

Statutes of the **SACD**

Amended following the general meeting of June 21, 2012
(The purpose of this English version of SACD's statutes is to facilitate their
reading by non-French speaking persons,
the only legally valid version being the French version.)

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ARTICLE 1

I - A Society is formed grouping the authors and composers responsible for the creation of dramatic works and audiovisual works whether present or future parties to these statutes. This Society shall be governed by the clauses of article 1832 and following of the (French) Civil Code and title II of book III of the Code of Intellectual Property under the name SOCIETE DES AUTEURS ET COMPOSITEURS DRAMATIQUES (whose abbreviation is SACD). The dramatic works referred to above are notably the theatrical works, dramatico-musical works, choreographic works, pantomimes, circus acts and routines... The audiovisual works referred to above are notably the film works, television works, animation works, interactive creations and radio works, including where applicable, the stills from these works.

II - Any author accepted as party to these statutes thereby transfers to the Society for all countries and for the lifetime of the Society:

- 1)** the management of his dramatic adaptation and performing right;
- 2)** the right to authorise or prohibit public release by any process, other than dramatic performance, as well as reproduction by all processes and use for publicity or marketing purposes of his works.

When works from the Society's repertoire have been published, the management of the author's right to receive all remunerations for legal licence or compulsory collective management including reprography, digital private copying, loans in libraries and digital usings of said works, when they are not available, is carried out by the Society.

Every author or composer explicitly reserves the use of his inalienable, perpetual and imprescriptible moral rights.

ARTICLE 2

I - The management of dramatic adaptation and performing rights includes:

- 1)** Fixing by convention, with all performing art undertakings, of all the conditions notably financial conditions, minimum sanctions and guarantees for the use of works created by members of the Society;
- 2)** Collection of royalties;
- 3)** Distribution of the collected royalties.

II - Within the context of managing the dramatic adaptation and performing rights, each author retains the right to authorise or prohibit performance of his work, provided that the authorisation given is in keeping with these statutes and with the general regulations of the Society, which alone is entitled to transmit the authorisations or prohibitions. However, performances by amateur companies and such professional companies as defined in article 12 of the general regulations are authorised by the SACD under the financial conditions, guarantees and sanctions set out in the general agreements entered into with said companies or failing that under the general terms and conditions, in accordance with the mandate granted to that effect by the author.

OBJECT OF THE SOCIETY

ARTICLE 3

The object of the Society is:

- 1)** The protection of the rights of its members with respect to all users and, in general, the protection of the moral and material interests of the members of the Society and that of the author's profession;
- 2)** Cultural action by employing suitable measures for valorising the Society's repertoire and promoting it before the general public;
- 3)** Exercise and management in all countries of all the rights involved in performance or reproduction, in any form whatsoever, of the works of its members, notably the collection and distribution of the royalties derived from the exercise of the above rights, including within the framework of article L. 122-9 of the Code of Intellectual Property;
- 4)** Pooling of part of the collected royalties;
- 5)** Insurance and solidarity with the various categories of members, their families and relatives.

REGISTERED CAPITAL

ARTICLE 4

The registered capital is variable. It is formed by the membership fees, fixed each year by the Board of Directors.

The capital is divided into equal shares which are not materially represented by bonds. Each member has one share giving one voice in the general meeting, without prejudice to the clauses of article 36 of these statutes. The heirs of literary and artistic rights hold one share of the registered capital for the deceased author.

The registered capital shall not be reduced to less than 400,000 Euros or increased to more than 4 million Euros without the agreement of an Extraordinary General Meeting.

Because of their particular character, the rights defined in article 1 above, which the members transfer to the Society for their exercise, are not included in the formation of the registered capital.

DURATION OF THE SOCIETY

ARTICLE 5

The duration of the Society was fixed at 60 years from March 1, 1929. It was extended by 50 years from March 1, 1989. It can be extended again by a decision of an Extraordinary General Meeting with a majority vote of the voters.

HEAD OFFICE

ARTICLE 6

The head office of the Society is at 11 bis rue Ballu, Paris. It can be transferred by decision of the Board of Directors to any other place in the Paris Department or the neighbouring Departments.

CATEGORIES OF MEMBERS

ARTICLE 7

I - The Society consists of three categories of members:

- 1) authors and composers;
- 2) heirs and legatees;
- 3) transferees accepted as members of the Society.

The authors and composers belong to three grades:

- 1) full-members;
- 2) associate full-members;
- 3) ordinary members.

II - The conditions applicable to all categories of partners as well as the conditions for access to the various grades for authors and composers, are determined by these statutes and the appended general regulations. The conditions for access to the various grades are independent of the author's nationality and working language.

RESTRICTIONS SPECIFIC TO SOME TRANSFERS OF RIGHTS

ARTICLE 8

As from January 1, 2006, every author has the right to restrict his transfer geographically to the following countries:

- 1) With regard to the management of dramatic adaptation and performing rights:
 - either to the countries with direct collection of royalties, i.e. France, Belgium, Canada, Luxembourg, and Monaco;
 - or to the countries with direct collection of royalties and countries in which exists a performing rights society with which the SACD has signed a contract for mutual coverage of these rights.

Authors who are not citizens from a member State of the European Union (or of the European Economic Area) also have the right to geographically restrict their transfer to France.

- 2) With regard to the right to authorise or prohibit public release by any process, other than dramatic performance, as well as reproduction by all processes and use for publicity or marketing purposes of his works, to the countries with direct collection of royalties and

countries in which exists a performing rights society with which the SACD has signed a contract for mutual coverage of these rights.

This right can be freely exercised when joining the Society, or, under the terms and conditions of article 40, during membership.

ARTICLE 9

As from January 1, 2006, every author has the right to transfer his rights according to the provisions of article 1.II, or to restrict his transfer to one category of works as listed in article 1.I, i.e.:

- dramatic works;
- audiovisual works.

This right can be freely exercised when joining the Society, or, under the terms and conditions of article 40, during membership.

EXPENSES AND RESOURCES OF THE SOCIETY

ARTICLE 10

The expenses of the Society mainly include:

- 1) the expenses for administration, inspection, collection, recovery, representation and management, in France and abroad;
- 2) the expenses for cultural action, notably those in keeping with article L. 321-9 of the Code of Intellectual Property;
- 3) the legal expenses and other costs required for defending the rights and interests of the Society and its members, and generally, the author's profession;
- 4) the expenses for insurance, solidarity and all social contributions on behalf of the members.
- 5) the expenses pertaining to the support provided by the Society to bodies representing the material and moral interests of its members, and whose activities lie within the scope of the object of the SACD in the fields of cultural activities or the defence of the author's profession.

ARTICLE 11

To meet the expenses listed in the above article, the Society has the following resources:

- 1) the annual membership fees, fixed by the Board of Directors, and if they are not paid, deducted from the royalties due to those members;
- 2) **A** - deductions for expenses from royalties collected or from royalties to be distributed,
 - B** - if applicable, specific deduction for collecting expenses.

The rates of these deductions shall be provisionally fixed by the Board of Directors at the beginning of each financial year according to the nature and origin of the royalties.

The Board of Directors has the possibility of changing these rates in the course of the year to ensure that the expenses of the Society are covered;

- 3) the sums obtained as payment for private copying, assigned to actions promoting performing art dissemination and creation, in conformity with article L. 321-9 of the Code of Intellectual Property;
- 4) the share of royalties not attributed, under the conditions described in article 21, subparagraphs 6 and 7, to the authors of adaptations of works which are not legally protected, or of works which borrow elements from the above works. According to the decision of the Board of Directors, this share can be specially assigned in whole or in part to the financing of the expenses for cultural or social actions;
- 5) royalties collected pursuant to the conventions, while exploiting works not legally protected. These royalties are fully assigned to financing expenses for cultural or social actions;
- 6) interest paid out by banks for the sums deposited with them, and in general the interest on the Society's account and dividends on the Society's portfolio managed by the bank;
- 7) income from the Society's estate;
- 8) donations to the Society;
- 9) sums collected which could not be distributed and royalties not claimed by members ten years after distribution;
- 10) accessory proceeds such as manuscript registration fees, damages obtained in law suits and recovered indemnities.

THE BOARD OF DIRECTORS

ARTICLE 12

The Board of Directors consists of:

- 1) Honorary president(s), if any, elected by the general meeting;
- 2) a President elected from among the Directors described in paragraphs 3 and 4 below, and who presides over the Society through this election;
- 3) the President of the Belgian Committee, the President of the Canadian Committee;
- 4) twenty-nine Directors, elected by the general meeting and distributed as follows:
 - six dramatic authors, one of whom being an author of street arts,
 - one director of dramatic works,
 - three dramatic composers,
 - one author of choreographic works,
 - one author of circus works
 - four authors of film works, representing screenwriters and/or directors
 - nine authors of television works, five representing screenwriters and four representing directors
 - two authors of animation works,
 - one author of interactive creations • one author of radio works.

ARTICLE 13

Any full member can stand for election as a member of the Board of Directors in his particular field or qualification, provided that he fulfils at least half the requirements for the status of full member, according to article 4 of the general regulations, and has not restricted his transfer to the Society in pursuance to article 9 of the statutes.

To be eligible, the full member must moreover have declared, during the period set out hereafter prior to the election, one or several works having generated at least the following number of shares in the field or with the qualification in which or under which he presents himself:

Theatre	2,000 shares during the last 10 years
Staging of dramatic works	2,000 shares during the last 10 years
Dramatic composition	750 shares during the last 15 years
Choreography	1,000 shares during the last 8 years
Film	1,200 shares during the last 10 years
Television	1,200 shares during the last 8 years
Animation	1,100 shares during the last 10 years
Radio	2,400 shares during the last 5 years
Interactive creation	800 shares during the last 8 years

The following are excluded from the Board of Directors:

- 1) Members who may be involved in the management of another society dealing with the administration of authors' rights and neighbouring rights, except if they have received a special mandate from the Board of Directors to occupy this role.
- 2) Members fulfilling a supervisory or management role in any undertaking either involved in the exploitation of works belonging to the society's members, in any form whatsoever, or else likely to be in conflict with the society's interests.
- 3) Members deprived of the power to exercise their civic rights.
- 4) Members who are behind with their annual membership fee.

Any Director in one of the above cases incompatible with the exercise of his functions ceases immediately to form part of the Board of Directors.

The Commission of Presidents alone can make an exception to the rules of incompatibility mentioned above, if it can be ascertained that the interests of the Society are not endangered.

The members cannot be cumulatively candidates for membership of the Board of Directors, the Budget Control Commission and the Communication Rights Commission.

ARTICLE 13 Bis

Notwithstanding article 13 herein, the Ordinary General Meeting may exceptionally elect the Director representing the interactive creation field among the full members proving their contribution, as author of the direction, scenario or graphic design, to the creation of at least three interactive works.

ARTICLE 14

The Directors are elected for three years and in no case can they be reelected less than a year after the end of their mandate.

With the exception of the President, the function of Director is honorary; the Directors however are entitled to refund for their representation or travel expenses.

ARTICLE 15

Candidates for membership of the Board of Directors should send their application to the President of the Society either by registered post with acknowledgement due or by e-mail with electronic acknowledgement of receipt, or hand over their application to the head office against receipt. Applications should be received by the Society at the latest seventy-five days before the general meeting. Each application should be accompanied by a brief resume mentioning the titles of the applicant and his main works as well as a list of functions (even those without salary) exercised or interests owned in any enterprise, even individual, covered by article 13. This list is confidential and is meant exclusively for the Commission of Presidents. The candidate must also add a statement of intent not exceeding one page. The candidate should restrict himself to making an application according to the indications given in the above subparagraphs. If not he could be declared ineligible by the Commission of Presidents.

ARTICLE 16

A Commission composed of the President of the Society, the honorary Presidents and the previous Presidents screens the candidates for membership of the Board of Directors, the Budget Control Commission and the Communication Rights Commission to make sure they are eligible.

The Commission of Presidents is presided over by the President of the Society and assisted by the Managing Director.

Derogation to the rules of ineligibility granted by the Commission of Presidents according to article 13 can benefit to a candidate in particular or an ensemble of candidates presenting the same incompatibility. These derogations are recorded in minutes each member can read within the framework of the access law listed in article 35 III 2) of the statutes.

No dispensation to the rule forbidding the holding of several offices as referred to in article 13-1 shall be granted to the members of the Communication Rights Commission.

The Commission of Presidents can only declare a candidate ineligible after giving him an opportunity to present his explanations orally or in writing. Candidates for membership of the Board of Directors, the Budget Control Commission or the Communication Rights Commission, if former Presidents, are excluded from participation in the Commission of Presidents. This exclusion ends immediately after the vote of the general meeting.

The Commission of Presidents examines candidacies after taking the advice of the Vice-President of each of the fields.

If the Commission of Presidents has less than three members, it is completed by the first Vice-President of the Society and, if he is not available, by a former first Vice-President, chosen according to the recency of their term.

ARTICLE 17

The Board of Directors must have a quorum of at least half its members. The decisions of the Board of Directors are taken by a majority of the members present or represented. Each member can give procuration to only one other Director. Each Director can receive only one procuration.

The President of the Belgian Committee and the President of the Canadian Committee can however be represented by a member of their committee, to whom they give procuration.

If the votes are evenly divided, the President of the Society or, in his absence, the President of the meeting can cast the decisive vote, except for the election of the President of the Society.

A set of rules drawn up by the Board of Directors determines the procedures to be followed as well as the extent of delegations according to article 21.

ARTICLE 18

A group of members with at least 2,000 votes can include any question without an individual character in the agenda of the Board Meeting, provided the request is made at least three weeks before the meeting. If the group so wishes, its representative will be heard by the Board of Directors.

ARTICLE 19

Any Director who is absent from four consecutive Board Meetings without an excuse judged valid by the Board of Directors shall be considered to have resigned. If, because of deaths, partial resignations or any other reason, the Board of Directors is reduced to less than sixteen members, the remaining Directors shall immediately convene a general meeting to fill the empty seats.

If there are at least sixteen Directors, the Board of Directors can either call a general meeting to fill the empty seats or continue its work until the following annual general meeting during which the empty seats are filled for the duration provided for in article 14 of the statutes.

Any Director's seat not filled in the absence of a candidate to the elections remains vacant until the following annual general meeting during which it is filled for the duration provided for in article 14 of the statutes.

ARTICLE 20

- 1-
 - 1) The resignation of the whole serving Board of Directors leads to calling a general meeting within 60 days to elect a new Board of Directors. The resigning Board of Directors shall handle current affairs till the new Board of Directors begins to work.
 - 2) The Board of Directors can be dismissed by a general meeting, called by a request signed by a group of members totalling at least 5,000 votes. The decision for dismissal should be taken by a majority of three quarters of the votes of the members voting during a meeting representing at least half the votes of the members. If the dismissal is voted, a new meeting should be called within a period of 60 days. Meanwhile, the Managing Director replaces the dismissed Board of Directors for dealing with current affairs.

II - The general meeting responsible for election of the new Board of Directors decides on the term of the new mandate, modifying article 14. This duration, however, may not exceed 4 years or be less than three years. When determining this term, the general meeting ends the mandate of the newly elected Board of Directors at the same time as the annual Ordinary General Meeting. If more than two ordinary general meetings will take place during the mandate so fixed, there will be no renewal of the members of the Board of Directors during the first of these general meetings.

ARTICLE 21

The policy of the Society is determined by the Board of Directors, the President and the Managing Director.

Notably, they can:

- 1) Fix the annual budget after consulting the Budget Control Commission, and determine the resources allocated to the social action policy of the Society according to article 3 subparagraph 5 of these statutes, notably to allowances granted to the authors in addition to the compulsory retirement schemes.
- 2) Determine the rates listed in article 11-2 as well as the procedure of refunding the surplus of income over expenditure;
- 3) Appoint the auditor and his substitute for six financial years, according to article L. 321-4 of the Code of Intellectual Property, then submit this appointment for ratification by the next general meeting;
- 4) Determine, when the royalties collected by the Society are to be managed collectively, the scale for distribution between the works as well as the method for distribution between authors or entitled parties, particularly in the context of general utilisation contracts, made with TV broadcasters, for the works managed by the Society, as well as in the field of private copying;
- 5) Classify the works in application of the distribution scales mentioned in the previous subparagraph;
- 6) Determine, for the royalties collected in execution of the existing conventions, the share to be allotted to authors adapting works which are not legally protected or works borrowing elements from the abovementioned works;
- 7) Decide on the assignment, if any, of the non-attributed fraction of royalties mentioned in the above subparagraph, to cultural or social actions;
- 8) Define the procedure for declaring works to the Society and check the consistency of the declarations received;
- 9) Define the conditions for the accession to the present statutes including derogations for authors and composers, decide on the joining of new members, accession to the various grades of membership, as well as complementary membership applications and partial transfer withdrawal.
- 10) In case of disagreement of the entitled parties over a work, decide on the conditions under which that work can be used;
- 11) Accept or refuse gifts and legacies to the Society;
- 12) Take a decision concerning a request for help;

- 13) Decide whether it is necessary to provide legal assistance to a member of the Society;
- 14) Define the conditions for the provision of support by the Society to bodies representing the material and moral interests of its members, and whose activities lie within the scope of the object of the SADC in the fields of cultural activities or the defence of the author's profession, and define the amount of that support.
- 14 bis) Determine the annual upper limit of royalties qualifying the professional show undertakings set out in the last subparagraph of article 12 of the general regulations.

Besides, the Board of Directors and its President:

- 15) announce their decision after being informed concerning all general conventions with enterprises or persons using the works created by members of the Society;
- 16) Announce their decision after being informed concerning all conventions with other groups of authors or entitled parties with a view to defend the material or moral interests of the members of the Society, provided that the management forming part of the Society's responsibilities is not entrusted to any of these groups without a three quarters majority of the members of the Board of Directors;
- 17) Announce their decision after being informed concerning the acquisition, sale, transfer or exchange of all movable and immovable property and rights in all countries.

The Board of Directors, the President and the Managing Director have the right to delegate some of their powers to specialised commissions as well as to the Belgian and Canadian authorities of the Society, under the conditions and within the limits indicated by the internal rules of the Board of Directors. They also have the right to delegate to the personnel of the Society some of their powers, under the conditions and within the limits indicated by the general regulations.

The decisions taken by the Board of Directors, the President and the Managing Director within the limits of their powers are applicable to the members of the Society.

THE PRESIDENT

ARTICLE 22

The President of the Society, with the Board of Directors and the Managing Director, decides on the social policy.

The President has the function of manager of the Society and, as such, is vested with extensive powers, which he exercises conjointly with the Managing Director, subject to the provisions of articles 21 and 30.

He presides over the Board Meetings. He supervises observance of the statutes and general regulations and watches over the fundamental interests of the Society, particularly in the public and cultural life, working together with the Board of Directors and the Managing Director.

ARTICLE 23

In its first meeting, the Board of Directors elected by the general annual meeting elects the President of the Society from its members.

The election is held by secret vote, after checking the quorum required by article 17.

The candidate who receives an absolute majority of the votes of the members present is declared elected. If no candidate gets an absolute majority at the first vote, one or more votes are held till one of the candidates obtains a relative majority.

The President is elected for one year and can be reelected provided his term as President does not exceed his term as Director.

ARTICLE 24

The President's function at the head of the Society is incompatible with the management of any other national professional group, except for an explicit mandate by the Board of Directors.

BEL GIAN AND CANADIAN AUT HORITIES

ARTICLE 25

The Belgian Committee and Canadian Committee are elected by a general meeting of the members living respectively in Belgium and Canada. The members of these Committees are elected for 4 years. These Committees are renewed each year by replacement of a quarter of their members.

The Belgian Committee and Canadian Committee elect each year from their members the President who can be reelected.

The President of the Belgian Committee and the President of the Canadian Committee are members of the Board of Directors.

The Belgian Committee and Canadian Committee participate in the definition of the policy of the Society and are as such consulted prior to any decision having effects on the activities of the Society respectively in Belgium and Canada.

The Belgian Committee and Canadian Committee, in keeping with the provisions of article 21, are delegated by the Commission with the powers necessary for the implementation of the policy of the Society in Belgium and Canada.

ARTICLE 26

A Belgian General Delegate and a Canadian General Delegate are appointed, on proposal of the Belgian and Canadian Committees, by the Managing Director with the agreement of the Board of Directors.

The Belgian General Delegate and Canadian General Delegate prepare the meetings of the Belgian and Canadian Committees, take part in them and ensure the execution of the decisions taken, and are responsible before their respective Committees for their activity.

To this effect, they receive delegation of managing power from the Managing Director.

ARTICLE 27

The general meeting of the members living respectively in Belgium and Canada:

- decides, every year, on all questions relating to the activities of the Society in Belgium and Canada included in the agenda, and announces its decision concerning the annual report submitted to it by the Committee as well as the managers' report submitted by the General Delegate;
- gives its approval to the set of rules defining, according to the statutes and general regulations annexed to them, the procedures for convening and organising the general meetings, the conditions of eligibility, the voting procedures, the operating rules of the Committees as well as their scope of activity.

THE BUDGET CONTROL COMMISSION

ARTICLE 28

A Budget Control Commission is mandated to follow up the execution of the annual budget voted by the Board of Directors, after having been consulted on the adoption of the latter.

It presents a report to each annual general meeting.

ARTICLE 29

The Budget Control Commission includes nine members, chosen for one third among dramatic authors, choreographers, dramatic composers and for two thirds among authors of audiovisual works.

This Commission is elected for three years by the annual general meeting and is renewed by one third of its members each year.

In case of lacking or missing candidates from any repertoire, the rule of proportionality as provided for the the first subparagraph hereinabove is not applicable and the unfilled seat(s) is/are allocated to the most successful unreturned candidate(s) from the other repertory. Article 13, except for subparagraph 2, articles 14, 15, 16 and 19 (subparagraphs 1 and 4) are applicable. A set of internal rules, drawn up by the Budget Control Commission, determines its procedure for discussion and decision.

THE COMMUNICATION RIGHTS COMMISSION

ARTICLE 29 BIS

Any member who is refused communication of the documents set out in articles 35-III and 35-IV hereafter may refer the matter to a special commission.

It gives its opinion, with reasons, which are notified, within thirty days from submission of the case, to the petitioner member and to the Board of Directors. It presents a report on its activities to each annual general meeting.

Said commission is made up of 6 members, who hold no other corporate power, half of whom are chosen among dramatic authors, choreographers, and dramatic composers, and half from among authors of film works, audiovisual works and interactive creations.

This commission is elected for three years by the annual general meeting and renewed by the third of its members each year.

Article 13, except for subparagraph 2, articles 14, 15, 16, 19 (subparagraph 4), and article 35-II (subparagraph 3) are applicable.

A set of internal rules, drawn up by the Communication Rights Commission, determines its procedure for discussion and decision.

THE MANAGING DIRECTOR

ARTICLE 30

The Managing Director has the function of manager of the Society and, as such, is vested with extensive powers, which he exercises conjointly with the President, subject to the provisions of articles 21 and 30.

Together with the President and the Board of Directors, he works out the social policy. He prepares the Board Meetings, takes part in them and ensures the execution of the decisions taken.

He negotiates, submits to the Board of Directors for voting and concludes all the general conventions with enterprises or persons using the works created by members of the Society and supervise the execution of these conventions.

He negotiates, submits to the Commission for voting under conditions of article 21-16, and concludes all conventions with other groups of authors or entitled parties with a view to defend the material or moral interests of the members of the Society.

He negotiates, submits to the Board of Directors for voting and execute all acquisitions, sales, transfers or exchanges of all movable and immovable property and rights in all countries and fix the conditions.

The personnel and departments of the Society fall under his authority, as well as the General Delegate for Belgium and the General Delegate for Canada.

Recruitment of the executive directors is subject to the approval of the President.

The Managing Director is responsible before the Board of Directors for all his scope of activity.

ARTICLE 31

The Board of Directors appoints the Managing Director of the Society for an undetermined duration. It defines the terms and conditions of his appointment.

This appointment results from an election with secret vote and with a majority of two thirds of the members of the Board of Directors. The Managing Director can always be dismissed by the same majority.

THE PERSONNEL

ARTICLE 32

The members of the Society's personnel must have the power to exercise their civic rights.

They shall avoid:

- 1) being or becoming involved in any manner whatsoever with any enterprise or legal entity, whether public or private, which can have interests in opposition to those of the Society;
- 2) personally becoming the agent of an author or have a direct or indirect share in any enterprise participating, even as intermediary, in the production or distribution of works ordinarily managed by the Society;
- 3) in general using their functions for personal profit.

They have an obligation of professional secrecy and discretion towards the exterior.

Belonging to the personnel is incompatible with the exercise of the privileges specific to full members. Consequently, any person who is member of the personnel and simultaneously a full member of the Society is barred from exercising the privileges of full member as long as the two functions coexist.

The Managing Director shall see to the application of the clauses of this article.

GENERAL MEETINGS

ARTICLE 33

I - The annual general meeting decides on all questions included in the agenda and specially on the accounts of the past financial year, on the managers' report and directors' annual report submitted to it by the Board of Directors as well as on the auditor's report concerning the regulated agreements described at article L.612-5 of the French Commercial Code.

It determines, on proposal of the Board of Directors, the assignment of the possible surplus of income which shall either be put in reserve, carried forward or distributed to the members.

It should give its approval, in accordance with article L.321-9 of the Code of Intellectual Property, for the distribution of the sums obtained from the fees for private copying and which must be assigned to the promotion of live shows and artistic creation.

The auditor mentioned in article L.321-4 of the Code of Intellectual Property, presents the general report which he has drawn up concerning the accounts of the Society, the special report concerning the use of the sums mentioned in the above subparagraph and the report relating to the regulated agreements.

The Budget Control Commission provided for by article 28 and the Communication Rights Commission provided for by article 29 bis above submit their report.

II - The annual general meeting elects the members of the Board of Directors, those of the Budget Control Commission and those of the Communication Rights Commission according to the procedure indicated in article 37 below. If two or more candidates receive the same number of votes during either of these elections, the full member with most seniority shall be declared elected or, if the candidates have the same number of years in the Society, the eldest of them.

It gives the status of Director to the Presidents of the Belgian Committee and Canadian Committee.

It can give a former President of the Society the title of honorary President. This title is for life and cannot belong to more than two persons simultaneously. It ratifies the appointment of the auditor and his replacement, provided for by article L. 321-4 of the Code of Intellectual Property.

ARTICLE 34

I - The agenda of the general meetings is fixed by the Board of Directors.

II – Every member has the right to ask written questions about the corporate management, to which the Society must answer in writing within a time period of one month. To be placed in the agenda of a general meeting, the question must reach the Board of Directors by registered letter with acknowledgement due at least 45 days before the day of the meeting. In such case, the Board of Directors answers the question in the general meeting.

III – A group of members representing at least 4,000 votes may also request, by registered letter with acknowledgement due sent to the Board of Directors at least 45 days before the day of the meeting, that the members be asked to express their opinion, during the meeting, on the opportunity to cause a deliberation of the members on a determined question. If the meeting accedes to that request, the Board of Directors shall then either (1) convene a general meeting, or (2) submit this question to the vote of the members at the following general meeting, or (3) organise a written consultation of the members according to the legal and statutory procedure in force at the time.

ARTICLE 35

I - The members are convened to the general meetings by an announcement appearing 15 days before in «Les Echos» and in «Libération». If one of these papers ceases to exist, interrupts publication or stops publishing

such announcements, the Managing Director of the Society will decide on the publication in another paper. The choice of the paper will then be automatically included in the agenda of the general meeting.

An announcement of the meeting date is also published on the Society's Website at least thirty days prior to the meeting date. It invites the members to peruse the convening notice which is made available in their dedicated member spaces on that Website.

An individual notice shall also be sent to the members by postal or electronic mail at least 30 days prior to the date of the meeting. The electronic convening notice is subjected to the member's prior and formal consent and is substituted for the postal convening notice.

Any member can also ask to be convened individually, at his cost, to the meetings, or some of them, by registered letter with acknowledgement due.

II - Convening notices shall indicate the date and place of the meeting as well as its agenda so that the content and the significance of the questions in the agenda and the resolutions submitted to the voting members appear clearly without having to consult other documents.

When the convened meeting is subjected to particular conditions such as quorum or majority, these are mentioned in the notice.

Individual postal convening notices shall be accompanied by a poll memo, ballot papers allowing to vote by postal mail, as well as an identifier and a password for conducting remote electronic voting on the electronic voting-dedicated secured Website.

The individual electronic convening notices shall be sent directly to the members by the electronic voting Website. They shall mention the member's identifier and password so that the member can, on the one hand, have access, on that Website, to those information documents as referred to in Article R. 321-6-1 of the Intellectual Property Code and the poll memo and, on the other hand, conducting the remote electronic voting immediately upon the poll opening date as mentioned in the convening notice.

III - During a period of two months prior to the date of the annual general meeting, any member may:

- A)** obtain communication at the Society's registered office of any and all documents necessary for his information purposes, as provided for in article R. 321-6-1 of the Code of Intellectual Property. He may also request that all or some of such documents be sent to him. If he wishes to receive them by registered letter, the latter shall be sent at his expense.
- B)** exercise his right of access under article R. 321-6 of the Code of Intellectual Property, subject to making the request in writing fifteen days at least before said general meeting, indicating precisely the documents to which he seeks access.

Within ten days of receipt of the request, the Society shall propose a date and times to the member so that he/she can exercise his/her right of access. That right can be exercised on working days, between 10:00 a.m. and 5:00 p.m., at the registered office, and in the presence of one or several members of the appointed Society's personnel.

The member may not take or get copies of the documents he/she consults. After having consulted these documents, the member shall sign a certificate specifying those documents which the Society allowed him/her to consult.

The Society shall be entitled not to respond to repeated and/or wrongful requests.

IV - At all times, any member may ask the Society to send him the documents set out in article R. 321-2 of the Code of Intellectual Property.

Any member who is refused communication of the documents set out in articles 35-III and 35-IV may refer the matter to the Communication Rights Commission provided for in article 29 bis hereabove.

V - The annual Ordinary General Meeting is held on the third Thursday of June.

If it cannot be held on this day, the members shall be informed at least 15 days before according to the procedure described in I above. The announcement published and the letters sent for this purpose shall indicate the reasons for the postponement and the new date of the meeting.

ARTICLE 36

Each member is entitled to participate in the general meetings with a deliberative vote. However, a member can only take part in the election of the members of the Board of Directors in the fields for which he transferred his rights to the Society.

Transferees, heirs and legatees have five votes each.

Ordinary members have ten votes each.

Associate full members have fifty votes each.

Full members have hundred votes each.

The vote derived from each share is included in the above numbers.

ARTICLE 37

I - The general meeting is presided over by the President of the Society or by one of the Vice-Presidents. If they are absent, the Board of Directors appoints one of its members to preside over the meeting.

The Bureau of the meeting is composed of the Board Members and the Managing Director.

The discussions and decisions of the general meetings are noted in the minutes and signed by the President of the meeting and the Managing Director.

II - The general meeting decisions are taken during the meeting or by mail.

- During the meeting, the decisions are taken by secret ballot.

- Voting by postal or remote electronic mail is possible for the election of the members of the Board of Directors, Budget Control Commission, and Communication Rights Commission, as well as for the adoption of the resolutions proposed by the Board of Directors at the general meeting except for the resolution referred to in article 33-II, subparagraph 3.

Those members who want to vote by postal mail shall send their ballot papers by post in the postage-paid return envelope given by the Society so that they arrive at the Society's head office at least three days at 12:00 a.m. Paris time prior to the date of the general meeting, the ballot closure being certified by a bailiff.

Remote electronic voting is handled by an electronic vote-dedicated Website guaranteeing the security of secrecy of the ballot and complying with the statutory electronic voting procedures.

Those members who want to vote by remote electronic mail shall log in to the secured Website using the identifier and the password appearing on their personal convening notice and conduct the ballot at the latest three days at 12:00 a.m. Paris time prior to the date of the general meeting, the ballot closure being certified by a bailiff. Those members who have accepted to be convened to the meetings by electronic mail pursuant to Article 35-I of the statutes actually abandon the vote by postal mail in favour of the remote electronic vote or the vote during the meeting. They may, however, at any time apply for restoring the vote by postal mail provided that they send a relevant application to the Society by electronic mail with acknowledgement or by registered letter with recorded delivery. There application will be taken into account immediately upon the next meeting, provided it is received by the Society at the latest 45 days prior to said meeting.

III - Unless otherwise mentioned in these statutes, the decisions of the general meetings are made by a relative majority of votes of the voters.

The election of honorary President(s) should be made with a four fifths majority of the voters.

The decision mentioned in article 31-I, subparagraph 3, concerning the fees for private copying, should be made with a two thirds majority. If such a majority is not obtained, a freshly convened general meeting should decide with at least a relative majority.

IV – Proxy vote is excluded.

ARTICLE 38

I - Extraordinary general meetings can be held during the year at the initiative of the Board of Directors.

When an Extraordinary general meeting is held the same day as the Ordinary general meeting, both can be held in a combined general meeting.

Whatever their object, the general meetings - extraordinary ones and combined ones - are convened and held according to the rules defined by articles 34 and following.

The agenda of the general meetings distinguishes the decisions taken in Ordinary general meeting and the decisions taken in Extraordinary general meeting and mentions the quorum and majority rules.

II - Extraordinary General Meeting deciding by an absolute majority of the votes of the voters is authorised to modify the statutes or the general regulations of the Society or to decide on its dissolution.

However, for modifications whose aim is to put the statutes and general regulations in keeping with legal or statutory requirements, the vote by postal or electronic mail provided for in article 37-II does not apply. In such case, decisions are adopted by absolute majority of the vote of the members present at the meeting.

III - Only an Extraordinary General Meeting convened and held in conformity with the clauses of article 20 is authorised to dismiss the Board of Directors.

LEGAL REDUCTION OF ROYALTIES

ARTICLE 39

In conformity with article L. 321-8 of the Code of Intellectual Property, nonprofit associations with aims of public interest, can claim a reduction of 5% on the royalties for free performances at their meetings, provided that they previously obtain the Society's authorisation for the performances according to the regulatory procedure.

The clauses of the above subparagraph do not affect the application of article L. 132-21 of the Code of Intellectual Property, and in no way prevent an additional reduction to associations belonging to a national federation which has signed a convention with the Society.

All the reductions together shall not exceed 15%.

RESIGNATION-TRANSFERT WITHDRAWAL

ARTICLE 40

Subject to legal provisions in force locally, any member of the Society can, at the end of each two-year period calculated from the moment he joins the Society:

- either resign
- or restrict his transfer according to the provisions of articles 8 and 9 of the statutes

Resignation and partial withdrawal made in favour of another authors' society must be notified by registered letter with acknowledgement due sent to the President of the Society. They go into effect on the December 31 of the current year provided that the notification is made no later than September 30.

If a partial withdrawal is made for the purpose of individually managing the categories of works or territories withdrawn, the exercise of this right is subject to a prior request of the person concerned sent, in the same form and time limit as set out in the previous subparagraph, to the Board of Directors. Any rejection of said request must be based on objective, transparent and non-discriminatory grounds.

The right to partial withdrawal can be exercised 3 times.

The resignation and the partial transfer withdrawing do not prevent execution of contracts made previously between the Society and third parties when these contracts have been made concerning the specific transfer previously granted by the member.

A member resigning from the Society is refunded his share at its nominal rate.

OFFENCES AND DISCIPLINARY ACTION

ARTICLE 41

I - Without detriment to the clauses of article 1860 of the (French) Civil Code, disciplinary actions can be pronounced against any member up to exclusion, for:

- serious or repeated violation of the statutes or the appended general regulations;
- violation of the rules of professional honesty, acts against the Society and its fundamental interests;

II - The disciplinary actions involve:

- ineligibility for the posts of management or control of the Society;
- exclusion.

III - Ineligibility of a member can be pronounced permanently or for a duration determined by the Board of Directors. It can only be decided after the member in question has been heard by the Board of Directors or summoned with notice of at least 15 days to prepare and present his defence.

The decision of the Board of Directors is notified to the member concerned by a registered letter with acknowledgement due. The disciplined member has 15 days to appeal to the next general meeting. Before the general meeting, as before the Board of Directors, he has the right to be assisted or represented by the person of his choice.

IV - The exclusion of a member is proposed by the Board of Directors after having heard or summoned the member in question with a notice of at least one month to prepare and present his defence. The exclusion is settled by the general meeting deciding by the majority required for the changes to the statutes. Before the meeting as before the Board of Directors the member has the right to be assisted or represented by the person of his choice.

The two last subparagraphs of article 40 are applicable in case of exclusion.

DISOLUTION AND LIQUIDATION OF THE SOCIETY

ARTICLE 42

The Society is not dissolved by the death, interdiction, legal guardianship, rectification or court ordered liquidation, personal bankruptcy, insolvency, resignation or exclusion of one or several members.

It continues between the remaining members and the heirs or legatees of the deceased member, with the limitations mentioned in the following subparagraph.

However, when the heir or legatee is a legal entity, it does not acquire membership without the approval of the Board of Directors. If this approval is refused, article 1870-1 of the (French) Civil Code applies and the Society buys the share of the deceased member.

ARTICLE 43

The Extraordinary General Meeting which decides to dissolve the Society charges the existing Board of Directors with the liquidation.

ARTICLE 44

The General Meeting keeps its ordinary powers during the liquidation, notably for approval of the accounts.

ARTICLE 45

After the liquidation procedures, the net assets are used to pay the shares of the members at the nominal value. The remaining assets, if any, are equally shared between the members of the Society.

GENERAL REGULATIONS

ARTICLE 46

A set of general regulations completes the present statutes. It has force of law for all the members of the Society. It can be modified under the conditions indicated in article 38-II.

GENERAL REGULATIONS OF THE SACD

ARTICLE 1

The Society is open to authors and composers of dramatic and audiovisual works of all types, under the conditions laid down by the statutes and defined by the Board of Directors.

Transferees of dramatic or audiovisual works can be admitted to the Society under the conditions laid down by article 2 below.

Any person wishing to become a member of the Society should fill an application requiring, notably, acceptance of the statutes as well as justification of his identity and his authorship. The member who has restricted his transfer, either when joining the Society or during his membership, according to article 40 of the statutes, should also fill a complementary application if he wishes to entrust the Society with the management of the categories of works or territories previously withdrawn or not transferred.

The Board of Directors freely decides on the membership applications and complementary membership applications it receives. Its rejection decisions are justified.

Any complementary membership application presented by a member having previously used three times his partial withdrawal right for one or more categories of works, according to article 40 of the statutes, can be rejected by right and permanently by the Board of Directors.

At admission, authors and composers have the rank of ordinary members. At the death of a member, the heir or heirs receive their share, possibly without division. The file to be filled up by them thus does not require any admission procedure but must contain all documents justifying succession. If a member leaves his work to several heirs or legatees, the latter are required to appoint a single mandatory and give him all the powers of attorney with respect to the Society and generally to exercise the privileges belonging to authorship. If exceptional circumstances prevent the appointment of a single mandatory, the Board of Directors shall take appropriate measures; particularly, if the number of heirs requires the division between several persons of the royalties originally paid to a single author, the annual membership fee provided for by article 11-1 shall be appropriated from every account open in behalf of an heir.

Because of their membership in SACD, authors shall not join any other group with the same aims as the Society or place at its disposal the works they have submitted to the Society.

ARTICLE 2

A transferee of dramatic or audiovisual works cannot be accepted as member of the Society until he has proved the existence and validity of the transfer to his benefit. Once this has been done, he acquires a share.

ARTICLE 3

a - PROMOTION

Each year, the Board of Directors decides on the promotion of dramatic and audiovisual authors and composers, provided that they have:

- a seniority of two years in the lower grade, and
- fulfil the conditions defined in articles 4 and 5 below.

The Managing Director presents the promotions after having checked the titles of the authors.

b - EXCEPTIONAL PROMOTION

As an exception to the requirements, the Board of Directors can, by a majority of two-thirds of its members, exceptionally make promotions for professional merit. These exceptional promotions can concern any author or composer and go into effect at ratification by the general meeting. These promotions give the member the grade of full member.

c - HONORIS CAUSA FULL MEMBERS

The Board of Directors can, under the same conditions, give the title of member honoris causa to any non-member of the Society whose renown seems to justify this exceptional homage. Since these members have not accepted the statutes they are not members as defined by the statutes.

ARTICLE 4

To be accepted to the grade of full member, authors and composers belonging to the Society should have a repertoire which has produced:

- 5,000 shares under the conditions defined in article 5 below;
- royalties three times the minimum required to belong to the AGESEA.

To be promoted to the grade of associate full-member, authors and composers belonging to the Society should have a repertoire which has produced:

- 2,500 shares under the conditions defined in article 5 below;
- royalties equal to one and a half times the minimum required to belong to the AGESEA.

For the calculation of the abovementioned shares and royalties, account is not taken of works for which the author signing the declaration bulletin is not included in the bill or credits, unless he can prove that he has withdrawn his name from the bill or credits in pursuance of his moral right.

ARTICLE 5

For promotion to the grades of full-member or associate full-member, each work effectively performed produces shares according to the following rules:

AREA	NUMBER OF SHARES PRODUCED	
	by work	by contribution
THEATRE	2,000	
THEATRE STAGING	900	
DRAMATICO-MUSICAL	6,000	
music		3,000
libretto		1,500
lyrics		1,500
DANCE	3,000	
music		1,500
choreography		1,000
plot		500

STAGE MUSIC	20/minute	
FILM	2,400	
director		1,200
author(s)		1,200
TELEVISION	2,400	
director		1,200
author(s)		1,200
ANIMATION	2,400	
director		1,100
scriptwriter(s)		1,100
author of the graphic design		200
RADIO	1,200	
INTERACTIVE CREATION	2,400	
director		800
scriptwriter(s)		800
author of the graphic design		800

If several authors have collaborated for the same contribution or for a work for which the above table does not provide any break-down, the shares are attributed to each co-author according to the percentage assigned to him in the declaration bulletin.

In the case of cinema, television and animation, where the director takes part in the scriptwriting or in the graphic design, he receives shares for each of his different contributions to the work, in accordance with the above rule; other authors receive a number of shares equal to twice that calculated according to the above rule, up to a maximum defined by the maximum number of shares attributed to their contribution.

ARTICLE 6

Parts are attributed as follows:

a - according to the length of the work for those areas in which the distribution of rights is not based on a scale: theatre, dramatico-musical, dance, film (including animation) ;

b - according to the scale and the length of the work in those areas for which the distribution of rights is based on a scale: television (including animation), radio. Long works produce additional shares;

c - according to the scale for interactive creations;

d - according to the provisions set out in points a-2 and b-1 below relating to the making-of, which generates 500 shares for its author(s), except for the author(s) of the main work.

a - 1. THEATRE, DRAMATICO-MUSICAL, DANCE

In these three areas, any work lasting 60 minutes or more is counted as one share.

Any work the duration of which is shorter than 50 minutes produces half the number of shares defined above.

The number of shares attributed is reduced by half if the work is represented for the first time by a non-professional company.

a - 2. FILM (including animation)

Any film lasting 80 minutes or more is counted as a full work.

Any film lasting 30 minutes or more but less than 80 minutes produces two-thirds of the number of shares defined above.

Any film lasting less than 30 minutes produces one third of the number of shares defined above.

b - 1. TELEVISION (including animation)

The number of shares defined in the above table corresponds to a work with a classification of coefficient 100 on the scale in force on the date of promotion.

It is given the basic coefficient applicable to the work category, according to said scales.

Any television work lasting 80 minutes or more is counted as one work.

Any television work lasting 30 minutes or more but less than 80 minutes produces two-thirds of the number of shares defined above.

Any television work lasting less than 30 minutes produces one third of the number of shares defined above.

When a work exceeds 300 minutes, the number of shares it produces is increased by 50%, whatever the duration.

b - 2. RADIO

The number of shares defined in the above table corresponds to a work with a coefficient of 100 on the scales in force at the date of the first broadcast.

It is given a basic coefficient applicable to the work category according to the abovementioned scales.

Any radio work lasting 50 minutes or more is considered as one work.

Any radio work lasting less than 50 minutes produces two-thirds the number of shares defined above.

If a work lasts more than 300 minutes, the number of parts which it produces is increased by 50% whatever the duration.

ARTICLE 7

Every member, by joining the Society, undertakes to declare his works which fall within the repertoire of the Society.

The Society is not responsible for the absence of royalties for a work not declared before its first performance or release.

The declaration bulletin shall be deposited at the Society after being duly completed and signed by all the collaborators of the work, members of the Society, accompanied by all the documents required as indicated on the declaration bulletin. The latter also mentions collaborators of the work who do not belong to the Society.

The declaration bulletin is the exclusive property of the Society.

ARTICLE 8

The Board of Directors checks the declaration bulletins, according to the procedure set out in article 11 below. It can reject the declarations which it considers doubtful and, if it judges necessary, can require the interested parties to make a declaration on their honour of their veracity.

The Society takes no responsibility for the information given on the declaration bulletin. The undersigned guarantee to the Society and to all third parties the originality of their work and their rights over it.

ARTICLE 9

The members of the Society agree not to give all or part of their royalties, by declaration in the bulletin, to any person who is or could be involved, in any way, in the use of their works, notably producers, managers, directors, performers, publishers, technicians or literary agents.

The author, however, has the right to give the graphic publisher 5% of his royalties for a dramatic work, provided that the publication precedes the performance contract.

ARTICLE 10

The declaration bulletin allows attribution of the royalties produced by the declared work. The royalties are divided between the undersigned according to the keys defined by the Board of Directors or, if there are none, by agreement between the undersigned.

ARTICLE 11

I - In application of article 21 of the statutes, the Board of Directors delegates the countersigning of the bulletins of the works to commissions specialised in the area concerned or to the personnel of the Society.

The countersigning includes:

- checking the regularity of the declarations in conformity with article 21-8 of the statutes;
- classifying the works in application of the distributing scales in conformity with article 21-5 of the statutes;
- fixing the share to authors of adaptations of works which have entered the public domain in conformity with article 21-6 of the statutes.

Countersigning of "simple" bulletins is done by the personnel of the Society. Are considered "simple" bulletins:

- the bulletins of dramatic works such as defined in article 1-1 of the statutes, except for adapted works in the public domain and adapted dramatico-musical.
- the bulletins of cinema and television works, except for the three first episodes of television series, works requiring viewing, and works of a new genre.

All other countersignings fall within the competence of the specialised commissions. If the countersigning is done in application of article 21-5 of the statutes, or of article 21-6 of the statutes, the declaration bulletin should be examined and countersigned by two members of the specialised commission concerned or, if this is not possible, by two Directors, one of whom belongs to the area concerned.

II - Any of the undersigned parties to a bulletin can be requested by the specialised commission, or the personnel of the Society responsible for the countersigning, to provide all the documents justifying his rights over the declared work. Irrespective of the fact that the countersigning has been done by a specialised commission or by the personnel of the Society, any member can ask for a fresh study of his bulletin by the specialised commission competent in the area concerned, with at least half of its members. This right should be exercised within the month following notification of authorisation or, if there is no notification, within the month following the first distribution of royalties.

If disagreement about the authorisation persists, the Board of Directors gives the final verdict.

ARTICLE 12

In the context of the management of their adaptation and performing rights, the members of the Society shall not allow their works to be staged by a theatrical company which does not have an agreement with the Society. They agree not to introduce into their particular conventions, in any way whatsoever, contrary conditions, financial conditions, guarantees or sanctions less demanding than those of the general conventions. On the contrary, the authors may stipulate more demanding financial conditions than those of the general conventions as well as more favourable sanctions or guarantees.

The suspension or cancelling of the general conventions include that of the particular conventions. Each particular convention should bear a clause to this effect.

In pursuance of article 2-II of the statutes, the members of the Society can transfer to it by mandate the right to authorise performances by amateur companies and such professional companies as defined below. Are meant by "amateur" companies the organizations whose members receive no remunerations for their performances and carry out this activity beyond their professional and family time. Are meant by "professional" companies in the purposes of this article the show undertakings who, in the last 3 calendar years, have made less than 7 performances per year and have generated an annual amount of royalties smaller than the upper limit determined by the Board of Directors.

ARTICLE 13

Because of the transfer to the Society of the right to permit or prohibit public release, by any process, of the words, sounds and images as well as the reproduction by all processes, utilisation for publicity or commercial purposes of their dramatic and audiovisual works, the members of the Society agree to observe the statutes and rules defined by the Board of Directors for the audiovisual production contracts.

At the admission of a new member or when making any declaration, the Board of Directors examines the contract or contracts passed with respect to the works which the associate intends to bring to the Society or which could be applicable to these works, in order to check that the fundamental rules protecting the authors can be applicable to these works. If not

the SACD would find it impossible to fulfil the missions for which it is responsible under the law and its statutes.

ARTICLE 14

Each member agrees to consult the Board of Directors before any law suit which he intends to engage or which is engaged against him and which directly or indirectly concerns a work which could form part of the Society's repertoire.

If the Board of Directors provides the legal assistance indicated by article 21-13 of the statutes, it reserves the right to appoint any lawyer, advocate or counsel and to decide the involvement of the Society at each step of the procedure.

