



ARTICLES OF ASSOCIATION

2014

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(Status on 1.7.2014)

Whereas:

- on 22 June 1923, Swiss authors and publishers founded a cooperative society under the name “MECHANLIZENZ”, Schweizerische Gesellschaft für mechanische Urheberrechte (Swiss Society for mechanical rights);
- on 6 July 1924, Swiss authors and publishers founded an association under the name “GEFA”, Gesellschaft für Aufführungsrechte (Society for Performing Rights), transformed on 29 March 1941 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 Articles 828 et seq. of the Swiss Code of Obligations, the following Memorandum and Articles of Association, as amended at 21st June 2014, 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 manages, on a fiduciary basis, the 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 right-holders with whom it does not have a contractual relationship and who are not in a position to assert their own rights.
- 3.3 SUISA supports and promotes its members’ social benefits. For this purpose, it may establish a pension fund. The rules governing social benefits shall be set out in pension fund regulations.
- 3.4 SUISA shall support and encourage the creation and dissemination of Swiss music. It may establish a foundation for this purpose.
- 3.5 SUISA serves authors and publishers of all countries.

4 Principals¹

- 4.1 The following persons – herein collectively referred to as “authors and publishers” – may, as principals, instruct and empower SUISA to administer their rights in non-theatrical musical works:
 - Composers and arrangers;
 - Writers and translators of lyrics for musical works;

¹Translator’s note:

principals who are eligible for membership are sometimes also referred to as “associate members” in other SUISA documents.

- Publishers;
 - The heirs and legal successors of the aforesaid authors and publishers.
- 4.2 Principals transfer and assign to SUIISA all such rights in their works which have to be managed collectively under federal supervision, together with all their legal remuneration claims. Details and the assignment of any further rights shall be regulated in the membership agreements.
- 4.3 The collective administration mandates are basically valid for all countries. However, SUIISA may restrict the territorial validity of any mandate to Switzerland and Liechtenstein and other individual countries.
- 4.4 Principals shall declare their works to SUIISA, providing the necessary indications for SUIISA to manage the relevant rights.
- 4.5 A one-off fee covering a portion of the registration cost is due and payable by principals when or before they sign a rights administration agreement with SUIISA.
The registration fee is set by the Board.
- 4.6 SUIISA's Executive Committee decides whether to accept or refuse a rights administration mandate. If a mandate is refused, an appeal may be filed with SUIISA's Board.
- 4.7 Mandates become effective as soon as the requirements in Article 4.1 to 4.6 are fulfilled. Mandates are 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 remains bound by the mandate unless it is expressly terminated by the principal's 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 term of protection 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 all authors and publishers who satisfy the following conditions to membership with full voting rights:
- The author or publisher must have been a principal of SUIISA for already 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;

- The author or publisher must have special ties of nationality, residence or other, with Switzerland or Liechtenstein.
 - Publishers must employ their own staff and resources in Switzerland and Liechtenstein with a view to promoting the performance, broadcasting and production of sound and video carriers with musical works from their publishing catalogue.
- 5.2 Publishers which are individually owned or organised as a simple partnership and whose owners are already members of SUISA as authors and/or publishers are not eligible for membership.
- 5.3 The Executive Committee decides on admissions to full membership. Decisions refusing membership may be appealed before the Board of Directors.
- 5.4 Once a principal satisfies the requirements in Article 5.1, he will be admitted to membership from the beginning of the next year.
- 5.5 Membership ends:
- 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 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. The membership then devolves on the heirs of the deceased who shall appoint a representative for their dealings with SUISA. If ten years after the death of the principal, no representative is known to SUISA, the membership and mandate shall expire at the end of the following year;
 - 5.5.4 if the remuneration distributed to the member during a ten year period does not reach the minimum amount set by the Board; the member's status then reverts to that of a principal of SUISA;
 - 5.5.5 if a member is excluded for repeatedly neglecting his obligations as a member or for repeatedly infringing SUISA rules and regulations. Exclusions are decided by the Board at the proposal of the Executive Committee. Members may appeal such decisions to the General Assembly;
 - 5.5.6 in the case of an association or a legal entity, upon its dissolution or liquidation. Membership may devolve to the legal successor provided the latter fulfils the admission requirements and is not already a member of SUISA. The same applies to mergers and restructurings;
 - 5.5.7 if a publisher joins a publishing group which is already a member of SUISA. In that case, the publisher may continue, as a principal, to entrust SUISA with the collective administration of his rights.
- 5.6 Subject to Articles 5.5.3 and 5.5.6, membership is not transferrable.

6 Collective administration in Switzerland and Liechtenstein

- 6.1 SUISA may collaborate with domestic and foreign sister societies, companies or federations which manage copyrights or neighbouring rights in Switzerland and Liechtenstein. SUISA can 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 national or foreign sister societies, or participate in or join such companies and associations.
- 6.2 SUISA may transfer any 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 federations, 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 manages all the rights assigned to it in accordance with the same principles.
- 8.1.2 SUISA shall monitor the due observance of the rights assigned to it. In special circumstances, SUISA may decide not to assert the assigned rights if it deems fit.
- 8.1.3 SUISA shall manage the rights assigned to it in its own name. SUISA is empowered 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 use.
- 8.2.3 SUISA shall not seek to influence the choice of works to be performed, broadcast or recorded on sound and video carriers.

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 laid down in distribution regulations.

- 8.3.3 Settlements to members, principals and sister societies shall be paid at least once a year. SUIISA shall also pass on to its members and principals the revenues received from its sister societies at least once a year. Such amounts will be distributed in accordance with the regulations of the relevant foreign sister societies.
- 8.3.4 Revenues that cannot be distributed for failing of complete documentation on the members and principals concerned shall inure to all the authors and publishers whose rights are managed by SUIISA.
- 8.3.5 SUIISA may deduct from the collected revenues an amount covering its administration expenses. Unless otherwise provided in the agreements with its sister societies, SUIISA shall apply the same cost coverage deduction rate for domestic and foreign authors and publishers.
- 8.3.6 SUIISA may deduct the following amounts from the revenues collected in Switzerland and Liechtenstein:
- a contribution for its members' social benefits (see Article 3.3);
 - a contribution for the promotion and dissemination of Swiss music (see Article 3.4).
- The two contributions combined shall not exceed 10% of the revenues net of administration costs. The rules governing social benefits shall be set out in pension fund regulations.
- 8.3.7 SUIISA is a not-for-profit organisation.

9 Governing bodies

9.1 Overview

The governing bodies of SUIISA are:

- the General Meeting
- the Board
- the Committees
- the Executive Committee
- the Legal Department
- the Auditor

Voting by correspondence is permitted.

9.2 General Meeting

- 9.2.1 The General Meeting is the assembly of all the members.
- 9.2.2 The General Meeting is responsible for:
- electing the President and the members of the Board;
 - establishing committees and electing committee members;
 - appointing the auditor;
 - approving the annual report and the annual financial statements;
 - discharging the Board and the Auditor;
 - setting the social welfare contribution;
 - setting the contribution for the promotion and dissemination of Swiss music;
 - handling appeals from authors and publishers who have been excluded from membership;
 - amending the Articles of Association;
 - dissolving SUIISA.

- 9.2.3 The Ordinary General Meeting takes 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. The invitations shall be sent in writing or by e-mail at least twenty days before the date of the meeting. The invitation to each General Meeting shall specify the items and proposals on the agenda. Proposals must be explained. In the case of amendments to the Articles, the existing and the proposed wording must be indicated. The financial statements and the auditor's report shall be available for viewing at SUISA's offices no later than twenty days before the General Meeting. Every member may ask to receive the annual report, financial statements and auditor's report. Moreover, these documents are published on SUISA's website.
- 9.2.4 Members may submit items and proposals for the Ordinary General Meeting in writing before 20 January for the General Meeting of the same year. Such requests must be supported by at least 50 members, in a written application indicating the name of a representative empowered to withdraw or amend the request.
- 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 has one vote. A member may empower another member to represent him and vote on his behalf. Members may not represent more than one other member.
- 9.2.7 Unless otherwise provided by law or in these Articles, General Meetings are always quorate regardless how many members are present. Resolutions are adopted by a simple majority of the votes cast. Abstentions do not count as votes cast. The following resolutions require a qualified majority of two-thirds of the votes cast:
- amendments of the Articles of Association;
 - the dissolution of SUISA.
- 9.2.8 As a rule, voting and elections are by show of hands. If one-tenth of the members present so request, the voting or election shall be conducted by secret ballot. In case of a tied vote, the President has 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 an Extraordinary General Meeting if one-tenth of the Society's members request such a meeting indicating the items and proposals to be discussed; the request 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.

9.3 Board of Directors

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

9.3.2 Board members must be members of SUIISA. Excepted are persons who, on ground of their position or expertise, have a special involvement with SUIISA's activities. Such persons may be elected to the Board with no further requirements.

9.3.3 Each Board member has one vote.
Board members may not represent absent members.

9.3.4 The Board as a whole is elected for a term of office of four years. Persons elected to the Board in the course of a term of office are elected for the residual term.
Members of the Board may not be re-elected more than three times; the Vice President and the presidents in office of the Board committees may not be re-elected more than four times. The President's term of office is not limited in time.

Transitional provisions

The new wording of Article 9.3.4 (Limitation of term of office) is effective from 1 January 2012. Members of the Board who are not eligible for re-election under the term-of-office limitation rule shall step down from the Board at the 2012 Ordinary General Meeting; they shall be replaced for the remaining term by members newly elected at the 2012 General Meeting.

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

It has the following powers in particular:

- setting the one-off fee partially covering membership registration costs;
- setting the minimum revenue limit for the admission and exclusion of members;
- decisions concerning the distribution regulations;
- handling appeals against decisions of the Distribution and Works Committee with regard to the classification of broadcasting programmes, the copyrightability of works and the arrangement of unprotected works;
- handling appeals against decisions of the Executive Committee declining mandates from principals or refusing new members;
- preparing and convening General Meetings;
- implementing resolutions adopted at the General Meeting or by a vote by correspondence;
- preparing the annual report;
- preparing balance sheets and operating accounts;
- overseeing the Executive Committee;
- 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 remuneration or allowance of the President and members of the Board;
- decisions concerning the administration of other types of rights;
- decisions regarding the cooperation agreements with other Swiss collective administration societies.

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 meets whenever necessary.
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 14 days before the meeting.
- 9.3.9 The Board has a quorum when the majority of its members are present.
Board resolutions are adopted by a simple majority of the votes cast.
Abstentions do not count as votes cast.
In case of a tie, the President has the casting vote.
- 9.3.10 The President and the Board members are entitled to remuneration in the form of a per diem allowance or a fixed fee. Moreover, their travel and accommodation costs will be reimbursed.

9.4 Committees of the General Meeting

- 9.4.1 The General Meeting shall elect from among its ranks a Distribution and Works Committee consisting of no more than 22 members. The candidates shall be selected by the Board in accordance with its adopted Rules of Procedure. The Distribution and Works Committee has the following duties:
- checking the provisions of the Distribution Regulations and their implications on distribution proceeds;
 - proposing amendments to the Distribution Regulations 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;
 - 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 Committee members each have one vote. Committee members may not represent absent members. All SUIA members may participate in Committee meetings in an advisory capacity. Appeals proceedings are excepted.
- 9.4.4 The General Meeting may decide to set up other committees and define their assignments.
- 9.4.5 Neither the President nor any Board members may belong to a General Assembly committee as members.
- 9.4.6 The committees are responsible for their own organisation. They shall appoint a chairman and vice chairman from their own ranks for the full term of office.
- 9.4.7 The committees shall meet as required. One third of the members of a committee may at any time ask the Executive Committee to convene an urgent meeting of their committee. The meeting must be held within four weeks.

- 9.4.8 All committee meetings are convened by the Executive Committee.
Invitations to attend committee meetings shall be sent no later than 14 days before the meeting.
- 9.4.9 Committees are quorate regardless the number of members attending.
Committee decisions are taken by a simple majority of the votes cast. Abstentions do not count as votes cast.
In case of a tied vote, the chairman has the casting vote.
- 9.4.10 Committees are appointed for a four-year term of office. A Committee member elected in the course of a term is elected for the residual term. Committee members may be re-elected no more than three times.

Transitional provisions

The new wording of Article 9.4.10 (Limitation of term of office) shall come into force on 1st January 2015. Committee members who are no longer eligible for re-election under the term of office limitation rule shall withdraw from the committees at the 2015 Ordinary General Meeting and the 2015 Ordinary General Meeting shall designate the successors to their seats.

- 9.4.11 Committee members are entitled to a per diem remuneration. Moreover, their travel and accommodation costs will be reimbursed.

9.5 Executive Committee

- 9.5.1 The Executive Committee may consist of one or more members.
- 9.5.2 The Executive Committee is accountable for its activities to the Board. It attends General Meetings, Board and committee meetings in an advisory capacity.
It prepares the business to be discussed by the Board and the committees, and ensures that their respective decisions are duly implemented.
- 9.5.3 The Board may delegate powers to the Executive Committee by means of regulations.

9.6 Legal Department

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

9.7 Auditor

- 9.7.1 The designated Auditor must be a firm of auditors and chartered accountants (fiduciary company) and a member of the Swiss Chamber of accountants, tax advisors and fiduciaries.
- 9.7.2 The Auditor is more particularly responsible for verifying that the annual financial statements are in accordance and consistent with SUIA's books, that the books were properly kept and that the operating account is in compliance with the relevant rules and regulations.
- 9.7.3 The Auditor is appointed for a term of one year. The Auditor's term of office is renewable.
- 9.7.4 The Auditor's representative shall attend all General Meetings in an advisory capacity.

9.8 Vote by Correspondence

- 9.8.1 If SUIISA has more than 300 members, the Board may submit items which lie in the remit of the General Meeting to a Vote by Correspondence. The Board shall be obliged to do so if one-tenth of SUIISA's members requests a Vote by Correspondence.
- 9.8.2 Voting by correspondence is not admissible for
- resolutions already adopted by the General Meeting;
 - the election of the President and members of the Board;
 - amendments of the Articles of Association;
 - the dissolution of SUIISA.
- 9.8.3 The proposals to be decided by correspondence shall be sent to members by registered letter. Members shall be given ten days to complete and return their ballot forms.
- 9.8.4 Resolutions are adopted by a simple majority of the votes duly cast. Empty ballots do not count as votes cast.

10 Liability

- 10.1 SUIISA's liability is limited to the extent of its assets.
- 10.2 Any personal liability of its members is excluded.

11 Business year

The business year is the same as the calendar year.

12 Notices and communications

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

Notices to members and principals shall be sent by circular letter or – where required by the Articles or by law – by registered letter, or if necessary by a newsletter of the Society.

13 Dissolution and liquidation

- 13.1 If a resolution for the dissolution of SUIISA is adopted, distribution procedures for the preceding business year shall first be duly completed. Funds shall then be set aside for paying the settlement of the last business year to members, principals and foreign sister societies. The dissolution may not proceed before the settlements for the preceding business year have been paid.
- 13.2 The residual assets, if any, once all liabilities are paid shall devolve to the national or international associations committed to continuing SUIISA's activities.

14 Validity

These Articles of Association come into effect on 1st July 2014.

Transitional provisions

A. Termination of mandate and membership

If, for five years, SUI SA has no address for a principal or a member, membership and the rights administration agreement 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 SUI SA thereafter, the remuneration which cannot be distributed shall be set aside for another five years and shall then vest with SUI SA.

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

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