoint as a *Sociétaire définitif* "honoris causa" (honorary full member) any French or foreign personality who is a Member of the Society and whose reputation, expertise or activities exercised in the sphere of arts and literature appear to the Board of Directors to justify this appointment.

They shall be eligible for election to the Board of Directors or the statutory Committees only after meeting the conditions provided for in Articles 25(2), 25A(2) and 26(2) of these General Regulations.

Article 28

(Revoked by the Extraordinary General Meeting of June 10, 1980)

CHAPTER 5

RULES COMMON TO ALL MEMBERS OF THE SOCIETY

1. General Duties

Article 29

All authors, author-directors, composers and publishers must sign a Membership Agreement Form whereby they adhere to the Articles of Association of the Society.

By signing such Membership Agreement Form, each author, author-director, composer or publisher undertakes, in particular:

1. To comply with the Articles of Association and General Regulations, which he declares to have read.

Compliance with the Articles of Association and General Regulations implies, in particular, the obligation for him:

- not to enter into any agreement assigning to anyone the rights that he has contributed to the Society;
- not to agree with a collaborator or publisher on any distribution method that would depart from the methods provided for in the Articles of Association and General Regulations;

- not to contribute, directly or indirectly, to the monopolizing of programs, or to the drawing up of false or inaccurate programs;
- to certify as true and sign the programs of the works played in his possible capacity as performer or as show organizer, which he may be required to furnish to the Society;
- not to share the royalties derived from the exploitation of his works with establishments dependent on the Society or other authors' societies directly or indirectly (including through publishing companies affiliated with and/or controlled by such establishments) with the sole aim of getting such establishments to give such works preferential treatment when they use the Society's repertoire.
- 2. To abide, in the context of the Articles of Association and General Regulations, by the decisions of the Board of Directors.
- 3. To notify, under his responsibility, for registration in the Society's repertoire all works of which he is the creator, publisher or rights-holder as provided for in Article 4 of the Articles of Association and to warrant that such works are not vitiated by infringement, plagiarism or illicit borrowing.

When anything has been borrowed from the public domain by the creator(s) of a work, either literary or musical, such creator(s) must specify this on the notification form for the relevant work.

Furthermore, every Member must furnish if necessary, upon the request of the Society, all documents evidencing his status as creator, publisher or rights-holder.

- 4. To make known, at the time of his admission, those of his works for which he may have previously assigned to a third party the exercise of the rights contributed by him to the Society. He agrees to cause said works to enter the Society's repertoire as soon as possible.
- 5. Generally, not to do or undertake anything that could harm the material and moral interests of the Society and its Members.

Article 30

Without prejudice to the other sanctions provided for in the Articles of Association and General Regulations, the Board of Directors may impose the following sanctions on any Member who shall have breached the obligations provided for in Article 29 above or who shall have in any way harmed the material or moral interests of the Society or its Members:

1. Pecuniary sanctions, the amount of which shall be fixed by the Board of Directors;

The amount of the fine, comprised between 150 and 4,500 euros, shall be collected by the Chief Executive, who, without prejudice to any other legal remedies, shall make a *pro tanto* withholding from the monies collected or to be collected for the benefit of the party in breach. Such withholding shall be deemed to be prior payment or transfer in favor of the Society. The amount of the fines shall be credited to the Management Account.

- 2. Deferment, for a period of three to six years, of appointment to higher membership status;
- 3. Withdrawal, for a period of three months to three years, of the advantages granted by the Society;
- 4. Reprimand in front of the General Meeting.

2. Incompatibilities

Article 31

In no circumstances may any Member of the Society be an employee or agent in any capacity in the administration of the Society.

3. Arbitration by the Board of Directors

Article 32

All disputes of a social nature between or among Members may, with the joint express written consent of the parties, be submitted to the Board of Directors, which may adjudicate as arbitrator vested, where appropriate, with the powers of *amiable compositeur*.

In such case, if the dispute relates to royalties collected by SACEM or the organization referred to in Article 2 of the Articles of Association, the Board of Directors may decide to place to reserve the relevant royalties.

4. Clear Similarity

<u>Article 33</u>

When it appears that a notified work shows clear similarity with a pre-existing protected work, the Board of Directors shall so notify the rights-holders concerned, and, where appropriate, take measures likely to protect the interests of the rights-holders involved.

5. Disciplinary Proceedings - Right to a Fair Hearing

<u>Article 34</u>

No penalty can be imposed and no disciplinary measure can be taken by the General Meeting or the Board of Directors, without the person concerned having been invited to present his grounds of defense before the body competent to impose the sanction as well as, in the event of exclusion, before the Board of Directors, prior to its decision to refer the matter to the General Meeting in accordance with Article 29 of the Articles of Association. The person concerned may arrange to be assisted or represented by anyone of his choosing.

At least one month before the date of each of the meetings provided for in the preceding paragraph, the person concerned shall be given notice to attend by registered letter with return receipt requested. Such notice shall contain a precise statement of the actions of which he is accused, the related documents, and the applicable sanctions.

During that time, the person concerned, assisted or represented, may consult his file at the registered office of the Society.

The decision taken by the Board of Directors as well as, in the event of exclusion, by the General Meeting, shall, within eight days, be notified to the person concerned by registered letter with return receipt requested.

6. Refusal to Appear when Summoned

Article 35

Any Adhérent, Stagiaire, Sociétaire professionnel or Sociétaire définitif Member who, without a legitimate excuse, refuses to appear before the Board of Directors or its authorized representative(s), in spite of three successive summons, shall be liable to a fine of 150 to 1,500 euros, which shall be credited under the heading of revenue in the Management Account.

7. Heirs, Legatees and Assignees

Article 36

Following the death of a Member of the Society, the heirs and legatees who acquire the status of Members pursuant to the second paragraph of Article 29 of the Articles of Association must provide the Society with all documents evidencing their right to inherit. They shall not be required to sign an adhesion document but will receive, by post, information regarding their rights and obligations with respect to the Society as well as the Articles of Association and General Regulations.

In consequence of the adhesion previously given by the Members of the Society in accordance with Articles 1, 2, 2A and 34 of the Articles of Association the assignees shall adhere to the Articles of Association and Regulations of the Society.

In the event of a plurality of heirs, legatees or assignees, they shall be required to appoint a single representative and give him or her full powers to represent them in relation to the Society.

8. Acquired Rights

Article 37

Members already possessing acquired rights to social benefits previously provided for by the General Regulations may not be deprived of them by subsequent amendments to said Regulations.

PART II

WORKS AND RIGHTS

CHAPTER 1 - NOTIFICATIONS

CHAPTER 2 - DISTRIBUTION

CHAPTER 3 - WITHHOLDINGS, ADVANCES, AND BACK PAYMENTS

CHAPTER 4 – PROGRAMS

CHAPTER 1

NOTIFICATIONS

GENERAL RULES

Article 38

The notification of works is compulsory; every notification must be made before the performance or mechanical reproduction of the work.

In no event may the Society be held liable for statements made on the notification forms provided for in Article 39 below, the signatory of the form being the sole guarantor, *vis-à-vis* the Society and third parties, of the originality of, and his rights in, his work.

The distribution of royalties to the Members of the Society is based on the notification of works and their registration in the Society's files.

1. Notifications by Author, Author-Director and Composer Members of the Society

Article 39

Notification consists in:

Filing a notification form signed by all the collaborators of the notified work. This form is used to allocate the royalties collected in respect of the exploitation of the notified work, but such royalties can be distributed only among the rights-holders who are Members of the Society or of the represented society of authors and composers.

As far as authors and composers are concerned, the form must include:

- The title and the type of the work together with the names of all the collaborators, the performance duration of the work, the metronomic movement, the instrumentation, the royalty distribution percentages for phonographic and videographic reproduction, and, if applicable, the title of the audiovisual work into which the work is incorporated.
- For instrumental music works: the first eight bars, without accompaniment, of the principal themes; for vocal works: also the first eight bars with lyrics; and for works without music: at least the first eight verses or the first eight lines.

The notification form shall be accompanied by a handwritten or typed copy or the only recording of the work.

The notification form and accompanying materials shall be dated and conserved by SACEM.

Any notification altering a previous one shall be submitted to the Board of Directors.

Any notification adding collaborators shall be accompanied by the original handwritten or typed copy or recording and the new handwritten or typed copy or recording.

Unless a special exemption is granted by decision of the Board of Directors after a reasoned opinion from the relevant Committee, collaboration within each category of rights-holders shall not be accepted when one of the collaborators exercises, in any capacity whatsoever, an activity in an establishment or organization dependent on the Society or in a phonographic or audiovisual production undertaking.

In the event of breach of the preceding paragraph, the Board of Directors has full powers to reduce the share of the royalties distributable to all the categories of rights-holders (authors, composers, publishers) of the work and to take sanctions against the parties in breach as provided for in Article 30 of the General Regulations.

Article 40

A work becomes a registered work by the adherence of its author, or of one of its authors, to the Articles of Association of the Society, or [to the articles of association] of a foreign society that has a reciprocity agreement with the Société des Auteurs, Compositeurs et Éditeurs de Musique, and to which he entrusts his rights for the territory where the latter exercises its authority.

A work also becomes a registered work through the publisher when the latter substantiates that he is the assignee of rights-holders (author and/or composer) who are not members of the Society or a foreign society referred to in the preceding paragraph.

In the case provided for in the above paragraph, the publisher shall receive only that share of public performance royalties which would accrue to him if the author and/or composer were members of the Society. Without prejudice to the application of Articles L 132-20-1 and L 321-9 of the Intellectual Property Code, the shares of the author and/or composer shall be placed to reserve in a separate account until the author and/or composer join(s) the Society or a foreign society referred to in the first paragraph above; failing such membership upon the expiration of the 10-year period provided for in Article L 321-1, paragraph 3, of the Intellectual Property Code, the corresponding amounts shall be credited under the heading of revenue in the Management Account.

However, a publisher Member of the Society may receive the share of public performance royalties allocated to him by his contract without this publisher share being able to exceed 50% of the total royalties:

- with respect to all types of foreign works assigned to him by their original publisher;
- by special exemption and after examination of each case by the Board with respect to foreign symphonic works assigned to him by their composer when the latter is a member of a foreign society whose distribution regulations provide for a composer share limited to 50% of the total royalties.

Article 41

Every signatory of a [notification] form must, on the Society's request, furnish all documents likely to prove his ownership of the notified work.

Every publisher Member of SACEM must provide the Society with a certified true copy of or extract from any sub-publishing contracts entered into between him and any foreign publishing firm and relating to either the sub-publishing in France of foreign works, or the sub-publishing abroad of works from the SACEM repertoire.

2. Notifications by Heirs and Legatees

Article 42

The heirs, legatees or beneficiaries of a deceased Member of the Society must have the unpublished manuscripts left by their predecessor-in-title certified within the year following his death, in order to have them entered into the registered repertoire. An exemption shall be granted, as to the time limit, for manuscripts whose authenticity is established beyond all question; if the heirs are known, the administration shall invite them to fulfill this compulsory formality.

3. Notifications by Publishers

Article 43

The notification of a work by a publisher is accepted when one of the authors or composers belongs to the Society and in the cases provided for in Article 40. The name of the publisher is added to those of the other rights-holders.

The publisher must provide proof of publication of the notified works by filing a full copy either in the usual final graphic form, or in the form of a recording. This provision does not exempt the publisher from the statutory or contractual obligations incumbent on him.

For sizable non-printed works, the enforcement of this Article can be deferred each time the authors and publisher are in agreement in this regard.

Unless expressly agreed otherwise between the authors and publisher, the publisher shall share in the

distribution of [royalties from] the work, whatever the published version.

The copy filed must be perfectly consistent with the corresponding notification form completed by the author(s).

No filing can be accepted and considered valid for distributions in favor of the publisher, if it is not done under the name of a publishing company accepted by the Society.

Authors and composers who publish their own works are required to carry out the filing in the manner provided in the present Article.

The publishing and sub-publishing contracts for a work whose creators are Members of the Society must expressly stipulate that the administration of the rights in that work, as defined in Article 4(1) of the Articles of Association, is a matter for the Society.

Any breach of the foregoing provisions by a Member of the Society shall render that Member liable to application of the sanctions provided for in the Articles of Association and General Regulations.

Article 44

A publishing company may notify only under one name the works that it publishes. However, the Board of Directors can authorize a publishing company to publish works of a particular genre under a collection title.

A publisher can publish jointly, either with one or more other publishers, or with an author publishing his own works.

Article 45

(Revoked by the Extraordinary General Meeting of April 28, 1993)

4. Non-Notified Works

Article 46

As provided in Article 38 above, the notification of works is compulsory and such notification must take place before performance or mechanical reproduction, on pain of the sanctions provided for in Article 30 of these Regulations.

The royalties shall be payable only if the filing is done in the half-year period in the process of being distributed and at least 65 days before the payment date of the distributed amounts, otherwise the royalties shall be payable only at the time of the following distribution.

5. Void Notifications

Article 47

The notification forms must be signed by the author(s) and composer(s) who participated regularly in the intellectual creation of the work. Any notification form bearing a false or forged signature, or a signature of convenience, shall be canceled, and the work specified on the form shall not be admitted to distribution.

The person who committed this offense may, moreover, be liable to the sanctions provided for in Article 29 of the Articles of Association and Article 30 of these Regulations.

The Board of Directors can require the signatory of a notification to provide the Board with all such proof as it may deem appropriate.

6. Notified Titles

Article 48

Considering the protection granted to titles by the Intellectual Property Code and without SACEM incurring any liability:

- The persons notifying a title may request the Society to communicate documentation in its possession relating to that title;
- The notification of a title presumed to be new in the light of such documentation shall give the notifier exclusivity of that title. Such exclusivity shall cease if, at the end of three years after its notification and in the absence of a judicial or administrative decision recognizing the original character of the title in question, the work has not given rise to an exploitation making it possible to consider that the notification or exploitation of a new work bearing the same title could create a harmful confusion with the first work.

7. Change of Collaborator

Article 49

The author or composer of a work created and notified in collaboration, who believes he needs to turn to another collaborator, must first obtain the written renunciation of the original collaborator. So long as the latter has not given it, the royalties shall remain allocated to him as in the past.

Any modification, of any kind whatsoever, involving a change in the shares of the rights-holders of French or foreign works must, in order to benefit from the distribution under way, be notified to the General Documentation and Distribution Department at least sixty-five days before the payment of the distributed amounts

8. Pseudonyms

Article 50

Any Member of the Society who wants to use a pseudonym or to change pseudonyms needs the authorization of the Board of Directors to do so. The fee for registration and sundry expenses shall be fixed by the Board of Directors and credited under the heading of revenue in the Management Account. Since pursuant to Article 39 of the General Regulations the notification form for a work must indicate, inter alia, the names of all the collaborators of the work, the Board of Directors cannot be asked to

authorize a pseudonym representing a group or association of authors and composers.

Any pseudonym showing a similarity with the patronymic or pseudonym of a Member of the Society shall be strictly refused.

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9. List of Works

Article 51

Without prejudice to the measures adopted by the Society to inform third parties of the content of its repertoire, any Member of the Society, author, author-director, composer or publisher, has the right to request a list of his works notified to the Society. Such right can be delegated to a representative approved by the Board of Directors.

CHAPTER 2

DISTRIBUTION

GENERAL RULES

Article 52

The Board of Directors has full powers to determine, for each category of rights, the method of distribution of the royalties collected. As a rule, such distribution is made in favor of the works specified, as the case may be, on:

- the programs of performances furnished by entertainment entrepreneurs;
- the statements furnished by phonogram and videogram producers.

However, the Board of Directors can decide to take account of other sources of information.

In the context of the distribution operations, the payment of the royalties likely to accrue to a work depends, in particular, on:

- the amount of royalties collected and taken into account in the corresponding distribution category;
- the number of works broadcast or reproduced in that category;
- the duration of performance or reproduction, or, in the absence of this information, the notified duration of the work.

The duration taken into account is determined in seconds or in shares according to the category of rights.

Article 53

Each work receives a number of shares on the occasion of its notification corresponding to the notified duration of the work.

The allotment of a number of shares to a given work is referred to by the term "allocation" and the following scale is applied, unless otherwise decided by the Board of Directors.

1"	to	14"	1/8 of a share
15"	to	29"	1/4 of a share
30"	to	44"	1/2 of a share
45"	to	59"	3/4 of a share
1'	to	1'29"	2 shares
1'30"	to	1'59"	3 shares
2'	to	2'29"	6 shares
2'30"	to	3'59"	7 shares
4'	to	4'59"	8 shares
5'	to	6'29"	9 shares
6'30"	to	7'59"	12 shares
8'	to	9'59"	18 shares
10'	to	11'59"	24 shares
12'	to	13'59"	30 shares
14'	to	15'59"	36 shares
16'	to	17'59"	42 shares
18'	to	19'59"	48 shares
20'	to	21'59"	54 shares
22'	to	23'59"	60 shares
24'	to	25'59"	66 shares
26'	to	27'59"	72 shares
28'	to	29'59"	78 shares
30'	to	34'59"	84 shares
35'	to	39'59"	90 shares
40'	to	44'59"	96 shares
45'	to	49'59"	102 shares
701	1 1	C 1 1 C 5	4 14 4

50' and above, 6 extra shares for every 5-minute increment, without any limit.

When a publisher files a printed copy having been the subject, being handwritten, of a special allocation, this work shall again be subject to allocation.

Subject to the provisions below relating to works divided into parts, no work or number played in fractions may receive more than one-half of the allocation allotted to it.

The aggregate allocation for works divided into parts with or without subtitles, such as orchestral, piano or melody suites, placed under a general title, or masses, oratorios, sonatas, concertos, symphonies, cantatas, etc., shall be established on the basis of the overall duration of the work and not on the sum of fragmented allocations.

Example: orchestral suite divided into 4 parts:

No. 1 -	1 minute	6 shares
No. 2 -	1 minute 20 seconds	6 shares
No. 3 -	1 minute	6 shares
No. 4 -	6 minutes 30 seconds	12 shares
	9 minutes 50 seconds	30 shares

Aggregate allocation, 9 minutes 50 seconds: 18 shares.

This aggregate allocation can never be exceeded, even if numbers 2, 3 and 4 (of the example) were performed in fragments giving – by adding up their respective shares – 24 shares, as it would be paradoxical for 3 numbers to be allocated 24 shares, whereas 4 numbers – making up the full work – would receive only 18 shares.

Subject to the provisions relating to aggregate allocation set forth in the preceding paragraph, when the general title of a work divided into parts appears on a program without specification as to performance in whole or in fragments, a global allocation for the two numbers with the highest allocations shall automatically be applied to the work.

The works as a whole, new or not, published or unpublished, performed during the exhibition of an attraction of any kind, cannot result in the distribution of more than 12 shares, whatever the number and the previous allocations of the works making up this whole and whatever the duration thereof. On the programs, this combination of works must be indicated by a brace.

The allocation for works of author-directors in the field of visual expression coming within the Society's repertoire is determined in Article 62 hereof and by the decisions of the Board of Directors.

SPECIAL RULES

Article 54

When fragments of different works are systematically and consecutively performed in the same program, the Board of Directors may group them together and allot a global allocation to them.

With respect to stage works (operettas, operas, plays with verses, etc.) belonging to the repertoire of the Société des Auteurs et Compositeurs Dramatiques, fragments or excerpts of which are afterwards reported to the Society, and subject, where appropriate, to the application of Article 39 hereof, the royalties collected shall be distributed as provided for in the agreements made in this regard between the authors and the composers, the publisher's share being fixed at 1/3.

Should the authors and composers concerned fail to inform the Society of their distribution agreements within three months following the first performance of the work, the royalties collected shall be distributed as follows:

Author	1/3
Composer	1/3
Publisher	1/3

it being specified that 20% of the author's share shall be reserved for the benefit of the author(s) of the libretto of the work in question, and 20% of the composer's share shall be reserved for the benefit of the arranger(s), if any.

1. Accounts

Article 55

Each rights-holder may have only one account open. The account must always be in the real name of the Member of the Society.

Exceptionally, a second statement of account can be prepared for an author or composer who becomes a publisher, and for a publisher who becomes an author or composer; provided, however, that unless an exemption is granted by the Chief Executive, there can never be more than two statements of account per rights-holder.

Every Member of the Society, author, author-director, composer or publisher, has the right to check his account. This right can be delegated to a representative approved by the Board of Directors.

The sums distributed are payable on the third day of January on which SACEM is open and April 5, July 5, and October 5, of each year.

If the 5th is a Sunday or public holiday, payment shall take place on the 6th; it shall take place on the 4th if the 5th is a Saturday and on the 7th if the 5th is a Sunday preceding a public holiday.

Quarterly interest-free advances, reimbursable at the latest on the date of the following distribution, shall be paid on April 5, and October 5, of each year to those Members of the Society who so request in writing.

Such advances may in no event exceed 40% of the total royalties received during the corresponding distribution for the preceding financial year in respect of public performance royalties and mechanical reproduction royalties from recordings used for public use, and may be granted only to those Members of the Society whose statements of accounts amounted in total, during the preceding financial year, to a minimum amount determined by the Board of Directors.

Provisional interest-free advances shall be paid on January 5, of each year to those Members of the Society who so request. They shall be reimbursable, at the recipient's election, on the following October 5, or January 5.

These provisional advances, which cannot exceed 20% of the average annual amount of royalties received in the preceding two financial years in respect of public performance royalties and mechanical reproduction royalties from recordings used for public use, may be granted only to those Members of the Society whose statements of accounts amounted in total, during the preceding financial year, to a minimum amount determined by the Board of Directors.

2. Payment of Royalties to Members of the Society

Article 56

The Members of the Society can collect the amount of their royalties on the dates specified in Article 55, at the registered office upon presentation of a document proving their identity, or else request that they be sent at their expense.

All requests for payment must include the particulars required to identify the rights-holder and to determine his domicile for tax purposes and the desired method of payment of the royalties.

Such requests should be renewed at the time of each distribution in the event of change, and, in order to be able to be taken into account for a given distribution, they must reach SACEM at least 15 days before the distribution date.

3. Shares

Article 57

The distribution of royalties for the public performance of a published work is made in equal fractions, that is to say:

1/3 for the author(s),1/3 for the composer(s),1/3 for the publisher(s).

In the same category, the collaborators shall all receive an equal fraction.

Article 58

When a work is unpublished or has not yet been notified by a publisher, the public performance royalties shall be distributed in equal fractions among each category of rights-holder.

Article 59

When a work consists exclusively of lyrics or music, the author alone or the composer alone shall receive all the shares reserved to both categories in the above-mentioned cases.

Article 60

In all cases, the notification made by the publisher can only result in his being allocated, in that capacity, the one-third provided for in the Articles of Association, except in the case of "foreign works," provided for in Article 40 of the General Regulations.

Article 61

The author or the composer, or the two of them together, can receive the whole of the share reserved to the publisher, if he or they do(es) the publishing himself/themselves.

SPECIAL RULES CONCERNING VIDEOGRAPHIC WORKS

Article 62

The public-performance or mechanical-reproduction royalties collected by or on behalf of the Society shall, after deduction of the overheads and the withholdings provided for in the Articles of Association, be distributed to the authors and composers of said works in accordance with the agreements entered into between them, it being understood that the share accruing to the author-directors is fixed at 20% as regards those royalties which do not come from payments made by cable distribution and television companies.

In the case where one or more pre-existing works from the Society's repertoire are incorporated into videographic works, the share accruing to the former is calculated *pro rata temporis* after deduction of the share accruing to the author-directors and distributed among the rights-holders in accordance with the general rules laid down by the Articles of Association and these Regulations. In the case where videographic works consist solely, apart from the inputs of the author-directors, of pre-existing works from the Society's repertoire, the share accruing to the latter is distributed among the rights-holders in accordance with the general rules laid down by the Articles of Association and these Regulations after deduction of the share accruing to the author-directors.

4. Distribution for Major Concerts of Symphonic Music

Article 63

Major, periodic concerts of symphonic music shall give rise to a special distribution which shall be made half-yearly and globally. However, individual distributions can be made for special performances.

Articles 64 and 65

(Revoked by the Extraordinary General Meeting of April 28, 1993)

5. Adaptations

Article 66

The literary adaptation of a text without music shall give rise to the following distribution:

6/12 to the original author,

2/12 to the adapter,

4/12 to the publisher,

in the case of a published work;

10/12 to the original author,

2/12 to the adapter, in the case of an unpublished work.

The literary adaptation of a work comprising lyrics and music shall give rise to the following distribution:

2/12 to the original author,

2/12 to the adapter,

4/12 to the original composer,

4/12 to the publisher, in the case of a published work;

4/12 to the original author,

2/12 to the adapter,

6/12 to the original composer, in the case of an unpublished work.

Article 67

In no case shall the collaboration of two or more adapters be accepted for the same work, unless a special exemption is granted by resolution of the Board of Directors after a favorable and reasoned opinion from the relevant Committee.

In the event of breach of the preceding paragraph, the Board of Directors has full powers to reduce the share of the royalties distributable to all the categories of rights-holders (authors, composers, publishers) of the work and to take sanctions against the parties in breach as provided for in Article 30 of these General Regulations.

6. Arrangement of Registered Works, and Distribution

Article 68

The transformation of a musical work with or without lyrics by adding an intellectually created musical input constitutes an arrangement.

Without prejudice to the application of Article 39, the notification of an arrangement of a work shall not be accepted from an *Adhérent* if he has not already successfully undergone a special so-called "arranger's examination," the details of which are determined by the Board of Directors.

This examination must also be successfully undergone by every member appointed as a *Sociétaire professionnel* or *Sociétaire définitif* on or after January 1, 1972.

The Board of Directors has the power to exempt from examination those composers whose reputation and professional abilities appear to it to justify this exemption.

Article 69

The musical arrangement of a work without lyrics shall give rise to the following distribution:

1/12 to the arranger,

7/12 to the original composer,

4/12 to the original publisher,

in the case of a published work;

1/12 to the arranger, and

11/12 to the original composer,

in the case of an unpublished work.

Notwithstanding the above, the arranger's share shall be increased to 2/12 and the original composer's share shall be reduced to 6/12 in the case of a published work or 10/12 in the case of an unpublished work when the arrangement was written on a film score or a symphonic music work.

<u> Article 70</u>

The arrangement of a work comprising lyrics and music shall give rise to the following distribution:

2/24 to the arranger,

7/24 to the original author,

7/24 to the original composer, and

8/24 to the original publisher,

in the case of a published work;

2/24 to the arranger,

11/24 to the original author, and

11/24 to the original composer,

in the case of an unpublished work.

Notwithstanding the above, the arranger's share shall be increased to 4/24 and the shares of the original composer and the original author shall be reduced to 6/24 in the case of a published work and 10/24 in the case of an unpublished work when the arrangement was written on a film score or a symphonic music work.

6A. Rules Common to Adaptations and Arrangements

Article 71

In the cases provided for in Articles 66 *et seq.* and in order to benefit from the distribution, the adapters and arrangers must substantiate that they obtained prior written permission from each of the rightsholders (authors, composers and publishers) of the original works to undertake the adaptation or arrangement of such works.

This permission shall be enclosed with the notification forms for the adaptations and arrangements.

Each adaptation or arrangement may be submitted to the Board of Directors, which shall decide whether or not there is an adaptation or arrangement. In the affirmative, the notified adaptation or arrangement shall be registered in the Society's files.

The authors, composers and publishers of the works having given rise to adaptation or arrangement shall share in the distribution of the royalties collected in all cases, whereas the adapters and arrangers shall do so only in the cases where their adaptations and arrangements were performed.

7. Distribution in the Case of Addition of New Input

Article 72

The public-performance royalties for a work comprising lyrics and music, made on an exclusively musical or exclusively literary protected work, and already notified for registration in the Society's Repertoire shall be distributed as follows:

1/3 to the original composer or author,

1/3 to the new author or composer,

1/3 to the original publisher.

Article 73

The public-performance royalties for a work comprising lyrics and music, made on an exclusively musical or exclusively literary work in the public domain, shall be distributed as follows:

		Published Work						
Author	4/12	PD						
		4/12						
Composer	PD	6/12 for symphonic works or						
		chamber music (*)						
Publisher	4/12	4/12						

		Unpublished Work
Author	6/12	PD
		6/12
Composer	PD	9/12 for symphonic works or
		chamber music (*)

(*) By resolution of the Board of Directors after a reasoned opinion from the relevant Committee.

Article 74

(Revoked by the Extraordinary General Meeting of June 11, 1974)

8. Public Domain - Arrangement and Adaptation - Standard Collection

Article 75

The public-performance royalties for arrangements and adaptations of works in the public domain or works containing a borrowing from the public domain shall give rise to the following distribution:

	Published Work											
Author	4/12	4/12	2/12	PD	PD	PD	PD	-	PD	PD	PD	
Adapter	2/12	-	2/12	-	1/12 or 2/12 (*)	1/12 or 2/12 (*)	1/12 or 2/12 (*)	-	1/12 or 2/12 (*)	-	1/12 or 2/12 (*)	
Composer	PD	PD	PD	4/12	4/12	3/12	1	PD	PD	PD	PD	
Arranger	-	1/12 or 2/12 (*)	1/12 or 2/12 (*)	1/12 or 2/12 (*)	1	1/12 or 2/12 (*)	1	1/12 or 2/12 (*)	-	1/12 or 2/12 (*)	1/12 or 2/12 (*)	
Publisher	4/12	4/12	4/12	4/12	4/12	4/12	2/12	3/12	2/12	3/12	3/12	

(*) By resolution of the Board of Directors after a reasoned opinion from the relevant Committee

	Unpublished Work											
Author	4/12	6/12	4/12	PD	PD	PD	PD	-	PD	PD	PD	
Adapter	2/12	-	2/12	-	1/12 or 2/12 (*)	1/12 or 2/12 (*)	1/12 or 2/12 (*)	-	1/12 or 2/12 (*)	-	1/12 or 2/12 (*)	
Composer	PD	PD	PD	6/12	6/12	5/12	-	PD	PD	PD	PD	
Arranger	-	1/12 or 2/12 (*)	1/12 or 2/12 (*)	1/12 or 2/12 (*)	-	1/12 or 2/12 (*)	-	1/12 or 2/12 (*)	-	1/12 or 2/12 (*)	1/12 or 2/12 (*)	

(*) By resolution of the Board of Directors after a reasoned opinion from the relevant Committee.

9. Manufacture and Use of Mechanical Reproductions (fourth paragraph of Article 9 of the Articles of Association)

Article 76

The royalties collected by the Society in matters relating to the manufacture and use of mechanical reproductions by radio and television broadcasters and by entertainment entrepreneurs bound to SACEM by a representation contract shall be distributed in the following manner:

	Author (%)	Composer (%)	Publisher (%)	Arranger (%)	Adapter (%)
Published works comprising lyrics and music	25	25	50	-	-
- with arrangement	21.875	21.875	50	6.25	-
- with adaptation	18.75	18.75	50	-	12.50
 with arrangement and adaptation 	15.625	15.625	50	6.25	12.50
Unpublished works comprising lyrics and music	50	50	-	-	-
- with arrangement	46.875	46.875	-	6.25	-
- with adaptation	43.75	43.75	-	-	12.50
- with arrangement and adaptation	40.625	40.625	-	6.25	12.50
Published, exclusively musical works	-	50	50	-	-
- with arrangement	-	43.75	50	6.25	-
Unpublished, exclusively musical works	-	100	-	-	-
- with arrangement	-	93.75	-	6.25	-
Published, exclusively literary works	50	-	50	-	-
- with adaptation	37.50	-	50	-	12.50
Unpublished, exclusively literary works	100	-	-	-	-
- with adaptation	87.50	-	-	-	12.50

For arrangements written on a protected film score or on a protected symphonic music work, the arranger's share shall be increased to 12.50% and drawn from the composer's share (in the case of works without lyrics) or half from the composer's share and half from the author's share (in the case of works comprising lyrics and music).

Article 77

For arrangements and adaptations of works in the public domain as well as works comprising a borrowing from the public domain, the royalties collected by the Society in matters relating to the manufacture and use of mechanical reproductions by radio and television broadcasters and by entertainment entrepreneurs bound to SACEM by a representation contract shall be distributed in the following manner:

		Author (%)	Composer (%)	Publisher (%)	Arranger (%)	Adapter (%)
Works comprising lyrics and n	nusic					
- with arrangement		-	-	50	50	-
- with adaptation	hed	-	-	50	-	50
 with arrangement and adaptation 	published	-	-	50	25	25
- with arrangement	pe	-	-	-	100	-
- with adaptation	olisho	-	-	-	-	100
 with arrangement and adaptation 	unpublished	-	-	-	50	50
Exclusively musical works						
- with published arranger	nent	-	-	50	50	-
 with unpublished arrangement 		ı	-	-	100	-
 with addition of publish lyrics 	ned	50	-	50	-	-
 with addition of unpublished lyrics 		100	-	-	-	-
Exclusively literary works						
 with published adaptati 	on	-	-	50	-	50
 with unpublished adaptation 		ı	-	-	-	100
 with addition of publish music 	ned	-	50	50	-	-
 with addition of unpublished music 		-	100	-	-	-

CHAPTER 3

WITHHOLDINGS, ADVANCES, AND BACK PAYMENTS

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1. Withholdings

Article 78

The application of Articles 10 and 11 of the aforementioned Articles of Association extends to all establishments depending on the same undertaking; such establishments shall, in this case, be deemed to constitute a single enterprise.

It also extends to entrepreneurs, conductors, musicians and employees, remunerated or not, for occasional balls or concerts.

Article 79

The application of Article 10 of the Articles of Association shall be exceptionally suspended for the author or the composer, when the performance is organized exclusively for the audition of his works.

2. Advances

Article 80

As a rule, no advance payment is made to the Members of the Society on their royalties.

Only the Board of Directors may in certain cases, which it shall examine, grant them an advance on their royalties.

3. Back Payments

Article 81

Any sum recognized as being payable to a Member of the Society may, after a claim, be the subject of a back payment. Back payments shall apply only in respect of a period of 10 years from the date of collection, such period being suspended until the date of distribution.

Any back payments shall be made only after approval of the Board of Directors and shall be credited automatically, if there is cause, to the account of the rights-holders of the work.

Article 82

For routine claims, an employee shall be placed at the disposal of the Members of the Society, to whom he shall communicate, on their signed written request, the distribution documents they may wish to consult, and this, from the very day when the sums are payable as indicated in Article 55.

Such communication shall take place during business hours on working days, from Monday to Friday.

Article 83

Apart from distribution documents, the Chief Executive cannot, without prejudice to the application of Articles R 321-6 and R 321-6-1 of the Intellectual Property Code, communicate any document to the Members of the Society without the authorization of the Board of Directors.

Article 84

Royalties credited to the account of Members or their beneficiaries and not claimed within 10 years from the distribution date on which they were credited to the account shall be deemed to have been waived and shall be forfeit to the Society (Art. 8(B)(4) of the Articles of Association).

CHAPTER 4

PROGRAMS

Article 85

The programs required of dependent establishments must be drawn up daily by their managers who have dealt with the Society, unless an exemption is granted by the Board of Directors.

These programs must show the exact titles of all the works performed, and specify the authors, composers and arrangers.

Article 86

The Board may have inspections and official reports carried out to check the genuineness of the programs. The cost of the inspections and reports shall be reimbursed by the offending Members of the Society, in addition to the fines to which they may be liable.

The reports in question shall be drawn up by music inspectors or sworn agents of the Society, or, in certain cases, by members of the Board of Directors, or *Sociétaires définitifs* selected by the Board of Directors.

The reports thus drawn up shall have probative force with regard to all Members of the Society until proof to the contrary has been produced, the onus of such proof being borne by the implicated Members.

Article 87

(Revoked by the Extraordinary General Meeting of April 28, 1993)

PART III

FUNDS OF THE SOCIETY

CHAPTER 1 - ANNUAL ACCOUNTS OF THE SOCIETY

CHAPTER 2 - SOLIDARITY

CHAPTER 1

ANNUAL ACCOUNTS OF THE SOCIETY

Article 88

The annual accounts of the Society are drawn up by the Chief Executive, in accordance with the statutory provisions in force, in agreement with the Treasurer and the Accounts Committee, and are closed by the Board of Directors.

CHAPTER 2

SOLIDARITY

Article 89

The Board of Directors fixes each year the amount of the monies intended for the Society's mutual-aid and solidarity scheme.

PART IV

ADMINISTRATION OF THE SOCIETY

CHAPTER 1 - BOARD OF DIRECTORS

CHAPTER 2 - COMMITTEES

CHAPTER 3 - GENERAL MEETINGS

CHAPTER 4 - HONORARY PRESIDENT AND HONORARY STATUS

CHAPTER 5 - CODE OF PROFESSIONAL PRACTICE COMMITTEE

CHAPTER 6 - DELEGATES TO FOREIGN SOCIETIES

CHAPTER 1

BOARD OF DIRECTORS

1. Officers of the Board of Directors

Article 90

Every year, after the General Meeting, the Board of Directors – composed as stated in Article 14 of the Articles of Association – appoints its Officers, who consist of:

A Chairman,

Three Deputy Chairmen (one author, one composer, and one publisher),

A Treasurer,

A Deputy Treasurer,

A Secretary, and

A Deputy Secretary.

Chairman

The Chairman of the Board of Directors, chosen from among its members, is elected by a majority vote.

Deputy Chairmen

The Deputy Chairmen are elected in the same manner.

Treasurers

The Treasurer and Deputy Treasurer are also, in the same manner, chosen from among the members of, and elected by, the Board of Directors.

As soon as he takes up office, the Treasurer must check the existence and position of the bank accounts and of the securities in portfolio.

He must ensure that the Chief Executive submits to the Board of Directors an annual financial report on the funds invested, and annual accounts drawn up in accordance with the statutory provisions in force.

His supervision shall cover, in particular, all charges and revenue and all investments and movements of funds.

If the Treasurer is indisposed, the Deputy Treasurer shall replace him in all his duties.

Secretaries

The Secretary and Deputy Secretary are elected in the same manner.

The Secretary keeps the minute book up to date and handles the correspondence of the Board of Directors, pursuant to the decisions taken. He should not sign correspondence with dependent establishments unless he has been specially instructed to do so by the Board.

If the Secretary is indisposed, the Deputy Secretary shall replace him in all his duties.

2. Meetings of the Board of Directors

Article 91

The Board of Directors meets periodically at the request of its Chairman or of the Chief Executive. Should the need arise, a Board meeting may be called at the written request of two-thirds of the members of the Board.

No decision can be taken outside a meeting, and no member of the Board can act on behalf of the Board except by virtue of resolution authorizing him to so do.

3. Other Provisions

<u> Article 92</u>

No member of the Board of Directors can have administrative dealings with the officers, without a special delegation of powers from the Chairman.

The Board of Directors may assign temporary, defined missions to a Member of the Society.

Any complaint regarding matters of interest to the administration must be addressed to the Chief Executive.

Article 93

Without prejudice to the application of Articles R 321-6 and R 321-6-1 of the Intellectual Property Code, administrative documents can only be communicated to the members of the Board of Directors upon written authorization of the Chairman.

Article 93A

The Board of Directors has full powers to create within itself study groups responsible for drafting, in collaboration with the Chief Executive of the Society and within the spheres of competence assigned to them, any proposals for resolutions required by the administration of the Society in relation to the purpose of the Society.

Such proposals shall be submitted, for approval, either to the Officers of the Board, when the necessary powers to act along these lines have been delegated to them by the Board of Directors, or to the Board of Directors.

Article 93B

The Pay Committee assists the Board of Directors in examining matters relating to determination of the compensation and benefits of the Director General and members of the Executive Board of the Society.

The Pay Committee, appointed every year upon the renewal of the members of the Board of Directors, is composed of the Chairman, the Treasurer, the Secretary, the Honorary Chairman or Chairmen of the Board of Directors and the Chairman of the Accounts Committee. If none of the members of the Pay Committee is a publisher, the Committee shall appoint, in addition, a member of the Board of Directors belonging to that category.

If necessary, the Board of Directors may involve a particularly qualified outside person of standing in the proceedings of the Pay Committee.

The Pay Committee is chaired by the Chairman of the Board of Directors.

It meets as often as necessary, but at least once a year, upon notice given by its Chairman, who shall determine the agenda of the meeting.

Its main tasks consist in:

- making proposals to the Board of Directors regarding the determination of the Director General's compensation and the allocation of benefits associated with the office; and
- giving an opinion on the Director General's proposals regarding the compensation of the members of the Executive Board.

The Pay Committee may also be consulted on matters relating to policy and arrangements for the recruitment, mobility and compensation of senior executives of the Society.

The Pay Committee regularly reports on its activities and the performance of its task to the Board of Directors, to the exclusion of any other body, and promptly informs it of any difficulties encountered.

The members of the Pay Committee, as well as any person heard by the Pay Committee, are required to observe the strictest confidentiality.

CHAPTER 2

COMMITTEES

1. Statutory Committees

Article 94

Members having definitively alienated their rights shall be ineligible for election to, or shall automatically cease to be members of, the various Committees.

A Member ineligible under these conditions can recover his [eligibility] rights by building up a new catalog.

Non-outgoing members of a Committee who for any reason resign during their term of office, or who are considered to have resigned, cannot stand for election to the Board of Directors or to any of the statutory Committees before the second Annual General Meeting following such resignation.

However, the legal representative of a publishing company admitted to *Sociétariat définitif* or *Sociétariat professionnel* pursuant to the last paragraph of Articles 26 and 24 of the General Regulations or having acquired by merger another publishing company can stand for election as from the Annual General Meeting following the termination of the office held by him on a Committee as legal representative of one of the merged publishing companies. He can be re-elected to the same Committee only for the period whose expiration date is that of his former term of office.

Article 95

Periodically, the statutory Committees are heard separately or brought together either by the Board of Directors, or by the study groups referred to in Article 93A hereof.

Accounts Committee

Article 96

A meeting of the Accounts Committee shall be valid only if at least three members are present.

The Accounts Committee appoints, every year, after the General Meeting, a Chairman, a Deputy Chairman, and a Secretary chosen from among its members.

The Accounts Committee audits the general accounts of the Society.

All books and all supporting documents for movements of funds, whatever they may be, must be handed over to it.

It checks that charges were incurred and revenue was received in a regular manner.

It points out charges that appear excessive, and signals possible savings.

At the end of the year, it makes, in agreement with the Treasurer, a report to the General Meeting on the financial position of the Society, and must forward such report to the Board of Directors at the time when the latter closes the annual accounts

Programs Committee

Article 97

A meeting of the Programs Committee shall be valid only if at least five members are present.

The Programs Committee appoints every year, after the General Meeting, a Chairman, a Deputy Chairman, a Secretary and a Deputy Secretary, chosen from among its members.

The Programs Committee examines the analytical tables drawn up by performance categories; no program corresponding to these performance categories can be declared non-distributable without the assent of the Committee.

It takes note of the criteria and methods of calculation established for distributions.

It examines the results of inspections of the wording of statements of works performed, carried out with users of the Repertoire. It can ask the Board of Directors to initiate inspections.

In all the aforementioned cases, the Committee is entitled to give its opinion to the Board of Directors.

At the end of the year, the Programs Committee makes a report to the General Meeting on the Committee's proceedings, which it must forward to the Board at the time when the Board closes the annual accounts.

2. Regulatory Committees

Article 98

Only Members holding the nationality of a Member State of the European Union or European Economic Area, enjoying their civil rights and not having been the subject of any disciplinary measure by a board of directors of an authors' society in a Member State of the European Union or European Economic Area during the last five years, notably for: infringement of copyright, plagiarism, false programs, false declarations, or breaches of the Articles of Association and Regulations, can be members of the regulatory Committees.

Article 99

Four regulatory Committees are hereby set up: the Audiovisual Committee, the Symphonic Music Committee, the Variety Music Committee and the Author-Directors' Committee.

Audiovisual Committee

Article 100

The Audiovisual Committee consists of:

three authors, four composers, two publishers, and one author-director.

The members of the Audiovisual Committee are appointed by the Board of Directors, so that each specialty of intellectual creators of audiovisual works to which the distribution of the royalties collected by SACEM is of concern is, as far as possible, represented.

The Audiovisual Committee normally sits once a week. It appoints a Chairman, a Deputy Chairman and a Secretary.

Each Audiovisual Committee member is appointed for one year. Upon the expiration of his term, each member can be re-appointed by the Board of Directors.

The Audiovisual Committee is responsible for examining, for works in the registered repertoire, the documents referred to in Article 4 of the Regulations for Audiovisual for notifying musical works with or without lyrics and dubbing texts and subtitles in a language other than the original shooting language created for audiovisual works. The Audiovisual Committee gives its opinion on the allocation for works filed with the Society, such allocation becoming final only after approval by the Board.

The Audiovisual Committee verifies the merits of requests for back payments with respect to the collection of royalties for cinematographic works.

It checks the results of inspections in all cinematographic establishments dependent on the Society.

The Audiovisual Committee examines all disputes relating to the distribution of royalties relating to the aforementioned works. It summons, if need be, the interested parties and tries to bring them to an agreement.

When the Board of Directors of the Society is chosen as arbitrator by the parties for said works, it may, by a special delegation of powers, give the Audiovisual Committee the responsibility of investigating the disputes and suggesting suitable solutions or even a draft arbitral award.

Symphonic Music Committee

Article 101

The Symphonic Music Committee consists of eight composers and four publishers appointed by the Board of Directors from among the Members most representative of the profession of composer and

publisher of symphonic or chamber music. The members of the Committee are appointed for one year.

Their term of office can be renewed by the Board of Directors.

The Committee appoints a Chairman, a Deputy Chairman and a Secretary. It normally sits once a month.

Its role, of an advisory nature, consists in studying all questions falling within the domain of symphonic or chamber music within the scope of SACEM's purpose, and in informing the Board of Directors or, where appropriate, the Chief Executive of the Society, of its opinions and proposals.

The Committee is specially responsible for suggesting to the Board of Directors all measures likely to contribute to promoting and enhancing the Society's symphonic and chamber-music repertoire.

A delegation from the Board of Directors comprising an author, a composer and a publisher attends, as an observer, the meetings of this Committee.

Variety Music Committee

Article 101A

The Variety Music Committee consists of five authors, five composers and five publishers appointed by the Board of Directors from among Members active in the various branches of the profession of author, composer and publisher of variety music works.

The members of the Committee are appointed for one year.

Their term of office can be renewed by the Board of Directors.

The Committee appoints a Chairman, a Deputy Chairman and a Secretary. It normally sits once a month.

Its role, of an advisory nature, consists in studying all questions falling within the domain of variety music works within the scope of SACEM's purpose, and in informing the Board of Directors or, where appropriate, the Chief Executive of the Society, of its opinions and proposals.

A delegation from the Board of Directors comprising an author, a composer and a publisher attends, as an observer, the meetings of this Committee.

Author-Directors' Committee

Article 101B

The Author-Directors' Committee consists of eight directors appointed by the Board of Directors from among the Members most representative of the profession of author-director.

The members of the Committee are appointed for one year.

Their term of office can be renewed by the Board of Directors.

The Committee appoints a Chairman, a Deputy Chairman and a Secretary. It normally sits once every two months.

Its role, of an advisory nature, consists in studying all questions falling within the domain of television and audiovisual productions within the scope of SACEM's purpose, and in informing the Board of Directors or, where appropriate, the Chief Executive of the Society, of its opinions and proposals. A delegation from the Board of Directors comprising an author, a composer, a publisher, the author-director and his alternate attends, as an observer, the meetings of the Committee.

3. Rules Common to the Committees

Article 102

The Committees meet under the conditions determined by the Board of Directors as required.

Article 103

Only administrative documents relating to the proceedings of a Committee may be communicated, and only at a meeting, to the members of that Committee, upon the written request of its Chairman.

Article 104

Any members who, without excuses judged to be valid and after a warning, shall have failed to attend six consecutive meetings shall be considered to have resigned *de facto*.

4. Attendance Sheets

Article 105

The members of the Board of Directors and of the various Committees are required to sign an attendance sheet at each meeting.

CHAPTER 3

GENERAL MEETINGS

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Article 106

Any member may request that a specific matter be submitted for consideration at an Annual General Meeting, by sending the request to the Board of Directors of the Society by registered letter at least eight days beforehand. ;-but The Board of Directors shall forward the request to the Meeting, which shall always have the right to exclude any matters that may appear to it to be inopportune.

Article 107

Candidates for the Board of Directors and for the various Committees provided for by the Articles of Association or these Regulations must inform the Board of Directors of their candidacy no later than March 31 before the General Meeting.

Their declaration of candidacy shall be accompanied exclusively by a presentation leaflet, written by the candidates, in the manner prescribed by the Board of Directors, specifying the positions held by them and their career.

The presentation leaflet of candidates for the Board of Directors and the various statutory committees shall be illustrated, if the candidates so wish, by a brief video recording, in the manner determined by the Board of Directors.

The Board of Directors defines, organizes and supervises voting and counting arrangements and operations.

The Society shall ensure either that the presentation leaflet referred to in the second paragraph of this Article 107 is sent to the *Sociétaires professionnels* referred to in Article 25A of the Articles of Association and to the *Sociétaires définitifs* by post or, if they have so requested, by electronic means, or that said leaflet is made available, under the practical conditions determined by the Board of Directors, to every member on SACEM's web portal and in the polling booth room at the time of the General Meeting.

Sociétaires are forbidden to run as candidates for the Board of Directors or for the various Committees if, within a period of six months preceding the General Meeting, they distribute or disseminate, or cause to be distributed or disseminated, by any means whatsoever, to the members any data directly or indirectly connected with the elections in the then current calendar year.

Similarly, candidates for the Board of Directors and for the various Committees are forbidden to distribute or disseminate, or cause to be distributed or disseminated, by any means whatsoever, in particular in the room where the General Meeting is held, any data directly or indirectly connected with their candidacy.

Acts considered to constitute a breach of the preceding two paragraphs shall be examined by the Board of Directors, after, where appropriate, the Code of Professional Practice Committee referred to in Article 108A hereof has investigated the acts and issued an opinion. Besides the sanctions provided for in Article 30 hereof, the Board of Directors may, under the conditions set forth in Article 34 hereof, declare the party in breach immediately ineligible to run in the next elections and/or future elections in the then current calendar year and the following four calendar years. In case of urgency related to the proximity of forthcoming elections, the one-month period provided for in Article 34 hereof may be derogated from.

In the event that, in view of the date of occurrence of the acts complained of, the Board of Directors declares ineligible to run in the next elections a candidate whose candidacy has already been declared admissible by the Board and communicated to the members, the ineligibility decision shall be posted forthwith on SACEM's web portal and, if time permits, communicated to the *Sociétaires professionnels* referred to in Article 25A of the Articles of Association and to the *Sociétaires définitifs*, in the manner provided for in the fifth paragraph of this Article 107.

Any vote nevertheless cast in favor of the candidate thus declared ineligible shall be deemed absolutely null and void.

To make voting easier for members who cannot be present for the whole of the General Meeting, the vote concerning elections shall be allowed before the Chairman's address, as soon as the polling stations are opened, the time of which shall be specified in the notice and the letter of notice of the Meeting.

CHAPTER 4

HONORARY PRESIDENT AND HONORARY STATUS

Article 108

Honorary President

On a proposal from the Board of Directors and with the prior consent of the *Sociétaires* concerned, the General Meeting can confer the title of Honorary President of the Society on *Sociétaires* having effectively served as Chairman of the Board of Directors and having rendered, in that capacity, eminent services to the Society.

Honorary Presidents of the Society are ineligible for election, but they attend by right the meetings of the Board of Directors in an advisory capacity.

Honorary Status

The Board of Directors can confer, with the prior consent of the persons concerned, honorary status on *Sociétaires* having effectively served as an officer of the Board of Directors.

Honorary status involves the ineligibility for election of the person upon whom this distinction is conferred.

CHAPTER 5

CODE OF PROFESSIONAL PRACTICE COMMITTEE

Article 108A

The Board of Directors can instruct the Code of Professional Practice Committee to investigate the cases of Members whose behavior and activity appear to be incompatible with the duties and obligations attached to their status as Members.

It shall deliver a detailed opinion in this regard.

The Committee is composed of: the Chairman of the Board of Directors of the Society; the former Presidents and the Honorary President(s) of the Society; the Chairman of the Mechanical Rights Management Committee; the Chairman of the Symphonic Music Committee; the Chairman of the Variety Music Committee; the Chairman of the Audiovisual Committee; the Chairman of the Author-Directors Committee; representatives of authors', composers' and publishers' trade associations designated by the Board of Directors; and the Chief Executive of the Society, who shall act as rapporteur. The representatives of the aforementioned trade associations are appointed by the latter, their appointment being submitted to the Board of Directors for ratification.

Meetings of the Committee are held upon notice given by the Board of Directors.

CHAPTER 6

DELEGATES TO FOREIGN SOCIETIES

Article 109

Wherever it appears necessary to do so, a delegate may be appointed to a foreign society with the task of liaising between the two societies and making sure that the moral and material interests of the Members of SACEM are protected.

Appendix to the General Regulations

Regulations for Audiovisual

Notifications

Article 1

Notifications relate to:

- (a) scores and musical works, with or without lyrics, written for audiovisual works;
- (b) literary works written for audiovisual works, including, in particular, dubbing and subtitling texts in a language other than the original shooting language.

Article 2

The title and the duration and/or footage of the audiovisual work in which the notified works are included must be specified on the notification form and on the audiovisual information sheet.

Article 3

The notification must, subject to the sanctions provided for in Article 30 of the General Regulations, be filed at the latest within the month following the first broadcast or showing of the audiovisual work.

<u> Article 4</u>

Notifiers shall provide the following materials in support of their notifications:

- (a) For music:
- an audiovisual information sheet, comprising a complete list of the works inserted into the audiovisual work and the performance duration of each of them. Each time it is a matter of a work with lyrics, the audiovisual information sheet shall also indicate whether the lyrics are performed or not. The audiovisual information sheet should be filed only after the final editing of the final version of the audiovisual work and at the latest within the month following the first public broadcast or showing. The notifier shall be responsible for the accuracy of the audiovisual information sheet.
- the musical sequences editing sheet, comprising a detailed chronological account of all the musical works used after final mixing, specifying for each of them the name of the rights-holders.
- the score or a sound or audiovisual medium containing the musical works specially created for the audiovisual work with specification of the title or number of each of the works corresponding to those specified on the audiovisual information sheet.

No notification of new or pre-existing music incorporated into an audiovisual work already broadcast or shown in public can be accepted after the first public broadcast or showing, without the authorization or formal waiver of the composers who made the first notification, or their beneficiaries or successors.

(b) For the works referred to in Article 1(b), a copy of the audiovisual work's credits showing the names of the notifying authors, or, failing this, a certificate from the firm that commissioned or did the dubbing or subtitling, certifying that the notifier whose name does not appear in the credits did indeed collaborate on the audiovisual work. If the firm refuses to furnish such certificate, the notification may be accepted under the responsibility of the author.

In addition to the sanctions provided for in Article 30 of the General Regulations, any Member of the Society who shall have made a false notification, produced a false certificate or intentionally filed an erroneous audiovisual information sheet or an inaccurate copy of the credits shall be required to refund the royalties unduly received by him.

Unless a special exemption is granted by resolution of the Board of Directors, after a favorable and reasoned opinion from the relevant Committee, no dubbing or subtitling text can be signed in collaboration when one of the collaborators will exercise a permanent activity, as an employee or manager, in the company that commissioned the writing work notwithstanding the provisions of Article 39 of the General Regulations.

In the event of breach of the preceding provision, the share of royalties distributable to all the categories of rights-holders of the work shall be halved, the non-distributed share being credited to the Management Account.

On the occasion of any notification of scores or musical works written for films, the Board of Directors, on a report from its relevant Committee, may request the notifier to undergo an examination designed to demonstrate that his music-writing abilities are consistent with the score or work for which the notification is submitted

<u> Article 5</u>

An author or a composer whose name does not appear in the credits of the audiovisual work on which he collaborated can sign the notification form. As a rule, any notification form that does not include the name of one of the authors listed in the credits shall be considered to be void.

However, exemptions may be granted by the Board of Directors on an opinion from the Audiovisual Committee, if it is clearly established that one of the persons whose name appears in the credits of the audiovisual work did not really do the work of an author.

Article 6

No notification of lyrics written on the background music of an audiovisual work and not performed shall be accepted.

Article 7

The author and/or composer of a musical work written for an audiovisual work may, when notifying it, request that the public performance royalties and the royalties referred to in the fourth paragraph of Article 9 of the Articles of Association to accrue to the publisher of said work be placed to reserve until the latter makes the notification incumbent upon him. In the meantime, the author and/or composer shall receive only that share of the above-mentioned royalties which would accrue to him/them if the notification of the work had been made by the publisher of the latter.

When an author and/or composer shall have assigned by contract to a publisher Member of SACEM or to an assignee the right to receive a portion of the royalties referred to in the preceding paragraph to derive from the exploitation of a musical work written for an audiovisual work, that publisher or assignee may receive the assigned share by providing proof of his assignment contract and without being required to file the materials referred to in the third indent of Article 4(a) of these Regulations for Audiovisual.

However, the above-mentioned share may in no case exceed the publisher's one-third [share] of public performance royalties that is provided for in the Articles of Association, nor one-half of the royalties referred to in the fourth paragraph of Article 9 of the Articles of Association.

Distribution

Article 8

The royalties for scores and for musical works with or without lyrics are distributed as provided in Articles 54 to 61 and 70 of the General Regulations.

The performance in an audiovisual work of a musical work for which there exists an arranger's notification shall give rise to a distribution in favor of that arranger when, and only when, the arrangement is performed.

The royalties for dubbing texts and subtitling texts shall, in the case of collaboration, be distributed equally between or among the co-authors.

Exhibition of Films in Theaters

Article 9

The royalties for each programming shall be distributed to the full-length feature film after allocating, if there is need to do so, 18% to the short feature films.

Article 10

Dubbing and subtitling texts shall receive a fixed share equal to 3/24 of the royalties allocated to the short- or full-length cinematographic film pursuant to Article 9.

Publicity films screened during the intermission or during the show are, like all works performed outside films (records, attractions, orchestras, etc.), considered not to be part of the cinematographic program. Consequently, they shall always be the subject of a special notification, a special collection and a special distribution.

Exploitation by Means of Television Broadcasting

Article 11

The royalties for scores, musical works with or without lyrics, and dubbing and subtitling texts are distributed according to the distribution procedure defined by the Board of Directors pursuant to Article 52 of the General Regulations of SACEM.

GENERAL REGULATIONS

Current as of 2012

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