



Articles of Association

2023



Genossenschaft der Urheber und Verleger von Musik
Coopérative des auteurs et éditeurs de musique
Cooperativa degli autori ed editori di musica
Cooperative Society of Music Authors and Publishers

Contents

1	Name	3
2	Registered office	3
3	Purpose	3
4	Mandate relationship	3
5	Membership	4
6	Collective administration in Switzerland and Liechtenstein	5
7	Collective administration abroad and international cooperation	5
8	Collective administration principles	5
9	Governing bodies	6
10	Liability	10
11	Financial year	10
12	Publication and notices	10
13	Dissolution and liquidation	10
14	Effective date	10
15	Transitional provisions	10

(Status on 1 January 2023)

Whereas:

- on 22 June 1923, a cooperative society under the name «MECHANLIZENZ», Schweizerische Gesellschaft für mechanische Urheberrechte (Swiss Society for mechanical rights) was founded by Swiss authors and publishers;
- on 6 July 1924, Swiss authors and publishers founded an association under the name «GEFA», Gesellschaft für Aufführungsrechte (Society for Performance Rights), which on 29 March 1941 was transformed into a cooperative society named «SUISA», Schweizerische Gesellschaft für die Rechte der Urheber und Verleger (Swiss Society for the rights of authors and publishers); and
- on 14 June 1980, the Swiss authors and publishers decided to merge the two societies, SUISA and MECHANLIZENZ, into a single cooperative under the name SUISA. At the same time, in accordance with Article 828 et seq. of the Swiss Code of Obligations, the following Memorandum and Articles of Association, as last amended on 17 June 2022 were adopted:

1 Name

The name of the Society is «SUISA, Genossenschaft der Urheber und Verleger von Musik»; «SUISA, Coopérative des auteurs et éditeurs de musique»; «SUISA, Cooperativa degli autori ed editori di musica»; «SUISA, Cooperativa dals auturs ed editurs da musica».

2 Registered office

SUISA has its registered office in Zurich.

3 Purpose

- 3.1 SUISA shall manage, on a fiduciary basis, authors' rights in non-theatrical musical works which have been duly assigned to it for collective administration by the relevant authors and publishers.
- 3.2 Moreover, acting as an agent without authority, within the meaning of Article 419 et seq. of the Swiss Code of Obligations, SUISA may manage the rights of rightholders with whom it does not have a contractual relationship and who are not in a position to assert their own rights.
- 3.3 SUISA shall support and promote its members' social security benefits. For this purpose, it may establish a pension

fund. The rules governing social security benefits shall be set out in pension fund regulations.

- 3.4 SUISA shall support and encourage the creation and dissemination of Swiss and Liechtenstein music. It may establish a foundation for this purpose.
- 3.5 SUISA shall serve authors and publishers of all countries.

4 Mandate relationship

- 4.1 The following persons – herein collectively referred to as «authors and publishers» – may, as principals¹, instruct and empower SUISA to administer their rights in non-theatrical musical works:
 - composers and arrangers;
 - writers and translators of lyrics for musical works;
 - publishers;
 - the heirs and legal successors of the aforesaid authors and publishers.
 Simple partnerships cannot be accepted as principals.
- 4.2 Principals shall transfer and assign to SUISA all rights in their works which are subject to collective administration under federal supervision, together with all their statutory remuneration claims. The particulars, and the assignment of any further rights, shall be regulated in a rights administration agreement.
- 4.3 Collective administration mandates are as a rule valid for all countries. Principals may, however, exclude individual countries from the mandate.
- 4.4 Principals shall register their works with SUISA, and provide the necessary information to enable SUISA to manage their rights.
- 4.5 A one-off fee covering a portion of the registration cost shall be due and payable by principals before or when they sign a rights administration agreement with SUISA. The registration fee shall be set by the Board.
- 4.6 SUISA's Complaints Committee shall decide whether to accept or refuse a rights administration mandate. If a mandate is refused, an appeal may be filed with SUISA's Board.
- 4.7 Mandates shall become effective as soon as the requirements in Articles 4.1 to 4.6 are fulfilled. Mandates shall be

¹ Translator's note: principals who are eligible for membership are sometimes also referred to as «associate members» in other SUISA documents.

effective retroactively for five years provided SUIISA has not yet distributed the remuneration already collected for the principal.

- 4.8 After the death of a principal, SUIISA shall remain bound by the mandate unless it is expressly terminated by the principal's legal successors. Heirs shall appoint a representative for their dealings with SUIISA. If ten years after the death of a principal, no representative is known to SUIISA, the mandate shall expire at the end of the following year.
- 4.9 Mandates may be terminated by SUIISA or the principal as provided in the rights administration agreement.
- 4.10 Mandates shall expire at the end of the protection period in the countries in respect of which rights have been assigned to SUIISA.
- 4.11 Principals may transfer to a sister society subject to the termination rules set forth in the rights administration agreement.

5 Membership

- 5.1 SUIISA shall admit to membership with full voting rights all authors and publishers who satisfy the following conditions:
- The author or publisher must already have been a principal of SUIISA for at least one year. This condition may be waived for voting members of sister societies who transfer their membership to SUIISA.
 - The remuneration distributed to the author or publisher while he was a principal must exceed the threshold set by the Board and published in SUIISA's annual report;
 - Publishers must employ their own staff and resources for their publishing activities in Switzerland and Liechtenstein to effectively promote the performance, broadcasting and production of sound and audiovisual recordings containing musical works from their publishing catalogue.
- 5.2 Publishers whose owners are organised as a simple partnership and are already members of SUIISA as authors and/or publishers are not eligible for membership.
- 5.3 The Executive Committee shall decide on admissions to membership. Rejections must be substantiated and may be appealed to SUIISA's Complaints Committee within two months.

5.4 Once all the requirements in Article 5.1 are satisfied, membership status shall be granted from the beginning of the following year.

5.5 Membership shall end:

- 5.5.1 upon termination by the member subject to six months' advance written notice for the end of a calendar year only, and subject to termination of the member's rights administration agreement;
- 5.5.2 by the member's transfer to a sister society subject to the termination rules set forth in the rights administration agreement;
- 5.5.3 at the member's death. Membership shall then devolve on the heirs of the deceased who shall appoint a representative for their dealings with SUIISA. If ten years after a member's death, no representative is known to SUIISA, the membership and mandate relationship shall expire at the end of the following year;
- 5.5.4 if the remuneration distributed to a member over a ten year period does not reach the threshold set by the Board, and the membership status reverts to a simple mandate relationship;
- 5.5.5 if a member is excluded for repeatedly neglecting his obligations as a member or for repeatedly infringing SUIISA rules and regulations. Exclusions from membership shall be decided by the Complaints Committee at the proposal of the Executive Committee. Members may appeal such decisions to the General Meeting of SUIISA;
- 5.5.6 in the case of an association or a legal entity, upon its dissolution or liquidation. Membership may devolve to the legal successors provided the latter fulfil the admission requirements and are not already members of SUIISA. The same applies to mergers and restructurings;
- 5.5.7 if a publisher joins a publishing group which already comprises a member of SUIISA. In that case, the publisher may continue to entrust SUIISA with the collective administration of his rights under a simple mandate relationship.
- 5.6 Subject to Articles 5.5.3 and 5.5.6, membership is not transferable.

- 5.7 Members shall promptly notify SUISA of any changes in their name or address.

6 Collective administration in Switzerland and Liechtenstein

- 6.1 SUISA may collaborate with domestic and foreign sister societies, companies or associations which manage copyrights or neighbouring rights in Switzerland and Liechtenstein. SUISA may carry out tasks for, or entrust tasks to, such entities. For the same purpose, SUISA may also establish own subsidiaries, or create joint companies and associations with domestic and foreign sister societies, and participate in or join such companies and associations.
- 6.2 SUISA may transfer the rights assigned to it to domestic or foreign sister societies, companies and associations for the purpose of performing its duties.

7 Collective administration abroad and international cooperation

- 7.1 Where possible, SUISA shall conclude reciprocity agreements with its foreign sister societies. SUISA may also enter into unilateral agreements with such societies, companies and associations, collaborate with them on any other basis, or directly assert its rights abroad.
- 7.2 The territorial scope of such agreements shall be agreed on a case-by-case basis.

8 Collective administration principles

8.1 General

- 8.1.1 SUISA shall manage all the rights assigned to it in accordance with uniform principles.
- 8.1.2 SUISA shall monitor the due observance of the rights assigned to it. In special circumstances, SUISA may decide at its discretion not to assert the assigned rights.
- 8.1.3 SUISA shall manage the assigned rights in its own name. SUISA shall be entitled to undertake all legal action, conduct legal proceedings and conclude settlements independently.

8.2 Relations with users

- 8.2.1 SUISA shall grant users who offer the assurance of meeting their copyright law obligations a licence to use its repertoire against reasonable remuneration.
- 8.2.2 SUISA shall establish general tariffs for the various types of usage.
- 8.2.3 SUISA shall not influence the choice of works to be performed, broadcast or reproduced on sound and audiovisual recordings.

8.3 Distribution

- 8.3.1 SUISA shall distribute the collected revenues so as to ensure that, insofar as possible, all members and principals receive the share of revenues earned by their respective works.
- 8.3.2 The rules for the distribution of revenues shall be set out in the Distribution Rules.
- 8.3.3 Payments to members, principals and sister societies shall be settled several times a year.
SUISA shall distribute the revenues received from foreign sister societies in accordance with the regulations of the relevant societies.

- 8.3.4 SUISA shall take the appropriate steps to identify or trace unknown members and principals.

Revenues that cannot be distributed owing to incomplete information on the members and principals concerned shall inure to the benefit of all authors and publishers whose rights are managed by SUISA.

- 8.3.5 SUISA shall deduct the necessary amount to cover its administration expenses from the collected revenues. Unless otherwise provided in the agreements with its sister societies, SUISA shall apply the same cost coverage deduction rate for domestic and foreign authors and publishers.
- 8.3.6 SUISA may deduct the following amounts from the revenues collected in Switzerland and Liechtenstein:
- a contribution for its members' social security benefits (see Article 3.3);
 - a contribution for the promotion and dissemination of Swiss and Liechtenstein music (see Article 3.4).

The two contributions combined shall not exceed 10% of revenues net of administration costs.

The rules governing social security benefits shall be set out in pension fund regulations.

8.3.7 SUISA is a not-for-profit organisation.

9 Governing bodies

9.1 Outline

The governing bodies of SUISA are:

- General Meeting
- Board of Directors
- Distribution and Works Committee:
- Complaints Committee
- Executive Committee
- Legal Department
- External Auditor

Ballots by correspondence may also be organised.

9.2 The General Meeting

9.2.1 The General Meeting is the assembly of all the members.

9.2.2 The General Meeting shall be responsible for:

- a. electing and dismissing the President of the Board, the Board members, and setting their compensation and other benefits;
- b. establishing committees and electing committee members;
- c. electing and dismissing the Executive Committee, and setting the compensation and other benefits of its members;
- d. electing and dismissing the auditor;
- e. approving the annual report and financial statements, and the transparency report;
- f. discharging the Board and the Executive Committee;
- g. setting the social security contribution;
- h. setting the contribution for the promotion and dissemination of Swiss and Liechtenstein music;
- i. handling appeals from authors and publishers who have been excluded from membership;
- j. amending the Articles of Association;
- k. authorising mergers and alliances, establishing subsidiaries, take-overs of other organisations, purchases of shares or rights in other organisations;

- l. general policy on distribution and on the allocation of non-distributable revenue;
- m. general investment policy with regard to collected revenue;
- n. general policy on deductions from rights revenue and from income from the investment of rights revenue;
- o. risk management policy;
- p. purchase, sale and mortgaging of property;
- q. borrowing and lending, and the constitution of loan collateral and sureties;
- r. dissolving SUISA.

The powers in letters c, k, and o to q, shall be delegated to the Board.

9.2.3 The Ordinary General Meeting shall take place once a year, generally in the first half of the year. The date of the Ordinary General Meeting shall be communicated to members at least three months in advance.

Ordinary General Meetings shall be convened by the Board. Invitations shall be sent in writing or by email at least twenty days before the date of the General Meeting.

The invitation shall specify the items and proposals on the agenda. The documents and attachments to the invitation shall be made available electronically. Important proposals must be explained. In the case of amendments to the Articles, the existing and the proposed wording must be presented.

The financial statements and the auditor's report shall be made available for viewing at SUISA's offices no later than twenty days before the General Meeting. The annual report, financial statements, auditor's report and transparency report shall be published on SUISA's website.

9.2.4 Members may submit items and proposals for in writing before 20 January for the ordinary General Meeting of the same year. Such submissions must be supported by at least 50 members in a written application indicating the name of a representative empowered to withdraw or amend the submission.

9.2.5 The General Meeting shall be chaired by the President of the Board. In the President's absence, the Vice President shall chair the General Meeting. If the Vice President is also absent, the General Meeting shall designate a Board member to the chair.

9.2.6 Each member shall have one vote.

A member may empower another member to represent him and vote on his behalf provided such representation

does not lead to a conflict of interest. Members may not represent more than one other member. The power of attorney shall be limited to representation at one specific General Meeting. The representative shall vote as instructed by the member being represented.

9.2.7 Unless otherwise provided by law or in these Articles, General Meetings shall always be quorate regardless how many members are present. Resolutions shall be adopted by a simple majority of the votes cast. Abstentions shall not count as votes cast.

The following resolutions shall require a qualified majority of two-thirds of the votes cast:

- amendments of the Articles of Association;
- the dissolution of SUIISA.

9.2.8 As a rule, voting and elections shall be conducted by show of hands. If one-tenth of the members present so request, a vote or election shall be conducted by secret ballot. In case of a tied vote, the President shall have the casting vote.

9.2.9 Extraordinary General Meetings may be convened by the Board or by the Auditor at any time. The Board shall convene a meeting at the request of one-tenth of the members; the request shall indicate the items and proposals to be discussed, and may be made in writing or by a vote at a General Meeting.

Invitations to an Extraordinary General Meeting shall be sent within six weeks of the request or the vote, as the case may be, and at least twenty days before the meeting.

9.2.10 To the extent permitted by law, SUIISA shall enable members to participate electronically in the General Meeting.

9.3 The Board of Directors

9.3.1 The Board shall be composed of the President and 14 other persons. Authors and publishers shall both be appropriately represented on the Board.

The Board may delegate individual business and tasks for preparation or decision-making purposes to permanent or ad hoc committees selected by it.

9.3.2 Board members must be members of SUIISA. Excepted are persons who are especially involved in SUIISA's activities owing to their position or expertise. Such persons may be elected to the Board with no further requirements.

Members of the Executive Committee may not be elected to the Board during their term of office and for five years after they leave the Executive Committee.

9.3.3 Each Board member shall have one vote.

Board members may not represent absent members.

9.3.4 The Board as a whole shall be elected for a term of office of four years. A Board member elected in the course of a term of office is elected for the remainder of that term.

Members of the Board may not be re-elected more than three times; the Vice President and the incumbent chairs of the Board committees may not be re-elected more than four times. The President's term of office is not limited in time.

9.3.5 The Board shall be responsible for all business that is not explicitly reserved to another governing body.

It shall have the following powers in particular:

- setting the one-off fee partially covering membership registration costs;
- setting the remuneration threshold for the admission of members;
- decisions concerning the Distribution Rules;
- preparing and convening General Meetings;
- implementing resolutions adopted at the General Meeting or by ballots by correspondence;
- preparing the annual report;
- preparing balance sheets and operating accounts;
- overseeing the Executive Committee and its dependent management entities;
- electing the Vice President;
- establishing Board committees;
- appointing the Executive Committee;
- appointing the Head of the Legal Department;
- establishing the list of persons authorised to sign for the Society, and their signing powers (individual or collective);
- setting the compensation or per diem allowance of the President and members of the Board;
- decisions concerning the administration of other types of rights;
- decisions regarding cooperation agreements with other Swiss collective administration societies.
- the duties referred to in paragraph 2 of Article 9.2.2.

9.3.6 Board meetings shall be chaired by the President or, in his/her absence, by the Vice President. If the Vice President is also absent, the Board shall designate one of its members to chair the meeting.

- 9.3.7** The Board shall meet on a regular basis.
The President, Vice President or one-third of the other Board members may at any time request an urgent meeting of the Board. The meeting must be held within four weeks of the request.
- 9.3.8** Invitations to attend a Board meeting shall be sent no later than fourteen days before the meeting.
- 9.3.9** The Board shall be quorate when the majority of its members are present.
Board resolutions shall be adopted by a simple majority of the votes cast.
Abstentions shall not count as votes cast.
In case of a tied vote, the President shall have the casting vote.
- 9.3.10** The President and the Board members shall be entitled to compensation in the form of a per diem allowance or a fixed fee. Moreover, their travel and accommodation costs will be reimbursed.
- 9.3.11** The members of the Board shall submit a statement to the General Meeting once a year about:
- their participation in SUIA;
 - the amounts received from SUIA by way of compensation and other benefits in the last financial year;
 - the amounts received from SUIA by way of royalty revenues as principals or members in the past financial year; for this purpose, the Board shall set an appropriate scale;
 - any actual or potential conflicts between their personal interests and the interests of SUIA, or between their duties towards SUIA and their duties for other natural persons or legal entities.
- 9.4 Distribution and Works Committee**
- 9.4.1** The General Meeting shall elect from among its ranks a Distribution and Works Committee consisting of no more than 22 members. Authors and publishers shall both be appropriately represented on the Committee. The candidates shall be selected by the Board in accordance with its Rules of Procedure. The Distribution and Works Committee shall have the following duties:
- checking the provisions of the Distribution Rules and their implications on distribution proceeds;
 - proposing amendments to the Distribution Rules to the Board;
- as a first instance, handling appeals against Executive Committee decisions on the classification of broadcasting programmes, copyrightability of works and arrangement of non-protected works; appeals against these decisions may be brought before the Complaints Committee;
 - in an advisory capacity, evaluating unauthorised adaptations of protected works and cases of plagiarism.
- 9.4.2** The General Meeting may delegate other duties to the Distribution and Works Committee.
- 9.4.3** Each Committee member shall have one vote. Committee members may not represent absent members.
All SUIA members may participate in Committee meetings in an advisory capacity. Participation in appeals proceedings is excluded.
- 9.4.4** The General Meeting may decide to set up other committees and define their assignments.
- 9.4.5** The President and the members of the Board may not sit on the Distribution and Works Committee as members.
- 9.4.6** The Committee shall be responsible for its own organisation. It shall appoint a chair and vice chair from its own ranks for the full term of office.
- 9.4.7** The Committee shall meet as required. One third of the Committee members may at any time ask the Executive Committee to convene an urgent meeting of the Committee. The meeting must be held within four weeks.
- 9.4.8** The Executive Committee shall convene all meetings of the Committee.
Invitations to Committee meetings shall be sent no later than 14 days before the meeting.
- 9.4.9** The Committee shall be quorate regardless how many Committee members attend.
Committee decisions shall be taken by a simple majority of the votes cast. Abstentions shall not count as votes cast.
In case of a tied vote, the chair shall have the casting vote.
- 9.4.10** The term of office of the Committee shall be four years. A Committee member elected in the course of a term

of office is elected for the remainder of that term. Committee members may not be re-elected more than three times.

9.4.11 Committee members shall be entitled to a per diem compensation. Moreover, their travel and accommodation costs will be reimbursed.

9.5 The Complaints Committee

9.5.1 The Complaints Committee shall consist of two Board members, two further qualified professionals, who shall be neither principals nor members of SUIISA, and the Head of the Legal Department as its Chair. Moreover, two substitutes shall be elected for the Board members and two for the two further members.

The General Meeting shall elect the members of the Committee, except for the Chair, as well as the substitutes.

The term of office of the Committee shall correspond to that of the Board. A Committee member elected in the course of a term of office is elected for the remainder of that term.

Committee members from the Board shall be subject to the same term of office limitations as they are as Board members.

The other Committee members may be re-elected three times at the most, disregarding any prior terms as Board members.

9.5.2 The Complaints Committee shall handle and decide on the appeals contemplated in these Articles, and on any appeals filed against Executive Committee decisions with regard to disputes arising in connection with the mandate relationship with SUIISA or membership of SUIISA, subject to appeal to the General Meeting in accordance with Article 5-5-5.

Decisions on complaints shall be issued in writing. The rejection of a complaint must be substantiated. The Board shall adopt rules of procedure regulating the organisation and procedure of the Complaints Committee.

9.6 Executive Committee

9.6.1 The Executive Committee may consist of one or more members.

Members of the Board may not be appointed to the Executive Committee during their term of office and for five years after they leave the Board.

9.6.2 The Executive Committee shall be accountable for its activities to the Board. It shall attend all General Meetings, Board and committee meetings in an advisory capacity. It shall prepare the business to be discussed by the Board and the committees, and shall ensure that their respective decisions are duly implemented.

9.6.3 The Board may delegate powers to the Executive Committee through regulations.

9.6.4 Executive Committee members shall submit a statement to the General Meeting once a year confirming:

- their participation in SUIISA;
- the amounts received from SUIISA by way of compensation and other benefits in the last financial year;
- the amounts received from SUIISA by way of royalty revenues as principals or members in the past financial year; for this purpose, the Board shall set an appropriate scale;
- any actual or potential conflicts between their personal interests and the interests of SUIISA, or between their duties towards SUIISA and their duties for other natural persons or legal entities.

9.7 Legal Department

The Legal Department shall conduct legal proceedings under the oversight of the Executive Committee and in accordance with its instructions.

9.8 Auditor

9.8.1 The designated Auditor must be a firm of auditors and chartered accountants (fiduciary company) and belong to the Swiss Chamber of accountants, tax advisors and fiduciaries.

9.8.2 The Auditor shall be primarily responsible for verifying that the annual financial statements are in accordance and consistent with SUIISA's books, that the books were properly kept and that the operating account is in compliance with the relevant rules and regulations.

9.8.3 The Auditor's term of office shall be one year. The Auditor may be re-elected.

9.8.4 The Auditor's representative shall attend all General Meetings in an advisory capacity.

9.9 Ballots by correspondence

- 9.9.1 If SUISA has more than 300 members, the Board may submit items which lie in the remit of the General Meeting to a ballot by correspondence. The Board shall be obliged to do so if one tenth of SUISA's members requests such a ballot.
- 9.9.2 Ballots by correspondence shall not be admissible for
- resolutions already adopted by the General Meeting;
 - the election of the President and the members of the Board;
 - amendments to the Articles of Association;
 - the dissolution of SUISA.
- 9.9.3 The proposals to be decided by a ballot by correspondence shall be sent to members by registered letter. Members shall be given ten days to complete and return their ballot forms.
- 9.9.4 Decisions shall adopted by a simple majority of the votes duly cast. Empty ballots shall not count as votes cast.

10 Liability

- 10.1 SUISA's liability shall be limited to the extent of its assets.
- 10.1 Any personal liability of its members is excluded.

11 Financial year

The financial year shall be the calendar year.

12 Publication and notices

Notices shall be published in the Feuille Officielle Suisse du Commerce/Schweizerischen Handelsamtsblatt.

Notices to members or principals shall be sent by circular letter or – where required by these Articles or by law – by registered letter, or if necessary by an own newsletter.

13 Dissolution and liquidation

- 13.1 If a resolution for the dissolution of SUISA is adopted, distribution procedures for the preceding business year shall first be duly completed. Funds shall then be set aside to pay the settlements of the last financial year to members, principals and foreign sister societies. The dissolution may

not proceed before the settlements for the preceding financial year have been paid.

- 13.2 Once all liabilities have been paid, the residual assets, if any, shall devolve to the national or international associations committed to continuing SUISA's activities.

14 Effective date

These Articles of Association shall come into effect on 1 January 2023.

15 Transitional provisions

A Termination of mandate and membership

If SUISA no longer has a valid address for a principal or a member for as long as five years, the rights administration agreement and membership shall expire at the end of the following year, and the assigned rights shall revert to the principal or member concerned. If no valid address is known to SUISA thereafter, any distribution proceeds which cannot be paid shall be set aside for another five years after which time they shall vest with SUISA.

SUISA is the cooperative society for composers, lyricists and music publishers in Switzerland and Liechtenstein. Its 41,000 members include music professionals from all disciplines. In Switzerland and Liechtenstein, SUISA represents the musical repertoire of two million authors and publishers worldwide. It grants licences to use this repertoire to more than 120,000 customers.

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