



DOCUMENTS TO KEEP

SPPF MEMBERSHIP



63 boulevard Haussmann
75008 PARIS
Tél.: 01 53 77 66 55
www.sppf.com





DOCUMENTS TO KEEP

- What is SPPF (pages 2 to 3)
- SPPF Status (pages 4 to 28)
- SPPF General Regulation (pages 29 to 54)
- The Right of Producer in France (pages 55 to 60)
- Privacy Policy (61 to 62)

JOIN US

SOCIÉTÉ CIVILE DES PRODUCTEURS DE PHONOGRAMMES EN FRANCE (SPPF – Partnership Grouping Producers of Sound Recording in France) was incorporated on 23rd October 1986, pursuant to the Law of 3rd July 1985, which is presently codified.

Articles L. 214-5 and L. 311-6 of the Intellectual Property Code provide that right to Equitable Remuneration (recognized at Article L. 214-1 of the Intellectual Property Code) as well as rights to remuneration for private Copying of sound and video recordings (recognized at Article L. 311-1 *passim* of the Intellectual property Code) must necessarily be collected via **collective management organizations (CMO)**.

Such partnerships must be incorporated in accordance with the provisions of Section II of the Book III of the above-mentioned Code and are subject to **control by the Minister of Culture**.

In addition, sound and video recording producers may collectively exercise all or part of their exclusive right to authorize by appointing their Collection and Allocation Entity to do so by Mandate.

The territorial jurisdiction of the Mandates may be restricted by each Member, with the exception of France, either when joining the SPPF, or at any time by registered letter with acknowledgment of receipt with six months' notice. Notification shall be made by 30th June at the latest to make effect on 1st January of the following year. If the six months' notice is not respected, the effective date is postponed by one year.

The Members also have the right to limit the rights entrusted to the SPPF, to request the withdrawal of all or part of the Mandates that they have entrusted to the SPPF and to resign, subject of compliance with the above-mentioned deadlines and procedures.

WHAT IS ITS PURPOSE?

SPPF's purpose is as follows, within the limits of any Mandates conferred on it:

- ❖ setting up a Corporate Directory regrouping sound and video recordings;
- ❖ the collection and allocation of remunerations due to Producers corresponding to uses of their sound and video recordings;
- ❖ assistance with creation, the distribution of live shows, the development of artistic and cultural education and actions to train performers;
- ❖ piracy fighting and, more generally, the representation and the conservation of their rights on the national and international field.

Thanks to its data processing tool of collective management, adjusted to professionals of musical creation's needs, the SPPF comes up to users of music (audiovisual Producers, designer, Producers of multimedia, works and products, publishers, Producers of online services or data bases...) expectations and makes their steps to obtain any authorizations for the realization of their plans easier in the Multimedia field.

WHAT IS ITS MEMBERSHIP?

SPPF is open to any private individuals or bodies corporate, French or foreign producers of sound and/or video recordings as well as their assignees, agents or representatives, empowered to exercise all or part of their rights. SPPF presently comprises nearly 2 200 Associates.

HOW DOES SPPF OPERATE?

The Partners of SPPF give a **Mandate** to their *Société civile* to manage their rights to remuneration for sound recordings declared within the SPPF Corporate Directory in accordance with statutory provisions. The compulsory Mandate (Mandate B) is an integral part of the Membership Instrument provided in SPPF's Status.

The Members of the SPPF grant a **Mandate** to their Non-Trading companies for the purpose of managing their right to authorize the simultaneous, complete and unchanged cable retransmission of their phonograms and/or videograms (Obligatory Mandate I).

In connection with the exercising of a right to authorize, each Associate shall be free to appoint SPPF to manage its rights collectively, by entering into General Common Interest Contracts with the users of sound and video recordings, in accordance with the provisions of Article L. 324-5 of the Intellectual Property Code.

Thus, so far, SPPF proposes, **collectively exercising**, in its Associates' name, video recording circulation rights in respect of audiovisual communication firms and to exercise a right to remuneration for Private Audiovisual Copying allows SPPF's Associates, as video producers, to entrust the management of this right to their Collective Management Organization (Mandate C).

The SPPF offers Producers to **exercise collectively**, on behalf of its Associates, the reproduction and communication rights to the public of phonograms for certain uses, in particular the provision of background music programs by professional sound engineers and on hold calls, the incorporation of phonograms in certain programs produced or co-produced by television channels (Mandate D).

The SPPF also offers Producers to **exercise collectively**, on behalf of its Associates, the right to reproduce phonograms and videograms through interactive or equivalent services (Mandate G and H).

Finally, the SPPF offers Producers to **exercise collectively**, on behalf of its Associates, the right to remuneration for digital private copying of visual arts elements (Mandate K).

To make for easier management of the rights relating to sound and video recordings declared in its Corporate Directory, SPPF has applied, since its creation, the International Standard Recording Code (ISRC) coding allowing identification of each sound or video recording.

The Corporate Directory managed by SPPF so far includes over 4 708 868 sound recordings and over 24 700 video recordings.

To ensure its proper operation, SPPF deducts management fees fixed by its Ordinary General Assemblies.

For the management of phonograms, the rates used are as follows:

- ❖ for private audio copying and the exclusive right to manage collectively, the rate is 8% since the year of rights 2019,
- ❖ for fair remuneration, the 8% rate applied for the year of rights 2019, was raised to 8.5% for the year of rights 2020 and 2021 due to the decrease in perceptions mainly due to the health crisis.

For the management of music videos (Broadcasting rights and private audiovisual copying) and the exclusive right to manage collectively, the rate of 6% still applies since the legal year 2007.



**STATUTES OF THE NON-TRADING COMPANY OF PHONOGRAM
PRODUCERS IN FRANCE
(SPPF)**

A non-trading COMPANY with variable capital

Registered office: 63, boulevard Haussmann - 75008 PARIS

**(Modified by the Extraordinary General Assemblies of the SPPF held on
November 15th 1988, June 25th 1996, July 1st 1999, June 25th 2001, June 27th 2002, June 22nd 2004
June 14th 2006, 28th June 2007, 17th June 2008, 17th June 2009, 17th June 2015, 26th
June 2017, 25th June 2018, 20th June 2019, 15th September 2020 and by the General
Ordinary Assembly of the SPPF held on June 22nd 2021)**

July 2021

CONTENTS

CONSTITUTION OF THE COMPANY	6
HEAD OFFICE AND DURATION OF THE COMPANY	6
AIM OF THE COMPANY	7
COMPOSITION OF THE COMPANY - ADMISSION - MANDATES (SCOPE/PARTIAL OR TOTAL WITHDRAWAL).....	8
CONTRIBUTIONS – STATUTORY AUTHORISED CAPITAL - EFFECTIVE – REDUCTION	11
INCREASE IN THE STATUTORY AUTHORISED CAPITAL	11
VARIABILITY OF THE EFFECTIVE CAPITAL.....	11
RIGHTS AND OBLIGATIONS ATTACHED TO THE SHARES	12
BUDGET	12
COLLECTION AND APPORTIONMENT OF RIGHTS	13
ADMINISTRATION OF THE COMPANY.....	14
TASKS OF THE BOARD	16
ROLE OF THE MANAGER – CHAIRMAN OF THE BOARD.....	17
SUPERVISORY COMMITTEE.....	18
ANNUAL INDIVIDUAL DECLARATION BY THE MANAGEMENT AND SUPERVISORY BODIES	19
PREVENTION AND RESOLUTION OF CONFLICTS OF INTEREST	19
COMMISSIONS	20
GENERAL ASSEMBLIES	21
PROVISIONS COMMON TO ALL ASSEMBLIES.....	21
ORDINARY GENERAL ASSEMBLY	22
EXCEPTIONAL GENERAL ASSEMBLY	23
EXTRAORDINARY GENERAL ASSEMBLY.....	24
INFORMATION, RIGHTS AND OBLIGATIONS OF ASSOCIATES.....	24
TRANSPARENCY – CONTROL.....	24
EXERCISE OF THE RIGHT OF ACCESS / RIGHT OF INFORMATION	24
RIGHT TO SUBMIT QUESTIONS	25
APPOINTMENT OF AN EXPERT	26
RESIGNATION, EXCLUSION, STRIKING OFF AND WITHDRAWAL OF MANDATE	26
WINDING UP AND LIQUIDATION OF THE COMPANY.....	27
GENERAL REGULATIONS	27
NOMINATION OF THE AUDITOR	27

CONSTITUTION OF THE COMPANY

ARTICLE 1

1.1 – Between the parties, and in general all French or foreign producers of phonograms and/or videograms – as well as their beneficiaries, transferees, concession holders or agents – who are authorised to adhere to these Status, is formed a non-trading COMPANY with variable capital, having the Status of a non-profit collective management organization, controlled by its members, governed by the provisions of Articles 1832 *et seq.* of the French Civil Code and by the provisions of Book III heading II of the Intellectual Property Code, as well as by these Status and General Regulations, under the names of SOCIÉTÉ CIVILE DES PRODUCTEURS DE PHONOGRAMMES EN FRANCE (SPPF), hereinafter referred to as the COMPANY.

1.2 – Producers of phonograms and/or videograms and individuals or corporate entities authorised to exercise the rights of the said producers, authorised to adhere to these Status, appoint exclusively – due to the very fact of their membership – the COMPANY to exercise jointly:

- rights to remuneration for the use of their phonograms and videograms, rights that they hold or will hold by virtue of articles L. 214-1 and L. 311-1 of the Intellectual Property Code relating to copyright, phonogram and videogram producers,
- rights relating to the use of their phonograms and videograms, rights that they hold or will hold by virtue of articles L. 213-1 paragraph 2 and L. 215-1 paragraph 2 of the Intellectual Property Code, and this within the limits set forth in the Status, as referred to below,
- all similar rights devolved upon producers of phonograms and videograms, in France and abroad, by national laws and international conventions, each time that these rights are or become the object of joint exercise.

HEAD OFFICE AND DURATION OF THE COMPANY

ARTICLE 2

2.1 – The COMPANY's head office is located at

63, boulevard Haussmann - 75008 PARIS

It may be transferred by decision of the Board to any other place in the same town or in the neighbouring counties. The Manager is authorised to modify the Status and to perform all legal advertising formalities and changes to the inscription on the Trade and Companies Register.

2.2 – Duration of the COMPANY is set at ninety-nine years, which will start to run as from the date of, registration with the Trade and Companies Register.

2.3 – One year prior to the date of expiry of the COMPANY, the Extraordinary General Assembly shall be convened under the conditions provided for in Article 13 of the Status, in order to decide on its extension.

AIM OF THE COMPANY

ARTICLE 3

3.1 – The aim of the COMPANY is:

1 / Joint exercise of the property rights of phonogram and/or videogram producers, specifically:

- rights to remuneration recognised by articles L. 214-1 and L. 311-1 of the Intellectual Property Code,
- exclusive rights of a property nature relating to the use of phonograms and videograms recognised by articles L. 213-1 paragraph 2 and L. 215-1 paragraph 2 of the Intellectual Property Code,
- all similar rights devolved upon phonogram and videogram producers in France and abroad by national laws and international conventions, each time that these rights are the object of joint exercise.

2 / The signing of General Contracts of Common Interest with phonogram or videogram users with the aim of improving the broadcasting of the latter and of promoting technical or economic progress, up to the limit of the Mandates which either all or some of the Associates of the COMPANY, or French or foreign organisations with the same aim, have granted to it.

3 / The negotiation and signature of specific agreements with each category of phonogram users in order to set the rate and terms of payment of the remuneration referred to at 1/ above, due to the producers of these phonograms, and in order to set the terms for establishing and supplying the documentary elements that are indispensable for the apportionment of these remunerations.

4 / Participation on behalf of its Members in every Commission set up in application of the provisions of the Intellectual Property Code, and in all kinds of negotiations seeking to define and set the conditions for the exercise of phonogram and videogram producers' rights.

5 / The constitution of all collective management organisations shared with other organisations of the same nature, or the membership of all collective management organisations constituted with the same aim or pursuing the same aims as those defined in these Status, as well as the constitution of all kinds of Economic Interest Groupings or other groupings with these collective management organisations, for the purpose of pooling resources relevant to the management of rights relating to the aim of the COMPANY.

6 / The signature of representation contracts with French or foreign bodies with the same aim or pursuing the same aims as those defined in these Status.

7/ The constitution of the COMPANY'S Corporate Register based on the phonograms and videograms declared by its Members, and the use of this Register, in accordance with the aims defined in these Status and the exercise and management of the rights thus entrusted by these organizations.

8/ The collection and apportionment of the remunerations resulting from the exercise of phonogram and videogram producers' rights, and the rights of their beneficiaries, transferees, or concession holders due to the use of the phonograms and videograms, whether the remuneration is received under compulsory or voluntary collective management or under a legal licence.

- or by virtue of the laws and international agreements when they prescribe the collective exercise of phonogram and videogram producers' rights, the beneficiaries of these, or their transferees or concession holders,
- or by virtue of the general contracts which are or will be signed with the phonogram or videogram users,

- or by virtue of the collective agreements between the representing bodies of phonogram producers and those representing the performers.
- 9/ The use by its own resources and by allocation to third party bodies of part of the remunerations due to phonogram producers (in the joint exercise of their rights and as a minimum within the limits set by the provisions of the current Intellectual Property Code) for the purpose of assistance with creation, the dissemination of live shows , the development of artistic and cultural education, and of action taken for the training of performers and membership of third party bodies which are beneficiaries of these funds.
 - 10/ The protection of phonogram and videogram producers' recognised rights, particularly by means of the control of the use of these phonograms and videograms, and by the noting of misuse of these rights by certified agents, approved by the Minister of Culture.
 - 11/ Legal action, as claimant or defendant, by all judicial or extrajudicial means, to have the rights recognised, whether acting in its own name or in the name of its Members and to have any offence against the said rights stopped and penalised.
 - 12/ The defense of the common interest of the profession exercised by its members and the definition of professional rules related to their activity.
 - 13/ In a general way, the defence of the material and moral interests of its Members or their individual beneficiaries, up to the limit of its corporate aim, as well as the definition of professional ethical rules relating to the activity of its Associates.
 - 14/ Action in terms of a provident fund, solidarity and mutual assistance by means of the creation and payment of benefits within the context of charitable works.
 - 15/ Cultural action, by the implementation of technical and financial resources able to valorise the COMPANY'S Corporate Register, in France and abroad, amongst the general public.
 - 16/ To provide services of administrative and financial nature with the other French and foreign bodies facilitating the use of phonograms and videograms or encouraging the promotion of technical or economic progress or allowing a better economic efficiency.

COMPOSITION OF THE COMPANY - ADMISSION - MANDATES (SCOPE/PARTIAL OR TOTAL WITHDRAWAL)

ARTICLE 4

4.1 – The COMPANY is made up of Associates, who are either individuals or corporate entities:

- French or foreign producers of phonograms and/or videograms, their beneficiaries, transferees, concession-holders or agents, authorised either in their capacity as producer or by contract to exercise all or some of the rights recognised as belonging to the said producers by French legislation or by international treaties and conventions applicable in France,
- founders who agreed to the Status and fulfilled all their obligations towards the COMPANY.

4.2 – The position of Founder Associate does not confer any specific title or any kind of special prerogative.

4.3 – The conditions for admission and the status of Associate of the COMPANY are determined by the Status and the General Regulations.

Due to the very fact of his membership, each Associate will also have the possibility of mandating the COMPANY, under the terms defined by the General Assembly or the Board, for the purposes of exercising all or some of the rights to authorise the use of the phonograms and videograms that they have declared to the COMPANY, by signing General Contracts of Common Interest with the various categories of phonogram or videogram users, in application of the provisions of article L. 324-5 of the Intellectual Property Code.

4.4 – The Mandates granted by an Associate to the COMPANY are as follows:

- the obligatory mandates (A) for the founding members, (B) and (I), which shall constitute an act of adhesion to the Status of the COMPANY.

Their partial or total withdrawal, under the conditions referred to in Article 4.11 of the Status, *ipso facto* entails the resignation of the Associate.

These Mandates concern the remuneration referred to in Articles L. 214 -1 (equitable remuneration for broadcasting and direct communication to the public in public places), L. 217-2 (simultaneous, complete and unchanged cable retransmission of their phonograms and/or videograms on the national territory), L. 311-1 (remuneration for private copy of phonograms) of the French Intellectual Property Code.

- optional mandates (C, D, G, G, H and K), the total or partial withdrawal of which, under the conditions referred to in Article 4. 11 of the Status, does not ipso facto result in the resignation of the Associate.

In accordance with Article L. 324-4 of the Intellectual Property Code, any Member may himself grant authorizations to use his phonograms or videograms for uses that do not give rise to any commercial or promotional advantage. These uses shall not cover uses that generate any revenue of any kind whatsoever, directly or indirectly. This option is exercised on condition that the COMPANY is informed in writing prior to the said uses.

For videograms:

- the Mandate (C) is for the collective exercise of the right of videogram producers to authorize the right of full or partial communication to the public or to certain categories of the public and of full or partial reproduction when such reproduction is intended to allow such communication referred to in Article L. 215-1, the remuneration referred to in L. 311-1 (remuneration for private copy of videograms) of the Intellectual Property Code.
- Mandate (H) is the collective exercise of the right of videogram producers to authorize the reproduction and communication of their videograms by interactive or equivalent services).

For phonograms:

- the Mandate (D) is for the collective exercise of the right of phonogram producers to authorize the reproduction and communication to the public of their phonograms).
- the Mandate (G) is for the collective exercise of the right of phonogram producers to authorize the reproduction and communication of their phonograms by interactive or equivalent services).

For phonograms and videograms:

- Mandate (K) concerns the exercise of the rights of producers of phonograms and videograms with respect to the private copying of their phonograms or videograms in the form of elements of the visual arts).

4.5 – Territories:

The COMPANY exercises its activity both in France and abroad. However, the territorial scope of the Mandates may be restricted by each Associate, excluding France, either at the time of joining the COMPANY, or at any other time by registered letter with recorded delivery sent to the COMPANY with a notice period of six (6) months from the receipt of the notification.

If the notification takes place by 30 June at the latest the territorial limitation shall take effect at the end of the calendar year in which the notice was given.

If the notification takes place after the abovementioned date, it shall take effect at the end of the calendar year following the date of notification.

Territorial extension of the Mandates will be notified by the Associate to the COMPANY by registered letter with recorded delivery: it will take immediate effect.

4.6 – Limitation of Mandates:

Associates will have the possibility of limiting rights entrusted to the COMPANY in the context of optional mandates, either when joining the COMPANY or by notification at a later date by registered letter with recorded delivery to the COMPANY with a notice period of six (6) months from the receipt of the notification, provided that for reasons of efficient management the rights granted to the company and legal certainty for users, the rights that remain granted to the COMPANY constitute, for example, a uniform category of rights, rights relating to radio and television use of all the Member's phonograms, for all broadcasts within the national territory and which are the object of General Contracts of Common Interest with broadcasting organisations.

If the notification takes place by 30 June at the latest the optional Mandate limitation shall take effect at the end of the calendar year in which the notice was given.

If the notification takes place after the abovementioned date, it shall take effect at the end of the calendar year following the date of notification.

4.7 – Scope of Mandates:

Membership documents subscribing to the Status of the COMPANY, materialised by the obligatory mandates as well as optional management mandates that are entrusted to the COMPANY by its Associates involve previous rights, where have not been exercised either directly by Members or indirectly by the collective management COMPANY of which they were a member, and the future rights from which they benefit by international agreements, community directives and the internal right governing intellectual property, whether these rights arise prior to the date of signature of the mandate or during the life of the mandate

4.8 – Joint use of an authorisation right and a remuneration right:

Mandates devolved upon the COMPANY authorise the latter to exercise the authorisation right defined in article L. 213-1 of the Intellectual Property Code, each time that the authorisation conditions of the General Contracts of Common Interest to be signed with a user or category of users implicate jointly the right to equitable remuneration referred to in article L. 214-1 of the Intellectual Property Code and without the products resulting from the right to equitable remuneration and the products of the authorisation right being able to be distinguished.

4.9 – Shows in public:

The optional Mandate (D) devolved upon the COMPANY will apply, except where the Member expresses his will to the contrary, to the right to authorise direct communication of phonograms during a show, as referred to in article L. 214-1 2) of the Intellectual Property Code.

An intention to the contrary will result, either from the reservation in this regard expressed when joining the COMPANY, or from notification by registered letter with recorded delivery sent to the COMPANY, with a notice period of six (6) months from the receipt of the notification.

If the notification take place by 30 June at the latest the optional Mandate limitation shall take effect at the end of the calendar year in which the notice was given.

If the notification takes place after the abovementioned date, the limitation shall take effect at the end of the calendar year following the date of notification.

4.10 – Exclusion of usage for advertising purposes:

Except in cases of intention to the contrary resulting from specific notification given by each Associate, usage for advertising purposes remains the latter's responsibility.

4.11 – Term of Mandates / Notice of withdrawal of Mandates:

The duration of the obligatory mandate referred to above will be that of adherence to the Status; any Member may withdraw his mandate subject to a six (6) months' notice from receipt of the notification, notified to the COMPANY by registered letter with recorded delivery.

If the notification takes place by 30 June at the latest, the withdrawal of the Mandate shall take effect at the end of the calendar year in which the notice was given.

If the notification takes place after the abovementioned date, the withdrawal shall take effect at the end of the calendar year following the date of notification.

In the event of resignation or limitation of Mandate notified under the conditions of form and time limit provided above, the COMPANY shall continue to manage the rights of the Associate in question until the effective date specified in the Status.

As the partial or total withdrawal of the obligatory mandates shall constitute a resignation of the Associate, the Associate's share of the Company's capital shall be returned to him at its nominal value under the conditions set out in Article 5 of the General Regulations.

CONTRIBUTIONS – STATUTORY AUTHORISED CAPITAL - EFFECTIVE – REDUCTION

INCREASE IN THE STATUTORY AUTHORISED CAPITAL

VARIABILITY OF THE EFFECTIVE CAPITAL

ARTICLE 5

5.1 – The COMPANY's subscribed capital at the time of incorporation amounts to €1,836.

5.2 – The statutory capital is fixed at €345,910€ (THREE HUNDRED FORTY-FIVE THOUSAND NINE HUNDRED AND TEN EUROS)

The COMPANY's share capital is variable. It consists of cash contributions from Associates who are required to pay an entrance fee in exchange for their membership of the COMPANY, the amount of which is set by the Board of Directors.

The share capital is fixed since 2002 to €153.

5.3 – The effective capital represents the fraction of the capital set in the Status subscribed by the Associates at any given time in the life of the COMPANY.

5.4 – On decision by the Extraordinary General Assembly of Associates, the authorised capital as set in the Status may be increased on one or several occasions by the creations of new shares, representing exclusively contributions made in cash resulting from the adherence of new Associates.

The General Assembly also sets the terms for the creation of these new shares or may delegate its powers to the Manager for this purpose.

5.5 – The Extraordinary General Assembly may decide to reduce the authorised capital for any reason or in any way whatsoever.

5.6 – The effective capital will be subject to increases or reductions due to the taking back of contributions, either in total or in part, by Associates, or to the subscription of new contributions by old or new Associates.

5.7 – Reductions to the effective capital are limited such that the authorised capital paid up by the Members is at least equal to 10 % (TEN PER CENT) of the highest capital set in the Status since the constitution of the COMPANY.

RIGHTS AND OBLIGATIONS ATTACHED TO THE SHARES

ARTICLE 6

6.1 – The authorised capital is divided into equal shares which are allocated as follows: one share per individual or corporate entity Member, either a Founder Associate or an Associate admitted to adhere to these Status.

6.2 – Shares in the authorised capital are not represented by any kind of title. Ownership of a share automatically entails compliance with the Status and the General Regulations of the COMPANY as well as with the collective decisions of the Associates.

6.3 – The position of shareholder opens the right to hold, at Ordinary, Exceptional or Extraordinary General Assemblies, at least one vote per Associate, subject to Associates having met all their obligations in terms of the COMPANY as at the date of convening of the said Assemblies.

ARTICLE 6 BIS

The ownership of a share automatically entails the benefit of the right of communication defined in Article L. 326-5 of the Intellectual Property Code.

The procedures for exercising this right are laid down in Article 17 of the Status. The exercise of this right requires all Associates to maintain strict confidentiality with regard to information and documents of which they have become aware.

BUDGET

ARTICLE 7

7.1 – The COMPANY's expenses consist of all the costs required to operate the COMPANY and to carry out its corporate purpose, including in particular:

- general management, collection, recovery, apportionment and audit costs;
- legal costs as well as study and communication costs required to defend the rights and interests of the COMPANY and its members, and more generally of the profession of phonogram and videogram producer;
- funds for social works and cultural activities,

7.2 – To meet its expenses, the COMPANY's revenues consist of:

- the withdrawal of a percentage from the amount of rights on collection and/or at the time of apportionment,

This percentage may differ according to the sectors of collection and/or apportionment of rights.

This percentage is provisionally set by the Board of Directors, at the beginning of each financial year according to the nature and origin of the rights, in accordance with the general policy on deductions established by the General Assembly.

The Board of Directors may modify this percentage as often as necessary, even during the year, to ensure the balance of the management account and the continuity of the COMPANY's operations, provided that the withdrawals in respect of management fees do not exceed the justified costs borne by the COMPANY.

At the end of each financial year, the Board of Directors definitively sets the applicable withholding rate.

7.3 – Recorded in a special so-called “Security” account are the following:

- the interest on sums received and those to be distributed and, in general, the income from investments made using these sums.
- royalties credited to the account of Members or their beneficiaries not claimed by them after a period of five (5) years pursuant to Article 27 of the General Regulations;
- non-apportionable sums collected as part of the obligatory collective management pursuant to Articles L. 214-1, L. 217-2 and L. 311-1 of the Intellectual Property Code and which could not be apportioned before the expiry of the statutory limitation period of five (5) years defined in Article L. 324-16 of said Code.

These sums shall obligatorily and entirely be allocated to cultural actions and may be used, as of the end of the third year following the end of the financial year during which they have been collected, in accordance with the general policy for the use of non-apportionable sums established by the General Assemblies, and this, without prejudice to requests for payment of rights which have not lapsed.

- sums received as part of voluntary collective management, other than those provided for in Article L. 324-17, 2°) of the Intellectual Property Code, which have not been apportioned, in particular because the right holders could not be identified or located, before the expiry of the legal limitation period of five (5) years provided for in Article L. 324-16 of the said Code.
- interest on amounts invested from the authorised capital,
- donations, subsidies, gifts of all kinds as well as fines and damages and compensation for prejudice that the COMPANY may receive.

7.4 – If the amount of expenses exceeds that of income, the Board may withdraw from the “Security” account, the amounts required to obtain a balance, à with the exception of non-apportionable sums to be allocated to cultural and artistic actions and financial income from sums received or to be apportioned which must be allocated to the Associates.

COLLECTION AND APPORTIONMENT OF RIGHTS

ARTICLE 8

8.1 – In application of the provisions of article L. 324-6 of the Intellectual Property Code, associations of general interest benefit from a reduction of 5 % on remunerations normally due to the COMPANY in return for the use of the phonograms on the Corporate Register at events which they organise and for which there is no entrance

charge, subject to a request being made by the said associations to the COMPANY, in advance, within fifteen (15) days prior to the date of these events and justified that they fulfil the conditions required to benefit from the provisions of Article L. 324-6 above.

8.2 – Associations of general interest whose corporate aim and main activity consists of the promotion of musical creation, distribution and education, as well as those falling within the provisions of article L. 132-21 of the Intellectual Property Code on literary and artistic property, may benefit, for events they organise within the framework of their normal activities and for which there is no entrance charge, from a reduction greater than that referred to at point 8.1 above, subject to having signed, with the COMPANY, either directly or by the intermediary of their national federations, General Contracts of Common Interest applicable to these events and setting the terms of this reduction.

8.3 – Remunerations collected by the COMPANY are divided between Members, less the sums allocated to cultural and artistic actions pursuant to Article L. 324-7 of the French Intellectual Property Code and the sums recorded on the special "Security" account, according to terms that may be laid down by the General Regulations and in accordance with decisions made by the Board and the General Assembly of Associates, either on the basis of an amount based on the amount of time the phonograms and videograms are used, or by any kind of method involving sampling or calculation by analogy.

8.4 – Remuneration arising from the exercise of rights entrusted to the COMPANY, under compulsory or voluntary collective management or under legal licences, shall be collected by the COMPANY in accordance with its conditions and rates or, where applicable, with applicable laws and regulations and pursuant to general joint interest contracts concluded by the COMPANY with users of phonograms and videograms.

Remuneration may also be collected in France through joint collective management organisations set up for a specific purpose, in accordance with the COMPANY's corporate purpose, and abroad by organisations with which the COMPANY is bound by representation or reciprocity agreements.

8.5 – The date and frequency of the distribution of rights are decided by the Board of Directors. Except for legitimate reasons and in particular the lack of information enabling the identification or location of the beneficiary Members the individualized apportionment to the rights holder shall take place ~~shall be made~~ at the latest within nine (9) months from the end of the financial year during which the income from the exploitation of the rights has been collected by the COMPANY, it being specified that the date of the provisional apportionments for the calculation of the aforementioned time limit shall be understood as the date of the apportionments

ADMINISTRATION OF THE COMPANY

ARTICLE 9

9.1 – The COMPANY is administered by a Board comprising fifteen (15) members, elected from amongst the individual or corporate entity associates.

The Board of Directors shall meet as often as required to meet the needs of the COMPANY and at least once (1) every two (2) months.

A COMPANY and all the companies it controls within the meaning of Article L. 233-3 of the French Commercial Code shall not have more than one representative on the Board of Directors.

Shall not be a member of the Board of Directors:

- audiovisual communication companies, within the meaning of the law of 30 September 1986 as amended, Members of the COMPANY as producers of phonograms.

However, the Chairman of the Board alone will have the capacity of Manager of the COMPANY with regard to third parties, subject to the powers attributed by law and these Status, on the Board and at General Assemblies.

9.2 – The following persons shall not be eligible for a position on the Board of Directors for a period of five (5) years:

- Associates who have been the subject of a disciplinary measure by the COMPANY under the conditions provided for in the General Regulations or by a collective management organisation or an independent management organisation for copyright or related rights during the last five (5) years as a result of: infringement, plagiarism, false declarations, violation of the COMPANY's Status and General Regulations.
- Directors who have been removed from office by the General Assemblies.

Any member of the Board of Directors who, during its term of office, finds itself in one of the aforementioned cases shall automatically resign.

9.3 – Board members are elected for three (3) years by the Ordinary General Assembly of Members and they may be re-elected.

The General Regulations shall lay down the conditions for the submission of applications.

One third (1/3) of its members are renewed each year.

9.4 – In case of equal numbers of votes, the benefit of the election will go to the candidate who is the longest standing Member.

9.5 – Corporate entities that are Board members must be represented by individuals authorised by law and corporate decision and they may not be persons from outside the said corporate entity.

However, the natural persons appointed to represent in place of the legal representatives must have the capacity to bind the legal person.

Following the death, resignation or removal of the designated representative, the COMPANY in question may appoint a new natural person, chosen as provided for in the previous paragraph, to replace its predecessor.

9.6 – The Board elects from amongst its members, by secret ballot, a Committee comprising a Chairman, six (6) Vice-Chairmen, a General Secretary, a Treasurer and a deputy Treasurer.

The members of the Committee are elected under the conditions provided for in Article 29 of the General Regulations and are revocable.

In the event of resignation or death of a member of the Board of Directors during its term of office or in the event of removal by the General Assembly, the Board of Directors may co-opt any Member eligible under the provisions of Article 9.2 of the Status to replace that member until the next annual General Assembly.

The Committee ensures, in liaison with the Managing Director who takes part, the proper functioning of the COMPANY. The Committee ensures that the decisions taken by the Board of Directors are properly implemented.

It meets at the request of the Chairman, as often as required by the needs of the COMPANY.

9.7 – Committee members are elected for the duration of their role as Board member.

9.8 – A director may be dismissed for serious reasons by the General Assembly, after having been given the opportunity to submit any observations to the General Meeting, at the request of the Board of Directors or the Supervisory Board with a majority of at least two-thirds of the votes of their voting members present or represented.

9.9 – Any Board member who is absent from more than four (4) consecutive meetings of the Board, except if on regular leave or where a valid excuse is forthcoming, is considered to have resigned.

In this case, the vacant seat shall be filled under the conditions provided for in Article 9.6 above.

9.10 – Board members receive no payment for their tasks, however, monthly allowances for representation or travelling expenses may be attributed to them by decision of the Board; details of these allowances must be the object of a special document attached to the documents provided for the Annual General Assembly and shall be approved by it.

9.11 – The Board may only sit validly if a majority of Boards members is present or represented.

9.12 – The Board's decisions are taken by a majority of members present or represented, and each member may hold a maximum of three (3) powers.

Any Director who has a personal interest in any decision shall withdraw during the deliberation and the vote on the decision; such withdrawal shall be taken into account in calculating the majority required to vote on the decision.

The members of the Board of Directors, as well as any person heard by the latter, are bound to respect the strictest confidentiality.

9.13 – In case of divided vote, the Chairman, or in his absence the Chairman of the Meeting, will have the casting vote.

9.14 – The terms of minutes shall be approved, after reading, during the next meeting and shall be transcribed onto a register kept for this purpose. These minutes, in case of named vote, shall bear the names of administrators who have taken part in the vote and the direction of each vote cast, also in the event of a show of hands (i.e. the number of "In favour, "Against" and abstentions).

9.15 – The minutes of each meeting must be signed by the Chairman or by one of the six Vice-Chairmen, by General Secretary or by the Treasurer and by the Managing Director.

9.16 – The Board may deliberate in secret session, each time it considers this to be necessary, for reasons to be indicated in the minutes.

TASKS OF THE BOARD

ARTICLE 10

10.1 – Subject to the powers vested in the General Assembly or the Supervisory Committee, the Board of Directors has the broadest powers to manage the COMPANY, act on its behalf and perform or authorize any act or transaction relating to its corporate purpose.

Its decisions are binding on all Associates and holders of non-member rights who have mandated the COMPANY to manage all or part of their rights.

10.2 – In compliance with the powers vested in the General Assembly the Board processes, contracts, pleads, settles and compromises in the COMPANY's name, pronounces admission to applicants to adhere to these Status, and generally performs all acts of management on behalf of the COMPANY.

10.3 – It shall have the power to have Audits performed, particularly for the purposes of validating collection and apportionment procedures and Associates' declarations.

10.4 – It shall specifically have the power to acquire and dispose of, either in return for payment or free of charge, all types of movable and real property.

10.5 – It nominates the COMPANY'S Managing Director who may not be chosen from amongst Associates or their staff and establishes with him the terms of his employment contract and the extent of his powers. It can also revoke such contracts under the same conditions. The Board may also award an annual bonus to the Managing Director.

10.6 – It has charitable funds available to it and deals with the placement of these funds.

10.7 – It accepts or refuses subsidies or donations made to the COMPANY.

10.8 – It shall authorise expenditure, enter into all lease or rental agreements, set the provisional and definitive percentage deductions made from the collections and/or the apportionment of rights necessary to cover the COMPANY's operating costs.

10.9 – It shall appoint the COMPANY's representatives to the representative bodies of the companies and bodies in which the COMPANY participates or is a member.

10.10 – It shall approve the annual accounts and draw up the annual transparency report provided for in Article L. 326-1 of the Intellectual Property Code.

10.11 – It shall propose and submit to the General Assembly for approval the general policy for the apportionment of sums due to rights holders.

10.12 – It shall adopt the budget for measures to support creation, the distribution of live shows, the development of artistic and cultural education, and measures to train performers.

10.13 – It shall propose and submit to the General Assembly for approval any amendments to its Statutes and General Regulations.

10.14 – It has the ability to contract, in the interests of Associates, with all French or foreign organisations, within the framework of the COMPANY'S corporate aim and particularly for the constitution of joint collective management organisations, shared with other collective management organisations.

10.15 – It shall determine the general relations of its Associates or of its members between themselves and with the COMPANY, rule on all disputes and litigation concerning membership, refusal of eligibility and take all disciplinary measures and sanctions, and in particular decide on any exclusion or striking off in accordance with the provisions of Article 20.1 of the Status.

10.16 – In accordance with the general policy established by the General Assembly, it shall define the criteria and procedures for the apportionment of the rights that the COMPANY collects, directly or indirectly, from the use of its COMPANY Register, as well as those relating to the sums

ROLE OF THE MANAGER – CHAIRMAN OF THE BOARD

ARTICLE 11

11.1 – The Chairman of the Board is the Manager of the COMPANY. The Chairman shall be vested with the broadest powers, which it shall exercise subject to the provisions of Article 10 of the Statutes.

It shall chair the meetings of the Board of Directors of the COMPANY. In its absence, the Board of Directors shall appoint the session Chairman from among the 6 Vice-Chairmen.

It shall preside over the debates of the Board of Directors.

11.2 – He deals with management of the COMPANY with regard to third parties, in accordance with the decisions and instructions of the Board.

11.3 – He has the corporate signature, use of which may only be made for the COMPANY'S business.

11.4 – He is responsible specifically for:

1 / carrying out or having carried out the decisions taken by the Board,

2 / keeping the accounts and dealing with the COMPANY'S correspondence,

3 / ensuring the collection of royalties and other income and keeping the COMPANY'S books,

4 / ensuring the apportionment of royalties between Associates according to their respective rights and of paying out these royalties after approval by the Board,

5 / recruiting, promoting and dismissing the staff required for the correct administrative operation of the COMPANY,

6 / bringing and monitoring all cases or lawsuits, both as plaintiff and defendant, falling within the framework of the corporate aim, to pursue them or to abandon them, with the obligation to report on these actions to the Board,

7 / calling the various Members' Meetings at the request of the Board or at his own initiative.

8 / all powers are granted to the Manager to proceed with the registration of the COMPANY in the event of a transfer of its registered office, in particular, and to complete all publication formalities prescribed by law and regulations as well as to carry out all necessary acts and sign all notices of legal publication

11.5 – The Manager must inform the Associates' General Assembly of pacts, protocols, conventions and all other acts that may be signed in carrying out the COMPANY's corporate purpose.

11.6 – The Manager may be dismissed on justified decision of the Board with a two-thirds (2/3) vote of its members, present or represented.

11.7 – If the Manager ceases his functions, for any reason whatsoever, the Board shall nominate another Manager, under the terms of article 9.6 of the Status.

SUPERVISORY COMMITTEE

ARTICLE 11 BIS

The COMPANY has a Supervisory Committee composed of 3 (three) members elected from among the Associates of the SPPF.

Candidates for a position on the Supervisory Committee must have been Associates of the COMPANY for (5) years on the date of their election.

The conditions for removal are the same as for Directors. The functions of member of the Supervisory Committee are exclusive of any other elective mandate within the COMPANY.

The conditions of ineligibility laid down in Articles 9.1 and 9.2 of the Statutes shall apply to the members of the Supervisory Committee.

Nor may they be assigned missions in a personal capacity or as part of a committee, working group or jury.

The members of the Supervisory Committee are elected by the General Assembly on the same dates as the directors for a term of three (3) years and are eligible for re-election.

The functions of members of the Supervisory Committee shall be free of charge.

The Supervisory Committee shall have the following mission:

- to control the activity of the Board of Directors, the Manager and the Managing Director , in particular the implementation of the decisions of the General Assembly, especially with regard to the general policies listed in Article L. 323-6 of the Intellectual Property Code;
- to monitor the implementation of administrative and accounting procedures and internal control mechanisms to ensure rational, prudent and appropriate management;

- to exercise the powers that may be delegated to it each year by the General Assembly in the limited cases provided for by Article L. 323-7 of the Intellectual Property Code;
- to issue an notice on the COMPANY's refusals to communicate documents following a Members' requests pursuant to Article L. 326-5 of the Intellectual Property Code.

Under no circumstances shall these controls give rise to the performance, by the Supervisory Committee or any of its members, of acts of governance or management falling within the competence of the Board of Directors, the Manager or the General Assembly.

Each year, the Supervisory Committee shall draw up a report on its activities and the performance of its duties, which it shall submit to the General Assembly.

The Chairman of the Supervisory Committee shall attend all General Assemblies of the COMPANY, at which he represents the said Committee.

Members of the Supervisory Committee shall elect a Chairman from among the members at its first meeting for the duration of his/her term of office by a majority of the members in attendance. If it deems it necessary, adopt its own rules of procedure.

The Chairman's main role is to preside over the Supervisory Committee Assembly(ies).

He may request from the Manager and the Managing Director all documents and information necessary for the accomplishment of the Supervisory Committee's mission.

The members of the Supervisory Committee, as well as any person heard by it, are bound by the strictest confidentiality.

Legal entities that are members of the Supervisory Committee shall be represented by natural persons authorized by law and corporate decisions and shall be members of the company.

However, the natural persons who will be appointed to represent instead of legal representatives must have the capacity to bind the legal person.

As a result of the death, resignation or dismissal of the appointed representative, the company in question may appoint a new natural person, chosen as provided for in the previous paragraph, to replace his predecessor.

A member of the Supervisory Board may be dismissed for serious reasons by the General Meeting, after having been given the opportunity to submit any observations to the General Meeting, at the request of the Board of Directors or the Supervisory Committee with a majority of at least two-thirds of the votes of their voting members present or represented.

In the event of the resignation or death of a member of the Supervisory Committee during his term of office or in the event of dismissal by the General Assembly, the Board of Directors may co-opt any Partner eligible under the provisions of Articles 9.1 and 9.2 of the Status to replace him until the next annual General Assembly.

ANNUAL INDIVIDUAL DECLARATION BY THE MANAGEMENT AND SUPERVISORY BODIES

PREVENTION AND RESOLUTION OF CONFLICTS OF INTEREST

ARTICLE 11 TER

Each year, by March 31 at the latest, each individual member of the Board of Directors and the Supervisory Committee shall prepare an individual annual declaration including, in accordance with the provisions of Article L. 323-13 of the Intellectual Property Code, information on:

1°) any interest in the COMPANY;

2°) any remuneration received during the previous financial year from the COMPANY, including benefits in kind and other benefits;

3°) any income received, during the previous financial year, from the COMPANY as a rights holder.

4°) the activities and functions carried out outside the COMPANY;

5°) any actual or potential conflict between their personal interests, or those of their relatives, and those of the COMPANY, or between their obligations, or those of their relatives, towards the COMPANY and those they have, or their relatives have, towards any other natural or legal person;

The declarations of the members of the Board of Directors and the Supervisory Committee who are natural persons are transmitted to the Manager of the SPPF.

In the event of failure to establish the aforementioned declaration before the date set in the 1st paragraph or of incomplete or erroneous information being communicated, the Manager of the COMPANY shall give formal notice to the person concerned to remedy the failure within a period of fifteen (15) days.

In the event of the Manager's failure to comply with this provision, the Supervisory Committee shall give notice to the Manager to remedy the failure within fifteen (15) days.

Failing rectification within this period, the matter shall be brought before the next General Assembly and it may take the following sanctions:

- (1) a fine of between 1,000 and 5,000 euros;
- (2) removal from office of the person concerned.

The aforementioned declarations are held at the disposal of the Associates for a period of two (2) months before the General Assembly is held, at the registered office of the COMPANY.

Appropriate measures shall be taken to ensure that, when consulting these declarations, privacy, protection of personal data and business secrecy are protected, in accordance with Article L. 323-13 of the Intellectual Property Code.

Any Associate who wishes to consult these declarations must first make a written commitment not to take a copy of the statements.

Any Associate who contravenes this commitment shall be liable to be struck off for serious grounds under the provisions of Article 20.1 -2/ of the Status.

COMMISSIONS

ARTICLE 12

12.1 – Where necessary, the Board of Directors shall set up Commissions operating under the conditions defined by the General Regulations, whose conditions for the appointment of members and operating rules it shall determine.

12.2 – Commissions may not, under any circumstances, interfere with the running of the COMPANY.

12.3 – Their task is to look at matters falling within their jurisdiction as well as those submitted to them, and to present proposals to the Board.

12.4 – Commissions will keep minutes of their meetings, which will be signed by their Chairmen and Secretaries.

12.5 – Associates who have been the object of a disciplinary measure by the COMPANY, under the terms set forth in the General Regulations, may not be part of these Commissions, except if the said measure provides otherwise.

GENERAL ASSEMBLIES

PROVISIONS COMMON TO ALL ASSEMBLIES

ARTICLE 13

13.1 – The collective decisions of the Associates are taken at the General Assembly each year, and are:

- Exceptional when decisions relate to the deployment of support actions or to a modification of the General Regulations,
- Extraordinary when the decisions relate to an amendment of the Statutes or to the striking off of an Associate of the COMPANY,
- Ordinary in all other cases.

13.2 – The shareholders are convened by a convocation notice published on the two websites “actu-juridique.fr” and “lesechos.fr” of national circulation, authorized to receive legal notices in the department of the COMPANY's registered office, and which are determined by a decision of the Ordinary General Assembly, at least fifteen days before the meeting. In the event that one of these online supports disappears, interrupts its publication or ceases to publish such insertions, the Managing Director of the Company decides to publish the notice of meeting in another legal website.

In accordance with Article R. 321-3 of the French Intellectual Property Code, this change shall be brought to the attention of the Associates by any appropriate means and the question of the choice of the replacement newspaper shall be automatically included on the agenda of the next General Assembly.

An individual convocation is also sent to the Associate by mail or by electronic means with a request for acknowledgement of receipt, when they have provided their valid e-mail address, at least fifteen (15) days before the date of the Assemblies.

Individual notices to all General Assemblies shall indicate the time, date and place of the Assembly, the agenda, the resolutions to be put to the vote of the shareholders and the special quorum or majority conditions where applicable.

Notice of General Assemblies is posted on the COMPANY's website in the section reserved for Associates.

Any Associate who wishes to be invited to General Assemblies by registered letter with acknowledgement of receipt shall make an express request to the COMPANY at the latest three (3) months before the General Assembly are held.

The Member who so requests shall bear the costs thereof.

13.3 – If an Assembly cannot be held on the date scheduled, the Members shall be informed at least fifteen (15) days in advance in the manner provided for in this article.

The notice shall state the reasons for the postponement and the date on which the Assembly will be held.

13.4 – The General Assembly comprises all the Members of the COMPANY which each have:

- one vote,
- additional votes up to the limit of a maximum of 8 votes.

Allocation of these additional votes is decided for each Assembly in terms of the total amount of rights apportioned to each Associate over the course of the preceding financial year.

The number of additional votes is equal for each Associate to the result, rounded down to a full number, of the division of the total of his reference rights.

The amount of the block of reference rights is set for the duration of a financial year by the Board, within the limits of a minimum and maximum.

13.5 – Associates may vote at an Assembly or by remote electronic voting-

Electronic voting is implemented by means of a dedicated online service, guaranteeing the confidentiality of votes and respecting the legal procedures and/or the General Regulations concerning electronic voting.

Associates vote electronically by means of an identifier and a password which shall be transmitted to them by the COMPANY.

Associates who have voted electronically may be present at Meetings but shall not be entitled to participate in the vote.

13.6 – The Committee of the General Assembly comprises the Chairman of the Board, and one other member of the Board's Committee designated by the latter, who will act as Secretary of the Assembly.

13.7 – The Chairman of the Board chairs the Assembly. In his absence, he may be replaced by one of the Vice Chairmen of the Board designated by the Board; in this case the latter is a Member of the Committee of the Assembly.

13.8 – No representation of more than seven (7) Members is possible. Each representation mandate is valid for one General Assembly.

13.9 – An attendance sheet is established for each Assembly-

13.10 – Deliberations are noted in minutes drawn up and signed by the Chairman of the Assembly and one Vice-Chairman and the Assembly's secretary.

13.11 – These minutes are transcribed onto a special register kept at the COMPANY'S head office.

ORDINARY GENERAL ASSEMBLY

ARTICLE 14

14.1 – The Ordinary General Assembly of Associates meets every year during the month of June.

The COMPANY's fiscal year begins on 1 January and ends on 31 December of each year.

14.2 – Ordinary General Assembly shall rule:

1°) on the annual activity report of the COMPANY for the financial year which closed on 31 December of the previous year, which shall be submitted by the Manager;

2°) on the annual accounts for the financial year which ended on 31 December of the previous year;

3°) the annual transparency report on all the COMPANY's activities as provided for in Article L. 326-1 of the Intellectual Property Code and drawn up in accordance with Article R. 321-14 of said Code, including the special report on the use of sums used for assistance activities as referred to in Article L. 324-17 of said Code;

4°) on the various reports of the Statutory Auditor and on the special report relating to regulated agreements mentioned in Article L. 612-5 of the French Commercial Code;

6°) on the general policy for the apportionment of sums due to right holders;

7°) on the general policy for the use of sums which cannot be apportioned;

8°) on the general policy for the investment of income from the exploitation of rights and income resulting from such investment;

9°) on the general policy regarding deductions made from such income and receipts;

10°) on the use, during the previous financial year, of sums which could not be apportioned;

11°) on risk management policy;

12°) on the approval of any acquisition, sale or mortgage on immovable;

13°) on the approval of mergers or alliances, the creation of subsidiaries, and the acquisition of other entities or interests or rights in other entities..;

14°) on the approval of loan operations, the granting of loans or the constitution of loan guarantees;

15°) on the election of the members of the Board of Directors and the Supervisory Committee, and if necessary, it shall remove, following a proposal by the body in question, the Directors or the members of the Supervisory Committee in accordance with Article L. 323-6 of the Intellectual Property Code;

16°) on the proposal of the Board of Directors, on the nomination for six (6) fiscal years of the Statutory Auditor and the Deputy Statutory Auditor, which it may remove;

17°) on all matters submitted to it by the Board of Directors.

18°) approves any compensation and benefits that may be granted to members of the Board of Directors and the Supervisory Committee.

14.3 – The report on the COMPANY's activity and the annual accounts submitted to the Ordinary General Assembly are sent to members or held at their disposal at Head Office fifteen (15) days prior to the date of the said Assembly.

14.4 – In order to deliberate validly, the Ordinary General Assembly must include at least one quarter of voting Associates' votes, including votes by representation or by electronic means.

This quorum is calculated by reference to the number of Associates authorised to participate on the date on which the said Assembly is called.

14.5 – If the Ordinary General Assembly does not obtain a quorum, a second General Assembly is called to be held within fifteen (15) days at the least and thirty (30) days at the most from the date set for the first Assembly.

The second Assembly may deliberate validly whatever the number of voting Associates' votes, including votes by representation or by electronic means.

14.6 – Resolutions submitted to the Ordinary General Assembly, when the Assembly is first called or when the second Assembly is called are adopted by the majority of Associates' votes, including votes by representation or by electronic means at the said Assembly.

EXCEPTIONAL GENERAL ASSEMBLY

ARTICLE 15

15.1 – During the course of the year, Exceptional General Assembly may be held to deal with one or several specific matters by virtue of the deliberations of the Board and at its request or that of the Manager.

In this case, no other matter, other than those referred to on the notice to attend may be put on the Agenda for this Assembly.

15.2 – Associates deliberate at it and cast their votes under the same quorum and majority conditions as those required for an Ordinary General Assembly.

The text of the proposed amendments to the General Regulations is made available to Associates on the COMPANY's website in the section reserved for Associates at the same time as the convocation of the Exceptional General Assembly is sent out.

15.3 – As an exception to the provisions of the preceding paragraph (15.2), when Associates are called to vote on the allocation of funds intended for actions to assist with creation or the distribution of live shows, the development of artistic and cultural education and actions for the training of performers, they vote by a two thirds (2/3) majority of the voting Associates' votes, including votes by representation or by electronic means.

15.4 – In the absence of such a majority, a new Extraordinary General Assembly shall be specially convened for this purpose, ruling by a simple majority.

EXTRAORDINARY GENERAL ASSEMBLY

ARTICLE 16

16.1 – Modifications to the Status may only be voted by an Extraordinary General Assembly including at least one quarter (1/4) of voting Associates' votes, including votes by representation or by electronic means.

The text of the proposed amendments to the Statutes is made available to Associates on the COMPANY's website in the section reserved for Associates at the same time as the notice of the Extraordinary General Assembly is sent out.

16.2 – Decisions are taken by a two thirds (2/3) majority of the present or represented voting Associates' votes, including votes by representation or by electronic means.

16.3 – If the Extraordinary General Assembly that has been called does not obtain the quorum required in the first paragraph of this article, a second Extraordinary General Assembly will be called to be held within a month from the date of the first Assembly.

16.4 – In order to deliberate validly, this second Assembly must obtain at least half of the voting Associates' votes, including votes by representation or by electronic means.

16.5 – Decisions shall be taken in this case by relative majority of votes.

INFORMATION, RIGHTS AND OBLIGATIONS OF ASSOCIATES

TRANSPARENCY – CONTROL

EXERCISE OF THE RIGHT OF ACCESS / RIGHT OF INFORMATION

ARTICLE 17

17.1 – In the time between two Annual General Assemblies, and at least two (2) months before the next one, any Member may examine the documents and information of the COMPANY concerning the current financial year provided for in Article L. 326-5 of the Intellectual Property Code, subject to the secrets protected by law.

The Associate shall send either to the Manager and Managing Director of the COMPANY at least twenty (20) days before the date of the Meeting, a written request mentioning the documents he wishes to access.

Within ten (10) days following receipt of the request, the COMPANY shall communicate the documents requested or, if such communication is not physically possible, propose a date for the exercise of the right of access, which shall then take place at the registered office and during normal office business hours.

Review of the documents shall only take place in the presence of a representative of the COMPANY's services.

In exercising this right, the Associate may be assisted by any person of his choice.

The Member shall be required to sign a document drawn up by the COMPANY attesting to the documents and information brought to his knowledge.

Any person assisting him shall be subject to the same procedure.

17.2 – Pursuant to Article R. 321-18 of the Intellectual Property Code, any Associate may request the COMPANY to send it within the same two (2) month period prior to the Annual General Assembly:

- the annual accounts to be submitted to the General Assembly,
- the reports of the management, administrative and governing bodies of the COMPANY and of the Statutory Auditor and the Supervisory Committee to be submitted to the Assembly;
- where applicable, the text and explanatory memorandum of the proposed resolutions as well as information concerning the candidates for a corporate office or an elective office.

These documents are also made available to the Shareholders at the COMPANY's registered office where they may examine them and obtain a copy.

The COMPANY is not required to respond to requests for access to documents if they are available on its Internet site.

17.3 – The COMPANY is under no obligation to respond to repetitive or abusive requests.

An Associate who is refused access to documents submitted pursuant to Article L. 326-5 of the Intellectual Property Code may refer the matter to the Supervisory Committee provided for in Article 11 BIS of the Status, including by electronic means.

The latter shall issue a report, which shall be notified to the requesting party by registered letter with recorded delivery, with copies to the Manager and Managing Director of the COMPANY.

The Supervisory Committee shall report thereon to the Annual General Assembly.

Pursuant to Article L. 326-3 I. of the Intellectual Property Code, the COMPANY shall make available, once (1) a year, to each right holder who received rights during the previous financial year, the information relating to their management listed in Article R. 321-16 I. of the Intellectual Property Code.

This information is available in the "Associates" section of the COMPANY.

RIGHT TO SUBMIT QUESTIONS

ARTICLE 18

Any Associate may request, by registered letter with acknowledgement of receipt addressed to the Managing Director of the COMPANY that the Associates be called upon to deliberate on a specific question during a General Assembly.

The request shall be included on the agenda of the next Ordinary General Assembly subject to certain conditions:

- that the Board of Directors of the COMPANY receives it at least two (2) months before the said Assembly is held,
- and that the Board of Directors accepted it.

APPOINTMENT OF AN EXPERT

ARTICLE 19

At least one-tenth (1/10) of the Associates of the COMPANY, the Public Prosecutor's Office may request the appointment of one or more experts to present a report on one or more management operations.

The report is addressed to the requesting party, to the Board of Directors, to the Statutory Auditor, to the COMPANY's Supervisory Committee, to the Minister in charge of culture, to the Audit commission of the copyright and related rights management organisations (*commission for the control of copyright and neighbouring rights management organizations*).

It is attached to the report prepared by the Statutory Auditor for the next Ordinary General Assembly and is subject to the same publication.

RESIGNATION, EXCLUSION, STRIKING OFF AND WITHDRAWAL OF MANDATE

ARTICLE 20

20.1 – The position of Associate is lost:

1 / by resignation or by withdrawal of the obligatory Mandate given to the COMPANY due to adherence to the Status, under the terms set forth in article 4.11 of these Status.

2 / by exclusion announced by the Extraordinary General Assembly for serious reasons at the request of the Management Board, after the Associate in question has already been called on to provide an explanation. The Associate in question shall be called on in advance to present his defence before the Extraordinary General Assembly, which must give its verdict on his exclusion, by the majority fixed for modifications to the Status. The Associate may be assisted or represented by the person of his choice. Any exclusion decision shall be motivated by serious reasons, particularly in the event of a court sentence for a common law crime or offence or an offence or violation of the Status or the obligations stipulated in Articles 8 and 19-1) of the General Regulations.

3 / by expulsion announced by the Management Board due to:

- the legal disappearance of the Associate, natural person or legal entity, particularly in the event of the sale or transfer of operating assets, the closure of the liquidation operation, or dissolution for a legal entity, duly noted by the Management Board, or in the event of a death for a legal entity.
- the repurchase of the complete catalogue declared by the Member in the Company's repertoire, notified to the Company.

4 / by striking off declared as a result of the failure on the part of the Associate to declare sound and video recordings in the two years following its admission date to the Society by the Extraordinary General Assembly at the request of the Management Board, after formal notification to the Associate has remained without effect.

5/ by striking off declared as a result:

- the absence during the last ten (10) financial years of declarations of phonograms and/or videograms to the SPPF's Social Directory and the absence of distribution of rights during the same period;
- the mail addressed to the Associate could not be delivered for more than five (5) years, after unsuccessful attempts by the COMPANY to find the Member's new postal address.

Any striking off and exclusion entails the loss of Member Status.

20.3 - Conditions for resignation, withdrawal of Mandates and striking off will be specified in the General Regulations.

WINDING UP AND LIQUIDATION OF THE COMPANY

ARTICLE 21

21.1 – The COMPANY will not be wound up by the death, personal bankruptcy, insolvency, reorganisation under court supervision, resignation or striking off of one or more Associates. It shall automatically continue to exist between the remaining Associates.

21.2 – Extension of the COMPANY follows the rules of article 2.3 of these Status.

21.3 – Should the COMPANY go into liquidation, this will be performed by the Board.

GENERAL REGULATIONS

ARTICLE 22

22.1 – A set of General Regulations supplements the Status, to which they are annexed.

The General Regulations have legal force for all Associates and non-Associates of the COMPANY.

Any modification of the General Regulations can only be voted by an Exceptional General Assembly.

22.2 – These must be adopted, after proposal by the Board, or by the Manager, or at the request of one tenth (1/10) of COMPANY Members at an Exceptional General Assembly, ruling under the same terms as an Ordinary General Assembly; modification to the General Regulations will be subject to these same conditions.

22.3 – Requests from Associates must be sent in writing to the Board or to the Manager two (2) months at least prior to the holding of the Ordinary General Assembly, on penalty of inadmissibility.

22.4 – In all cases, the text of suggested modifications to the General Regulations is made available to Associates on the COMPANY's website in the section reserved for Associates at the same time as the convocation of the Extraordinary General Assembly is sent out.

NOMINATION OF THE AUDITOR

ARTICLE 23

23.1 – Upon the proposal of the Board of Directors an Auditor and a deputy Auditor are nominated from the list mentioned in Article L. 822-1 of the French Commercial Code, are appointed by the Ordinary General Assembly pursuant to Article L. 323-6 of the Intellectual Property Code.

They shall perform their duties under the conditions provided for by law.

In addition to verifying the COMPANY's general accounts, the Statutory Auditor shall verify the accuracy and consistency with the COMPANY's accounting documents of the information contained in the annual transparency report provided for in Article L. 326-1 of the Intellectual Property Code and in the consolidated electronic database provided for in the first paragraph of Article L. 326-2 of the said Code.

To this end, it shall draw up a special report.

These reports are submitted to the Board of Directors, the Supervisory Committee and the Annual General Assembly.

23.2 – The Auditor and the deputy Auditor are nominated for a period of six (6) financial years by a decision taken by majority vote of Associates, under the quorum and majority conditions of an Ordinary General Assembly ; their role may be renewed and they may be dismissed under the same conditions.

23.3 – The Auditor and his deputy may, in payment for their functions, receive fees, the amount of which is set by decision of the Board, which must report thereon to the General Assembly of Associates.



**GENERAL REGULATIONS OF THE NON-TRADING COMPANY OF PHONOGRAM PRODUCERS IN
FRANCE
(SPPF)**

A non-trading COMPANY with variable capital

Registered office: 63, boulevard Haussmann - 75008 PARIS

(Adopted unanimously by the Exceptional General Assembly of the SPPF Held on June 25th, 1996 and modified at Exceptional General Assemblies of the SPPF held on 24th June 1997, 26th June 1998, 1st July 1999, 25th June 2001, 27th June 2002, 26th June 2003, 22th June 2004, 14th June 2006, 28th June 2007, 16th June 2010, 14th June 2011 14th June 2012, 17th June 2015, 26th June 2017, 25th June 2018, 20th June 2019 and 15th September 2020)

September 2020

The General Regulations are divided into three parts:

The first part deals with Associates

The second part deals with registrations and rights pertaining thereto

The third part deals with administration of the SPPF

CONTENTS

FIRST PART – Members of the SPPF

Section I - General Admission Conditions	32
§ I - For the acquisition of the capacity as Associates	32
§ II - For the loss of the position as Associate	34
Section II - Conditions of withdrawal of Mandates and of striking off	35
§ I - Withdrawal of Mandates / Resignation	35
§ II - Exclusion - Striking off - Repurchase / Transfer of Catalogue	36
Section III - Rules Shared by all Associates of the SPPF	37
§ I - General Duties	37
§ II - Incompatibility	39
§ III - Disputes between Members / Disputes between one or several Members and the SPPF	40
Procedure for handling disputes	40
§ IV - Rights to defence	40
§ V - Right of information	40

SECOND PART - RECORDINGS AND RIGHTS

Section I - Declarations	42
§ I - General Rules	42
§ II - Declarations by Associates, Producers of Phonograms and of Videograms or their beneficiaries	42
§ III - Undeclared Recordings	44
§ IV - Not Associates filers	45
Section II - Apportionment	45
§ I - Terms of apportionment	45
§ II - Accounts	46
§ III - Payment of rights to Associates	47

THIRD PART - Administration of the SPPF

Section I - Board	48
§ I - Composition of the Board	48
§ II - Board Meetings	49
§ III - Various provisions	49
Section II - Supervisory Committee	49
§ 1 Supervisory Committee's composition and meetings	49
Section III - Commissions	50
§ I - Joint provisions	50
§ II - Provisions specific to each of the Commissions	51
Section IV - Applications to Ordinary General Assemblies and to the Supervisory Committee	53
Section V - Honorary Chairman and Honorary Members COMPANY	54
§ I - Honorary Chairman	54
§ II - Honorary Members	54

FIRST PART

Associates of the SPPF

Section I - General Admission Conditions

Section II - Conditions for the withdrawal of Mandates and striking off

Section III - Rules shared by all Associates of the COMPANY

Section I - General Admission Conditions

§ I – For the acquisition of the capacity as Associates

Article 1

Any natural or legal person seeking admission shall send a request for admission in writing at the registered office of the COMPANY or by e-mail to the following address phono@sppf.com or on the website section on membership, accessible at www.sppf.com, if this option is available, using the application form provided for that purpose by the COMPANY.

Article 2

The Board deliberates on applications submitted to it by the COMPANY when they include all the documents required under Article 2 of the General Regulations.

The Board of Directors shall decide to accept, on behalf of the COMPANY, the admission of the applicant if he complies with the provisions of Articles 1 and 4.1 of the Statutes, as well as if he meets any specific conditions that may be set out in the General Regulations.

The Board must notify its decision within a deadline of three (3) months.

The Board of Directors may decide, in accordance with the conditions of Article 12 of the Statutes, to seek the prior opinion of a Commission specially appointed for this purpose, which must give its opinion within a period of three (3) months at the latest, provided that the membership application is complete.

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

To enable, specifically, the determination of the protection applicable to the recordings he claims, in terms of national laws, and international conventions and treaties governing literary and artistic property, the applicant will also produce a declaration of nationality and a “K” extract from the Trade and Companies Register less than three months old if he is an individual, a “Kbis” extract from the Trade and Companies Register less than three months old if the applicant is a trading COMPANY or a receipt of declaration if it is an association, or any other equivalent document with regard to a foreign applicant, or to an applicant having the other legal form than those mentioned above.

The Board of Directors may, if necessary after consulting the Commission designated above as provided for in Article 34(3) of the General Regulations, by reasoned decision, reject any application for membership which does not meet the conditions laid down in the Articles of Association or the General Regulations, subject to the appeals provided for in Article 3-B of these General Regulations.

When presenting his application and in order to make possible application of the Status and of the General Regulations, the applicant must declare whether he is:

- a producer of phonograms, Producer of videograms, transferee, concession-holder or agent for one or several Producers of phonograms or videograms exploited in France.

- already a Member of a similar national or foreign COMPANY to which he had entrusted the management of all or some of his rights.

To become a member the applicant must justify either that he is himself a Producer of phonograms and/or of videograms, pursuant to the provisions of articles L.213-1 and L.215-1 of the Intellectual Property Code or show that he is a licence holder performing effective activities as such on the national territory, subject to producing a specific manager's mandate for similar rights from the producers, as indicated above.

Whether the applicant is a phonogram producer or a licence holder as referred above, the applicant must provide evidence of a minimum of 5 (five) different recordings (that is to say 5 different titles, which excludes versions, edit, remix, etc. for phonograms) published on a disc, tape or any other existing or future commercial medium.

The applicant must provide information by all means and particularly by the communication of contractual clauses justifying to his entitlement to the rights or of his capacity to exercise them, by the supply of the catalogue of his distributor, by the handing over of support media and by the communication of the list of recordings whether or not published on a disc, tape or any other type of support media, and protected by current legislation in France and indicate those of these recordings for which he may previously have transferred or delegated the exercise of all or some of the rights, existing or in the future.

The applicant must declare on his honour that he is not currently and has never been the object of any kind of sentencing for counterfeit.

Any on-going procedure in which the applicant is implicated involving an act of counterfeit will lead to postponement of the decision to rule on his admission to the COMPANY, until the date of pronouncement of the final judgement.

Article 3

A - In case of admission to adhere to the Status of the SPPF, the applicant undertakes in particular to:

- 1) sign a document of adherence to the Status and these General Regulations and pay the amount of the authorised share capital at the latest in the month following the notification of the approval of its application for membership by the Board of Directors.
- 2) declare to the Corporate Register all the phonograms and/or videograms produced by him and/or over which he has the capacity to exercise the rights devolved upon the Producer, published or not and on any type of support media, and protected by current legislation in France.
- 3) communicate, for information to the COMPANY, a copy of productions produced by him or over which he is authorised to exercise the rights,
- 4) submit to and comply with the Status and General Regulations, and which he will declare that he has read and which he will send back to the latter, duly initialled and signed,
- 5) submit to controls and audits decided on by the Board, in particular within the context of the apportionment operations and declarations made to the COMPANY's Corporate Register.
- 6) on a general basis, submit to all decisions of the Board of Directors and General Assemblies;
- 7) on a general basis, not to undertake anything that could harm the material and moral interests of the COMPANY and its Members.

The Member newly admitted by the Board of Directors is informed of his status as a Member by registered letter with acknowledgement of receipt.

If, within one month after the date of notification of Admission, the applicant who has been admitted to adhere to the Status, has not signed his membership documents and pay his share capital, the admission pronounced becomes void and another application must be presented to the Board.

B - Recourse:

Any applicant whose admission file is rejected by the Board, after examination, has the possibility of appealing against this decision.

In accordance with Article L. 322-4 of the Intellectual Property Code, any decision to refuse membership shall be in writing and shall be based on legal and factual grounds.

This recourse must take place within one month after the date of notification of the decision to reject. Recourse is made in writing and sent to the Chairman of the Board for a second opinion.

The Board must notify its decision at the latest within a period of three (3) months.

Article 4

A register of requests for admission and of decisions to admit or reject made by the Board will be kept at the head office of the SPPF and made available to Associates and any possible beneficiaries who may consult it after making a written request.

Based on this register, the COMPANY will draw up a list of Members, which will remain at the disposal of users, pursuant to the provisions of article L. 323-3 of the Intellectual Property Code.

§ II – For the loss of the position as Associate

Article 5

The position as Associate is lost automatically after resignation notified as provided for in Article 4.11 of the Status, or withdrawal of the obligatory Mandate constituting an act of acceptance of the Status or of all a member's mandates exclusion or after striking off pronounced respectively by the Board and by the Extraordinary General Assembly.

In case of an individual Associate's death, his successor within the meaning of the provisions of the Civil Code, either an individual or a corporate entity, will benefit from the rights attached to phonograms and/or videograms declared by the deceased Associate.

However, the successor or heir shall send by registered letter with acknowledgement of receipt any legal document proving so.

If there are several successors or heirs, they shall appoint a single representative from among them and grant all powers to that representative.

The sole representative shall send to the COMPANY by registered letter with acknowledgement of receipt a document co-signed by all the heirs, accompanied by a copy of their valid identity card, authorizing the representative to represent and manage, in the name and on behalf of all the heirs, the rights attached to the phonograms and/or videograms already declared in the COMPANY's Corporate Register. The Status and the General Regulations apply to the sole representative.

In the meantime, all rights to be apportioned shall be set aside in the special security account provided for in Article 7.3 of the Statutes.

The successor or heir, who is a legal person, may only claim the position of Associate if he is approved by the Management Board, in accordance with Article 2 of the General Regulations.

With regard to businesses operated in the form of companies, and with regard to Associations established under the 1901 Law or other types of associations, transformations and modifications to their Status which are liable to lead to the loss of the capacity that these Corporate Entities enjoy must be the object of a declaration of modification together with the submission of a Kbis extract (company identification) to the COMPANY for Companies or a receipt of declaration for Associations or any other equivalent document in cases involving foreign Members.

Any Member who finds himself in the position of reorganisation under court supervision or liquidation must notify his position to the COMPANY as soon as possible and inform them in writing of the identity and coordinates of the administrator, liquidator, receiver or agent appointed by the court, or of any other person duly authorised to represent him and supply the corresponding supporting justifications of the appointment.

Amounts to be apportioned to the benefit of an Associate and which are the object of a joint procedure will be paid to the person duly authorised to represent the Associate. If notification of the identity of this person is not made and no document justifying his nomination is produced, these amounts will be paid into the special account referred to in article 7.3 of the Status.

Generally speaking, the Member is required, without delay, to notify the COMPANY in writing or by electronic means or through the COMPANY's Internet site of, in particular, any change of registered office, postal address, e-mail address, legal representative, etc.

The fee paid by the Associate, resigning member or expelled member under the conditions provided for in Article 20 of the Status as a contribution to the social capital on joining the COMPANY shall be returned to him in the month following the end of the six (6) months' notice or the declaration of his exclusion or striking off the COMPANY.

If any amounts are due to a rights holder for acts of exploitation performed before his request for full or partial termination has taken effect, or as part of an exploitation authorization granted before that effective date, he shall retain the rights conferred on him by the provisions of the third and fourth paragraphs of Article L. 324-10, I and II of Article L. 324-12, Articles L. 324-14, L. 324-18, L. 325-7, I and II of Article L. 326-3 and Articles L. 326-4 and L. 328-1 of the French Intellectual Property Code.

Section II - Conditions of withdrawal of Mandates and of striking off

§ I - Withdrawal of Mandates / Resignation

Article 6

Pursuant to the provisions of article 4.11 of the Status, all Associates may withdraw their obligatory Mandates, which constitutes an act of acceptance of the Statutes.

The withdrawal of their obligatory Mandates means that the Associate has resigned.

Withdrawal of one or more of the optional mandates entrusted to the COMPANY shall not lead to resignation of the Associate.

The resigning member is in debt of any kind whatsoever to the COMPANY, in particular in the event of an individual or collective advance not justified on the date resignation, he shall make the relevant payments in full until all debts are paid off and specifically by means of delegation of assignment of receivables to the COMPANY or by any other means enabling it to recover its debt.

The COMPANY is authorised to collect these amounts by offsetting the Associate's accounts in view of the reciprocal and connected nature of the debts and credits resulting from the various Mandates entrusted to the COMPANY.

The COMPANY has the right to request the immediate reimbursement of all sums of any nature whatsoever owed to it by the resigning member.

The resigning Associate also undertakes to supply to the COMPANY all the information required for the calculation of apportionments until the end of the effective management of his rights by the COMPANY and to comply in particular with the audits to which any Member would be subject, and with the decisions taken by the General Assemblies and the Board of Directors.

The COMPANY undertakes to proceed with the removal of phonograms or videograms on the Register of the resigning Member on expiry of the notice period set in the Status, by issuing a date for the ending of management of rights over his phonograms or videograms.

At the request of the resigning Associate (in the form of a registered letter with recorded delivery), the COMPANY may effects the transfer of his catalogue to a similar collective management company established in with the same corporate aims if technical conditions so permit and/or return it electronically with acknowledgement of receipt. Costs relating to this transfer and/or return will be paid in full by the resigning Associate.

§ II - Exclusion - Striking off - Repurchase / Transfer of Catalogue

Article 7

The exclusion of an Associate for serious misconduct may be pronounced, at the request of the Board and within the terms of article 14 of these General Regulations, by the Extraordinary General Assembly. This decision will be notified to the Associate by registered letter with recorded delivery.

The striking off of an Associate, natural person or legal entity, pronounced by the Board of Directors under the conditions of Article 20.1-3/ of the Articles of Association, shall take effect on the day of the expulsion decision announced by the Management Board.

The striking off of an Associate, whether it is an individual or a legal entity, as a result of its failure to declare sound and video recordings in the two years following its admission date to the Society, may be declared, at the request of the Board of Directors by the Extraordinary General Assembly. The Associate shall be notified of this decision by registered letter with acknowledgement of receipt.

The Associate who has been excluded or struck off, if he owes money to the COMPANY, must make the payment thereof up until all his debts have been paid off and particularly by means of an offset of assets in favour of the COMPANY. The COMPANY is authorised to collect these amounts under the same conditions as those listed in article 6, paragraph 5 and 7 of the General Regulations.

The COMPANY undertakes to proceed with the removal of phonograms or videograms on the Register of the Associate who has been excluded or struck off by issuing a date for the ending of management of rights over his phonograms and/or videograms.

At the request of the Associate who has been excluded or struck off (in the form of a registered letter with recorded delivery), the COMPANY may effect the transfer of the register of the said Associate to a similar collecting society established in France with the same corporate aims if technical conditions so permit and/or return it to the excluded or struck off Member by electronic means with acknowledgement of receipt. Costs relating to this transfer and/or return will be paid in full by the Member who has been struck off.

In the case of a complete repurchase of a catalogue notified to the COMPANY, the latter shall take the necessary measures to take this repurchase into account, provided that any individual or collective advances that have been repaid to the Associate are repaid in full to the COMPANY.

Section III - Rules Shared by all Associates of the SPPF

§ I – General Duties

Article 8

As a result of his act of adherence, every Associate undertakes specifically:

- 1) to comply with the Status and General Regulations which he declares to have read prior to his adherence.

Compliance with the Status and the General Regulations involves specifically, on his part, the obligation:

- to recognise and accept the exclusive nature of the Mandate that he entrusts to the COMPANY. To this end, he is bound to supply a certified true copy of the clauses entitled “similar rights”, “territory(ies) of operation” and “duration” contained in the contract or licence corresponding to each phonogram and / or videogram declared to the Corporate Register as well as the name and corporate name of co-contracting parties and to specify, where applicable, his current position in terms of a similar national or foreign Company, and to supply all the corresponding justifications.

This provision applies only to declarations made after the date of effect of these Regulations except in cases where double declarations are detected by the COMPANY’S services, before the aforementioned date of effect.

The Associate is bound to attach all justifications of the territorial extent over which he declares he has the capacity to exercise his rights.

- to certify true the declarations of phonograms and /or of videograms comprising his Register in the Corporate Register of the COMPANY.
- 2) to submit, within the context of the Status and of the General Regulations to decisions of the Board and to the collective decisions of the General Assemblies.
 - 3) to declare, under his own responsibility, to the Corporate Register of the COMPANY, phonograms sold, of which he is the owner, in his capacity as producer or beneficiary and to guarantee that these phonograms are not corrupted by counterfeit (particularly by means of illegal fixation, reproduction or borrowing, either in total or in part).

All Associate or declarers of phonograms must declare physical and digital sales of support media on which are published the phonograms that are declared to the Corporate Register of the COMPANY, under the rules and conditions defined in these General Regulations by the Board and / or the Ordinary General Assembly of Members.

The COMPANY is authorised to proceed with or to have proceeded with, by means of audit, all checks to verify the exactness of declarations of sales made.

The COMPANY may require the submission by the Member for any evidence to prove the reality of the physical quantities of sales and / or digital as transmitted by the Member.

Otherwise, the COMPANY reserves the right not to enter the reported sales.

The ‘Apportionment Commission’ under Article 34.2 of the General Regulations or the Board of the COMPANY will decide on the appropriateness, the views of the evidence provided, to distribution rights.

- 4) to declare, under his own responsibility to the Corporate Register of the COMPANY the videograms that he owns in his capacity as producer or beneficiary and to guarantee that the latter are not corrupted by counterfeit (particularly by means of illegal fixation, reproduction or borrowing, either in total or in part).

Every declarer must, on each declaration, supply to the COMPANY all documents justifying the legal or contractual origin of his rights (systematic information). In case of dispute, remunerations pertaining to the rights in question will be put in reserve on the special account referred to in article 7-3 of the Status whilst awaiting the final outcome of the dispute.

- 5) to indicate, at the time of admission, those of his recordings the rights over which he had previously delegated to a third party and the management of which he is now entrusting to the COMPANY.

The declarer undertakes to declare the said recordings to the COMPANY within the shortest possible time.

- 6) to notify to the COMPANY any modification of the status of rights over the recordings declared or pertaining to his position as Declarer:

- there is instituted in favour of the COMPANY a general duty of information for which the Member is liable and which is penalised under the terms of article 11 below.
- in addition to the obligation to notify systematically, with a notice period specified in the Status, any modifications to rights which may lead to the withdrawal of the Mandate entrusted to the SPPF, (global transfer of rights or signing of a management agreement with a third party), the Declarer is bound to inform the COMPANY as to progress made in terms of any execution, reorganisation or liquidation under court supervision procedures brought against him.
- an obligation is also created to make an annual declaration by which the Member or his legal representative confirms that the rights entrusted for management have not been modified during the previous year or indicates, on the contrary, those modifications that have had an impact on the scope of the Mandate entrusted to the Company (particularly partial transfer of rights to a third party) by means of the supply of the corresponding justifying documents.

The Associate may however inform the COMPANY on a one-off basis, and at the latest within a period of 30 days, of modifications made to the status of his rights, it being understood that these modification will only be taken into consideration for the next apportionments.

If modification involves rights already apportioned to the Member and / or to his beneficiaries, the Member will deal personally with the monies apportioned and paid out by the COMPANY.

- 7) to provide at the COMPANY's request any additional documents that the COMPANY may deem necessary to establish his status as producer or right holder of the phonograms and/or videograms he wishes to declare.

Any defaulting Associate is exposed to the risk that his declaration will not be taken into account until he has provided them.

- 8) to notify the COMPANY without delay of any change of postal address if the Member is a legal entity, and of personal contact details if the Member is a natural person, as well as their telephone number and e-mail address.
- 9) in a general way, do nothing, nor take up anything that may harm the COMPANY'S material and moral interests and those of its Associates within the context of the implementation of these General Regulations and the corporate aim of the COMPANY.

Article 9: Designation of the representative of a corporate entity Member

Any Associate may, when constituted as a Company, by deliberation of its Board or joint decision made by its Members, designate, on behalf and in place of its legal representative, an individual occupying a position of authority within the Company, to be its representative at the COMPANY.

It is required to notify the COMPANY without delay.

Any change of designation shall comply with the rules laid down in this Article and must be notified to the COMPANY without delay.

All individuals who are Associates are solely liable with regard to the COMPANY.

Article 10: notification of change of legal representative and of head office

Any change in legal representative or head office must be notified to the COMPANY.

In case of nomination of an agent, liquidator, administrator or receiver under court supervision, or of any other person, all Associates must inform without delay the COMPANY in writing of the identity and address details of the said nominee and supply all the relevant justifying documents.

Article 11: Sanctions

The Board may pronounce against any Associate who has failed in the obligations set forth in article 8 above or has caused any kind of prejudice to the material or moral interests of the COMPANY or of its Associates within the context of the implementation of these General Regulations and of the corporate aim of the COMPANY, one or several of the following sanctions:

- 1) full reimbursement of the prejudice suffered by the COMPANY. In this case, the Member shall be required to reimburse in full the sums which it has lost or from which the COMPANY has been deprived as a result of its actions. The COMPANY may by any means collect the equivalent, plus any costs, from the sums which the Member in question may be entitled to receive.
- 2) a warning,
- 3) blame pronounced before the Ordinary General Assembly,
- 4) a ban on being a member of a Commission provided for in these General Regulations, of the Board of Directors or of the Supervisory Committee for a period of not less than one year,
- 5) the exclusion or striking off from membership of the COMPANY, subject to the provisions of articles 20.1-2/ and 20.1-4/ of the COMPANY's Status.
- 6) placing in reserve the sums to be distributed to it by the COMPANY, in the absence of declarations of the physical and/or digital sales of the support media.
- 7) immediate demand for reimbursement of advance payments granted to any Member and not recovered, who has not complied with the notice period of six (6) months as set forth in article 6 above, in which to inform the COMPANY of modifications to his rights leading to withdrawal of Mandate.

The aforementioned sanctions may be pronounced without prejudice to any action taken to obtain the reimbursement of sums unduly collected by the Associate.

§ II - Incompatibility

Article 12

Under no circumstances may an Associate of the COMPANY be a salaried member of staff of the COMPANY.

The Ordinary General Assembly, the Board, the Chairman of the Board or the Managing Director may entrust to an Associate of the COMPANY temporary, pre-defined missions. Under no circumstances may these missions give rise to any kind of remuneration.

§ III - Disputes between Members / Disputes between one or several Members and the SPPF

Procedure for handling disputes

Article 13

Disputes between Associates or arising between one or several Associates and the COMPANY are submitted to examination by a Commission of Conciliation that will meet under the conditions defined at article 34.4 of these General Regulations.

In case of disputes that could have consequences as to the amount of rights to be apportioned or already apportioned, the Board may decide immediately on the placing in reserve of the remunerations in question. Amounts will be placed in reserve on the special account referred to in article 7.3 of the Status and will remain there until the final outcome of the dispute.

Pursuant to Articles L. 328-1 and R. 321-48 of the French Intellectual Property Code, a procedure for handling disputes relating to the conditions, effects and withdrawal of the authorization to manage rights as well as their management is available on the COMPANY's website.

§ IV - Rights to defence

Article 14

No penalty may be pronounced and no disciplinary measure may be taken by the Board before the Associate has first been invited to put his defence to the Board or before the Conciliation and Disciplinary Commission, which shall meet under the conditions defined in Article 34-4 of these General Regulations.

The Associate shall be informed in advance of any grievances against him, with sufficient notice for him to prepare his defence. Grievances shall be notified to him by registered letter with acknowledgement of receipt by the Manager of the COMPANY.

If an Associate does not respond to two notices to attend (except where he has a legitimate reason), the decision of the Board or of the Conciliation and Disciplinary Commission is deemed to have been made after questioning the Member and will be enforceable as soon as it is pronounced by the authorised body or within any deadline that has been set.

The Associate shall be notified by registered letter with acknowledgement of receipt of the decision taken by the Board of Directors or by the Conciliation and Disciplinary Commission.

§ V - Right of information

Article 14 Bis

A- Pursuant to I of Article L. 326-3 and I of Article R. 321-16 of the French Intellectual Property Code, the COMPANY shall make the following information available at least once a year to each right holder, either by e-mail or in the "Associates" section available on the SPPF's website:

1°) The contact details that the rights holder has authorized it to use in order to identify and locate it;

2°) The amount of income respectively apportioned and distributed to the right holder, specifying their breakdown by category of rights managed and by type of use;

3°) The period during which the use took place for which income was apportioned and distributed to the rights holder, unless objective reasons relating to users' declarations prevent the COMPANY from providing this information;

4°) The amount of deductions made from this income, specifying the amount deducted for management fees on the one hand and the provisions of Article L. 324-17 of the French Intellectual Property Code the other hand;

5°) The amount of any income from the exploitation of rights that has been apportioned to the rights holder but remains due to it, regardless of the period during which it has been received by the COMPANY.

B- Pursuant to III of Article L. 326-3 and II of Article R. 321-16 of the Intellectual Property Code, the COMPANY makes the following information available once a year to the collective management organizations with which it has a representation agreement:

1°) The amount of income from the exploitation of the rights it has respectively apportioned and distributed under the representation agreement, specifying their breakdown by category of rights managed and by type of use;

2°) The amount of any income from the exploitation of the rights it has apportioned under the representation agreement, but which remains due, regardless of the period during which they have been received by the organization;

3°) The amount of deductions made from this income, specifying the amount deducted as management fees on the one hand, and the provisions of Article L. 324-17 of the French Intellectual Property Code on the other hand;

4°) Information on the authorizations granted or refused for the use of the works and other protected subject-matters covered by the representation agreement;

5°) A presentation of the decisions adopted by its general meeting concerning the management of the rights covered by the representation agreement.

C - In response to a properly justified request, the COMPANY shall communicate by electronic means and within a period not exceeding one (1) month, to the holders of rights managed by the COMPANY in any capacity whatsoever, to the organizations on whose behalf it manages rights under a representation agreement and to users, the following information listed in Article L. 326-4 of the French Intellectual Property Code:

(1) The works or other protected subject-matters it represents, the rights it manages directly or indirectly or as part of representation agreements, and the territories covered;

(2) If, because of the scope of its activity, these works or other protected subject-matters cannot be determined, the types of works or other protected subject-matters it represents, the rights it manages and the territories covered.

The COMPANY reserves the right to request payment of fees corresponding to the cost of providing this information.

The COMPANY is exempt from responding to individual requests when such information is made available to the public on its website.

SECOND PART

Recordings and Rights

Section I - Declarations

Section II – Apportionments

Section I - Declarations

§ I – General Rules

Article 15: Phonograms and / or videograms

1) By "phonogram" is meant:

- within the meaning of the provisions of the Intellectual Property Code and of the European Union legislation: the initial fixation of a sequence of sounds,
- within the meaning of the Rome Convention: any exclusively aural fixation of sounds made by a performance or other sounds.

2) By "videogram" is meant: the first fixation of a sequence of images, with or without sound.

3) Every declaration of a phonogram or videogram is made under the general conditions of article 8 and according to the provisions of article 17 referred to below:

- the COMPANY issues, by e-mail, an Acknowledgement of receipt of phonograms and/or videograms' declaration made by the member, or his legal representative, by means of the matrix in the form of spreadsheet or in any other form that may subsequently be set up, which it passed on by e-mail or by other electronic means that would subsequently be accepted by the COMPANY to the concerned service,
- the COMPANY will communicate, at the formal request of its Associate, its repertory in the form in force on the date of the request made.
- this declaration does not attribute rights to the benefit of the declarer: it presumes until proof of the contrary that the latter is indeed the owner of the rights referred to in article 3 of the General Regulations,
- the COMPANY is authorised to proceed with or to have proceeded with by audit, any kind of check to verify the reality of the rights claimed.

§ II - Declarations by Associates, Producers of Phonograms and of Videograms or their beneficiaries

Article 16

Any Producer of phonograms and/or of videograms must make a declaration of the phonograms and/or videograms which he owns or over which he has the capacity to exercise rights:

- 1) The apportionment of sums that the Producer is due to receive in return for exploitation of his phonograms and/or videograms is dependent on this declaration,

- 2) It must be made within the deadlines allowing for management of rights, either as soon as the phonogram is put on sale and the videogram is exploited, or within six months of these events,
- 3) For phonograms and/or videograms existing in the catalogue of a Declarer at the time of his adherence to the Status of the COMPANY, the declaration must be made as soon as possible and must not be made any later than six (6) months after adherence.

In order to comply with current international codification standards, Members must refer to prescriptions laid down by the I.S.R.C. (International Standard Recording Code) and by the COMPANY for the drawing up of their own Register.

The COMPANY will not under any circumstances be held liable for statements made in declarations referred to in article 16 and 17 of these General Regulations, the signatory of the latter being sole guarantor with regard to the COMPANY and third parties of the lawfulness of his phonograms and / or videograms and of his rights over the latter.

The apportionment of remunerations is based in particular on the declaration of phonograms and/or videograms and their registration in the Corporate Register of the COMPANY.

Article 17

The matrix in the form of spreadsheet or in any other form, which must be duly filled in and signed by the Member or by the legal representative duly habited to make the of phonograms and/or videograms' declarations, obligatorily includes:

- 1) the name or corporate name of the Declarer, his position and his nationality,
- 2) the name or corporate name of the original producer, his nationality, his country of residence, his ISRC code as first owner,
- 3) the year of fixation,
- 4) the title of the recording,
- 5) the length of the recording,
- 6) the name(s) of the performer or performers,
- 7) the country of fixation, i.e. the country in which the phonogram and / or videogram was fixed for the first time (or if it is has been fixed in several countries, the country in which the major part of production investment was made),
- 8) the year of first publication of the recording,
- 9) the country in which the first publication of the recording was made,
- 10) a precise indication of the territorial scope of the mandate entrusted to the COMPANY over which the rights relating to the recording declared are exercised,
- 11) the start and end dates of management of rights relating to the recording declared, in the case of a sale, concession or mandate,
- 12) the musical genre of the recording,
- 13) the catalogue reference(s), the type of support media, the brand/label, the distributor, the year of publication of the support media and the bar code,

- 14) the label code (LC) corresponding to recordings for which the label is represented in Germany by the GVL or any other identification code in force in foreign countries,
- 15) indication of shares of rights owned as a percentage, the name or the corporate name of the beneficiary or beneficiaries of rights.

The declaration given to the COMPANY is the only document that enables it to proceed with operations to collect and apportion the remunerations for which it has responsibility under the terms of the Status.

The matrix in the form of spreadsheet is retained by the COMPANY and may be communicated, on demand to the concerned service, to the declarer.

It is hereby recalled that, pursuant to the provisions of articles from 48 to 51 of the law of January 6th, 1978, amended, relating to computerised data, files and freedom, the Declarer has a free right to access to communication and to rectification which applies to the declaration form. This right may be exercised at the SPPF or with any other individual or corporate entity permitted by it to dispose of a computerised named file.

Any modification made to a previous declaration must be notified to the Company under the conditions set forth in article 8 of the General Regulations.

The COMPANY reserves the right to demand at any time additional information when phonograms or videograms incorporate sequences of sounds and/or images that are pre-existing phonograms and/or videograms.

§ III – Undeclared Recordings

Article 18

Pursuant to article 16 above, the declaration of phonograms and/or of videograms is obligatory to ensure that the rights pertaining thereto are collected and apportioned.

Article 19

- 1) Whosoever has made false declarations of identity or of position that have motivated his admission may be struck off from membership of the COMPANY, by means of decision pronounced by the Extraordinary General Assembly, on request by the Board.
- 2) Any phonograms and/or videograms' declaration will turn out to contain false or mistaken information, will be strictly cancelled and the corresponding recording will not be admitted for apportionment.
Amounts collected will be paid into the COMPANY'S special account, as provided for in article 7.3 of the Status, until the position is settled and amounts apportioned will be due because of this fact.

The author of this offence may also have a fine levied on him by the Board, this fine will correspond to at least three times the amount of monies received for each offence.

This fine will be paid into the SPPF'S special account, as set forth in article 7.3 of the Status.

The Board may require the signatory of a declaration to supply it with any justifying documents that it may deem useful, particularly for the purposes of checking the ownership of his rights over the recording declared.

§ IV – Not Associates filers

Article 19 bis

The producers, Natural or Legal persons, of phonograms and/or of videograms, which are not Associate of the COMPANY can claim payment of remuneration from the COMPANY relating to neighboring rights covered by a legal licence or compulsory collective management as soon as they declare their phonograms and/or their videograms at the COMPANY under the conditions defined below.

Natural or legal persons not Associates, who make declarations of phonograms and/or videograms for which they have the rights or phonograms sales are obliged by these statements:

- To certify sincere recordings of statements on which they claim to the exercise of rights and Phonograms sales returns;
- To ensure that these records do not infringe the rights of third parties or constitute a breach of rights under the Code of intellectual property;
- To justify on simple request of the COMPANY, the legal or contractual origin of these rights.

They are also subject to the same obligations and sanctions relating to declarations as those imposed on Associates as mentioned in Articles 15, 16, 17, 18 and 19 of the General Regulations.

Section II - Apportionment

§ I - Terms of apportionment

Article 20

The COMPANY proceeds with the apportionment of amounts collected within the context of the mandates that are entrusted to it, less the management costs which it withholds, in accordance with its Status.

Assessment of these costs is done based on a deduction proportional to the rights collected and/or apportioned, the rate of which is set by the Board pursuant to Article 7.2 of the Status.

Article 21

The Board reserves the possibility of proceeding with a weighting of the rate of retention from rights at both their collection and apportionment stages.

This weighting is based on account being taken of the relative importance of costs arising from the management of each category of account and on the concern to equalise the position between Members who are bound to specific obligations towards the COMPANY, and beneficiaries who are not bound to the said obligations.

The Board reserves the possibility of having a new Associate pay the cost of later apportionments involving its Corporate Register and referring to years that have already been the object of apportionment by the COMPANY, and which are likely to take place further to declarations of recordings made by this Associate.

Article 22

Differentiated rates may thus be applied:

- according to each category of mandate,
- depending on whether or not the beneficiary is an Associate,
- depending on the rigour with which the Associate completes his obligations with regard to the COMPANY.

§ II – Accounts

Article 23

Amounts apportioned to the benefit of an Associate and/or his beneficiaries are credited respectively to the account opened in the name of the latter. The COMPANY is authorised, where applicable, to offset from these amounts any amount in debit, in view of the reciprocal and connected nature of credits and debits charged to this account.

Article 24

The COMPANY will endeavour to proceed with the apportionment of amounts collected according to the following frequency:

- amounts collected by the COMPANY with regard to the dissemination of music videos are apportioned to the Member and / or his beneficiaries every three (3) months,
- amounts collected by the COMPANY with regard to Equitable Remuneration, Private Audio and Audiovisual Copy, are apportioned, provisionally or definitively, at times defined by the Board.
- the amounts collected by the COMPANY in respect of the exercise of the right to authorise managed collectively are apportioned on a provisional or definitive basis, at intervals determined by the Board of Directors.

Article 25

The apportionment of amounts collected by the COMPANY within the limits of its corporate aim may not take place without the provision of the indispensable documents that the Declarer is under obligation to send to the COMPANY within the time limits set by the latter.

For the purposes of implementing apportionment of actual rights to Private Audio Copy in particular, Producers and/or declarers of the COMPANY who have not made their declarations of phonograms and of sales of the corresponding support media (excluding multi-Producer compilations) within three (3) months after the date of a provisional apportionment for a given year of rights, may not claim the benefit, for the said apportionment, of any remuneration.

However, and inasmuch as he has never belonged to any company representing in France the rights of Producers of phonograms, any new Member of the COMPANY must, at the latest within six (6) months of his date of admission, make all declaration of the phonograms for which he has the capacity to manage similar rights and proceed with all declarations of sales of corresponding support media. The rights that he may claim will be totalled and calculated within the context of forthcoming apportionments to be made by the COMPANY after the date of admission of the new Member.

Article 26

1) Joint advances

Joint advances may be granted to Associates by the Board for Private Audio and Audiovisual Copy and for Equitable Remuneration.

Subject to the provisions of articles 6 paragraph 6 and 11.7 of the General Regulations, these advances may be reimbursed specifically by offsetting against the rights apportioned in year N.

Should the advance not be fully reimbursed by the aforementioned rights in year N, its reimbursement will be made by offsetting in year N+1 or the amount not repaid will be deducted from the advance offered in year N+1.

If the reimbursement threshold of the financial advance determined by the Board of Directors is not reached, no other advance may be paid to an Associate as long as the previous payment has not been fully reimbursed under the aforementioned conditions.

2) Individual advances

Exceptionally, individual advances, which may not be in addition to joint advances, may be granted on request made by any new Member from the company by the Managing Director, after agreement from the Board. The amount of the advance payment liable to be granted will be assessed by the Managing Director in consideration of rights collected or to be collected, corresponding to the last two years before the Member joins the company.

Article 27

Pursuant to article L. 324-16 of the French Intellectual Property Code:

- actions to pay rights collected by the COMPANY are barred after five (5) years counting from the date of collection; this time period is suspended until the date of these rights being ready for apportionment;
- the apportionment or payment date is made known to the Members or rights holders in an easily accessible reference document.

Sums allocated, for a given period, to the security account set up by article 7.3 of the Status of the COMPANY and which have not been claimed by their beneficiaries may be the object, on expiry of a deadline of five (5) years after the date of being ready for apportionment, of allocation according to terms defined by the Board of the COMPANY and ratified at the General Assembly.

Sums pursuant to Articles L. 214-1, L. 217-2 and L. 311-1 of the French Intellectual Property Code which have not been apportioned on expiry of the legal limitation deadline and subject to complete absence of claims during this period, will be fully allocated in accordance with article L. 324-17 of French the Intellectual Property Code.

§ III - Payment of rights to Associates

Article 28

After reception of invoices drawn up by the Member in view of credit statements sent by the COMPANY, the payment of amounts ready for apportionment currently takes place using by Bank transfer. Any other means of payment may be used, should the Board so decide.

THIRD PART

Administration of the SPPF

Section I – Board

Section II - Supervisory Committee

Section III - Commissions

Section IV - Applications to Ordinary General Assemblies and to the Supervisory Committee

Section V - Honorary Chairman and Honorary Members

Section I - Board

§ I - Composition of the Board

Article 29

Every three years, after the General Assembly, the Board elects from amongst its members, in application of article 9.1 of the Status, its committee, which is constituted as follows:

- one Chairman,
- six Vice-Chairmen,
- one General Secretary,
- one Treasurer,
- one Deputy Treasurer.

All Committee members are elected by simple majority vote.

- a) The General Secretary keeps the "register of minutes" up to date. He performs the office of coordinator of the works of the various Commissions.

If the General Secretary is unable to perform any of his tasks, one of the Vice-Chairmen replaces him.

- b) The Treasurer's mission is to supervise all the financial operations of the COMPANY.

He must also ensure that the Managing Director presents to the Board the balance of financial operations.

He must be particularly attentive to all movements of COMPANY funds, to this end he must check on the positions of accounts and deposits in securities belonging to the COMPANY.

If the Treasurer is unable to perform any of his tasks, the Deputy Treasurer replaces him.

If the Treasurer is unable to perform his tasks, after a period of three months, the Board will proceed with the re-election of a new Treasurer.

§ II – Board Meetings

Article 30

- the Board of Directors shall meet as often as required to meet the Company's needs at the request of its Chairman and at least once (1) every two (2) months upon notice sent no later than five (5) days before the date of its Assembly by the Managing Director.
- Notices to attend must be sent by registered letter with recorded delivery if half the members of the Board so request in writing.
- No decision may be taken outside a meeting and no member of the Board may act in the Board's name except by virtue of a resolution authorising him to do so.

§ III – Various provisions

Article 31

A Board member is forbidden from interfering with the administration of the COMPANY without special delegation from the Board.

On an individual basis, Board members may not have sent to them administrative documents other than those to which all Members of the Company have access.

The Board has all powers to create within it study sections responsible for drawing up, in collaboration with the Managing Director of the COMPANY and within the areas that have been allocated to them, all proposals for decisions that the COMPANY administration may require and related to its corporate aim.

All proposals are submitted to the approval of the Board.

Internal control procedures are defined and detailed in a procedural guide made available to the Board of Directors and the Supervisory Committee of the COMPANY. These procedures ensure the proper functioning of the COMPANY's internal processes involved in protecting its assets, in particular with regard to risk and fraud management.

The administrative and accounting legal procedures put in place enable the COMPANY to comply with the laws and regulations applicable to its field of activity, to implement the instructions and guidelines defined by its Board of Directors and the Finance Department and to ensure the reliability of the financial information.

Section II - Supervisory Committee

§ 1 Supervisory Committee's composition and meetings

Article 32

The Supervisory Committee is composed of three members and shall meet at least twice (2) a year upon convocation by its chairman, sent electronically or by letter, at the registered office of the COMPANY or to any other place determined by the latter.

It can only validly meet if there is a majority of its members. Decisions of the Supervisory Committee shall be taken by a majority of the attending members.

In the event of a tie, the Chairman or, in his absence, the session Chairman shall have the casting vote.

Minutes of each meeting shall be drawn up and recorded, after approval at the following meeting by the Supervisory Committee, in a register kept for this purpose at the registered office of the COMPANY.

The approved minutes, as well as the extracts which may be released, shall be signed by the Chairman of the Supervisory Committee and another member, or in his absence, by the session Chairman and another member of the Committee who attended the meeting.

Meetings are held in the presence of the Managing Director or any employee designated by him.

Section III - Commissions

§ I – Joint provisions

Article 33

Under the terms of article 12.1 of the Status and as required, Commissions are set up by the Board under the conditions specified by them.

Only Associates with the nationality of a member state of the European Union, in full possession of their civil rights and who have not been the object of any disciplinary measure excluding them from the right of taking part in a Commission, may be on the Commissions.

Members of the said Commissions are nominated by the Board for a period of one year. Their functions are specified by decision of the Board.

Their mandate is renewable.

- Commissions meet under the conditions set by the Board.
- Commissions may draw up reports to be transmitted to the Chairman, the Board and the Managing Director of the COMPANY who will decide on the follow-up required.
- Members of Commissions who, with no excuses considered valid, and after a warning, have missed 4 consecutive meetings of the Commission will be deemed to have resigned.
- At the request of the Chairman, a member of a Commission may be called on to present his report to the Board.

Similarly, all Commissions may ask the Board to give a hearing to one of its members.

Members of the Board and of the various Commissions are bound to sign an attendance sheet at each meeting.

The Chairman, General Secretary of the Board, the Managing Director and/or any member of staff required for the correct running of work and, where required, any competent third party, may take part in meetings of Commissions; in addition, the Chairman may be represented by one of the Vice-Chairmen.

The reports of meetings of Commissions are drawn up by COMPANY administration and issued to all Members of the Commission concerned.

§ II - Provisions specific to each of the Commissions

Article 34

As required, the following four Commissions are constituted:

- 1) Commission for the allocation of subsidies, pursuant to article L.324-17 of the French Intellectual Property Code
- 2) Apportionment Commission
- 3) Admissions control Commission
- 4) Conciliation and discipline Commission

1) Subsidies Commission

Subject to enough applications, the Commission for the allocation of subsidies comprises a minimum of 8 Members, including obligatorily 4 Members of the Board. They can be natural persons distinct of administrators who physically sit within the Board.

The Members are designated by the Board, among the COMPANY associates and will have to represent the diversity of the exploited and commercialized independent musical production.

The duration of the mandate of the Commission's members is 3 years. Half of its members are renewed every two (2) years.

The mandate of each member is extendable once. Each member is subjected to a period of one (1) year ineligibility after having completed 2 consecutive mandates.

Each member which is absent more than 3 consecutive commissions, except for vacation or a valid excuse and after a warning, is considered as an outgoing member.

The Commission nominates one Chairman from among one of the administrators in exercise. The duration of the mandate of the Chairman is one year, renewable once.

It sits after being called by COMPANY administration, every time the requirements of attaining the corporate aim of the COMPANY so demand.

It examines requests for aid under the provisions of article L. 324-17 of the French Intellectual Property Code and sends an opinion to the Board.

If a member has a direct or indirect interest linked to one or many requests for grant examined while a commission, it can't attend either to the debate or the vote related to the request(s).

It checks that the beneficiaries of subsidies allocated by the Board meet their obligations with regard to the SPPF. Any Member who is in any of the following three (3) situations may under no circumstances be eligible for support:

- any Associate against whom the COMPANY has initiated legal proceedings,
- any Associate who has significantly and persistently fallen behind in his declarations of phonograms and/or videograms to the COMPANY's corporate repertoire, despite repeated and unsuccessful requests,
- any Associate who infringes the neighbouring rights of producers of phonograms and/or videograms in the context of an activity other than that which he carries on in his capacity as Associate, which falls within the collective management of the COMPANY (for example...): a Member who, under the same legal entity or under another entity, is a broadcaster of phonograms and/or videograms managed by the COMPANY and

who has not concluded a general contract of common interest with the latter, despite requests from the COMPANY which have remained unsuccessful).

It ensures that the beneficiaries of subsidies awarded by the Board of Directors respect their obligations towards COMPANY.

2) Apportionment Commission

The Apportionment Commission comprises a maximum of 5 Members, including obligatorily 3 members of the Board designated by the Board.

The Commission nominates one Chairman, one Vice-Chairman and one General Secretary from amongst its members.

It sits after being called by the Board of the COMPANY or by COMPANY administration, every time the requirements of attaining the corporate aim of the COMPANY so demand.

It makes all proposals and produces opinions for the Board for the implementation of equitable apportionment to the benefit of Members of the SPPF and beneficiaries.

3) Admissions Control Commission

The Admissions Control Commission comprises a maximum of 2 Members, including obligatorily 1 Member of the Board designated by the Board.

The Commission nominates one Chairman and one General Secretary from amongst its Members.

It sits after being called by the Board of the COMPANY or by COMPANY administration, every time the requirements of attaining the corporate aim of the COMPANY so demand.

It examines requests for admission submitted to it by the Board in application of article 2 paragraph 4 of the General Regulations and gives it its opinion.

4) Conciliation and discipline Commission

The Conciliation Commission comprises 5 members who are obligatorily Administrators designated by the Board.

The Commission nominates one Chairman, one Vice-Chairman and one General Secretary from amongst its Members.

It gives a hearing to each of the parties and to any other person that it may consider useful for the provision of information and must draw up a report that either notes conciliation between the parties, or proposes conciliation between the parties and informs the Board of this, or notes defaulting on the part of one of the parties, drawing up, in this case, a report of defaulting.

This Commission makes the decision and notes the agreement of the parties.

In case of non-conciliation, a report is drawn up taking note of this non-conciliation.

It examines any offences that may have been committed by Associates (counterfeit, false declarations, offences against the Status and General Regulations...) and which may be brought to its knowledge, and submits to the Board any sanctions to be taken.

Section IV - Applications to Ordinary General Assemblies and to the Supervisory Committee

§ I – General Rules

Article 35

Each applicant for election to the Board of Directors or the Supervisory Committee shall notify the COMPANY of their application either by registered letter with acknowledgement of receipt, or by electronic mail with acknowledgement of receipt, addressed to the Director General of the COMPANY (no later than 7 p.m., Paris time) or handed in at the COMPANY's premises against receipt during business hours.

Applications to either body must reach the COMPANY no later than thirty (30) days prior to the Ordinary General Assembly.

The candidate shall attach a declaration of honour stating that he is not in one of the cases of incompatibility or ineligibility referred to in Articles 9.1 and 9.2 of the Statutes and that he has not been deprived of any rights as a citizen.

Candidates may not run for several elected offices within the COMPANY:

- The Board will draw up a single voting form for candidates to the Board and a single voting form for candidates to the Supervisory Committee.
- They will contain the names of all candidates. At the top of each voting form, the Board will indicate the number of candidates to be elected to the Board and to the Supervisory Committee (at the bottom of this form, there will be the following information: "Only leave on the form a maximum of 5 names, otherwise this form will be cancelled").

Associates who are allowed to vote at General Assemblies may vote according to any of the proposed methods.

The Associates shall vote at a meeting, or by remote electronic means if this option is available, or, as the case may be, by any type of vote determined by the Board of Directors.

In the event of remote electronic voting, the COMPANY shall communicate to each Associate their personal and confidential access code to the secure site reserved for electronic voting.

Associates shall be notified of the opening and closing of remote electronic voting.

The Board has the role of organising and ensuring the smooth operation of each General Assembly. The voting and counting operations are recorded by the Committee of each General Assembly or by a judicial officer.

The Board of Directors may, if need be, request the services of a judicial in order to ensure the smooth operation of each General Assembly.

Section V - Honorary Chairman and Honorary Members COMPANY

§ I – Honorary Chairman

Article 36

On proposal by the Board, and after agreement of the people concerned, the Ordinary General Assembly may confer the title of Honorary Chairman of the COMPANY on Members who have actually held the position of Chairman of the Board and who, in this capacity, have rendered important services to the Company.

Honorary Chairmen of the COMPANY are eligible only to the various Commissions, but attend Board meetings as of right, in a consultative capacity.

§ II – Honorary Members

Article 37

After agreement from those involved, the Board may confer honorary membership on Members who have actually held office on the Board.

Honorary Members are eligible only to the various Commissions.



**THE RIGHTS OF FRENCH AND FOREIGN PRODUCERS OF
PHONOGRAMS AND VIDEOGRAMS IN FRANCE**

**SOCIÉTÉ CIVILE DES PRODUCTEURS DE
PHONOGRAMMES EN FRANCE**

SPPF



LEGAL AND REGULATORY FRAMEWORK IN FRANCE

Since July 1, 1992, the Intellectual Property Code has regrouped:

- The provisions of the **Law of July 3, 1985**, relating to "the rights of authors and the rights of performers, producers of phonograms and videograms and of audiovisual communication companies", which confers rights in France to producers of phonograms and videograms as well as to performers.
- The provisions of the **Law of March 11, 1957**, on literary and artistic property, which confers rights in France to authors.

The intellectual Property Code confers specific **economic rights** to performers and to **producers of phonograms and videograms**. The latter are defined as the **natural or legal person who takes the initiative and the responsibility for the initial fixation of a sequence of sounds and of a sequence of images, whether accompanied by sounds or not**.

Moreover, regulatory provisions specify the conditions for application of the articles setting for the principle of **Equitable Remuneration** and of the **right to remuneration for Private Copy** (Articles L. 214-1 and L. 311-1 of the Intellectual Property Code).

All the applicable scales of Equitable Remuneration and Private Copying are available on the SPPF website (www.sppf.com), in the "[Legislation](#)" section



LEGAL PROVISIONS

RIGHTS CONFERRED ON PRODUCERS OF PHONOGRAMS AND VIDEOGRAMS

I / **THE EXCLUSIVE RIGHT TO AUTHORIZE OR TO FORBID** (Articles L. 213-1 and L. 215-1 of the Intellectual Property Code)

1. **The total or partial reproduction** of their phonograms and/or videograms, whatever the intended use of such reproduction, with the exception of private copies (see below) and reproductions strictly reserved for private or for use by critics or short extracts (Article L. 211-3 of the Intellectual Property Code).

2. **The mode of exploitation by which copies are made available to the public for private use, i.e.:**

- | | | |
|------------|---|-----------------------------------|
| - sale |) | The producer may forbid some |
| - exchange |) | of these modes of exploitation of |
| - rental |) | his phonograms and/or videograms |

3. **Communication to the public:**

- of phonograms

- either directly in a public place, in the particular case when such communication occurs as part of a performance (Article L. 214-1 - 1° of the Intellectual Property Code).
- or indirectly, i.e. transmission by wire, cable or satellite, either of the original phonogram or of its lawful reproduction, with the exception of radio broadcasting and a simultaneous cable television broadcasting of such a radio broadcast in its entirety (Article L. 214-1 - 2° of the Intellectual Property Code) or its dissemination under the cases provided in Article L. 211-3 - 3° of the Intellectual Property Code.

- of videograms:

- The producer may forbid any communication, whether direct or indirect, to the public of his videograms.

I / THE RIGHT TO REMUNERATION

(Articles L. 214-1 and L. 311-1 and following of the Intellectual Property Code)

These rights, whose administration must obligatorily be made through the intermediary of collectif societies for the purpose of collecting and distributing such remuneration include, pursuant to the terms of Articles L. 214-5 and L. 311-6 of the Intellectual Property Code:

The Right to Equitable Remuneration (equivalent to a compulsory license)

For the direct communication of phonograms published for commercial purposes in a public place (other than usage as part of a performance)

For the radio broadcasting of phonograms published for commercial purposes and the simultaneous cable television broadcasting of such a radio broadcast in its entirety.

The right to Equitable Remuneration for public communication by a radio service, within the meaning of Article 2 of Law No. 86 1067 of 30 September 1986 on the freedom of communication, excluding radio services which main programme is dedicated mainly to a performer, to a single author, to a single composer or is based on a single phonogram. In all other cases, it is the responsibility of online public communication services to comply with the exclusive right of holders of neighbouring rights under the conditions laid down in Articles

L. 212-3, L. 213-1 and L. 213-2. This is the case for services that have implemented features that allow a user to influence the content of the program or the sequence of its communication.

The right to remuneration for Private Copy of phonograms and videograms provided that they reproduce a work of art (within the meaning of the Intellectual Property Code).

Articles L. 214-1 and L. 311-1 and following of the Intellectual Property Code provide that such remuneration shall be paid for some use of phonograms (see above page 4) and reproduction for strictly private use of phonograms and/or videograms, no matter where the works were originally recorded. However, Articles L. 214-2 and L. 311-2 of the Intellectual Property Code expressly state that, subject to the provisions of International Conventions, such rights to remuneration are only shared by producers whose phonograms and/or videograms were originally fixed in a State member of the European Union.



SOME USEFUL SPECIFICS

The 1985 Law is now codified, and it took effect on January 1, 1986.

Articles L. 214-1 (last paragraph) and L. 311-7 of the Intellectual Property Code establish payment formulas for the distribution of remuneration between the different categories of beneficiaries.

. For Equitable Remuneration	50,00%)	Performers
	50,00%)	Producers
. For Private Copy of Phonograms	50,00%)	Authors
	25,00%)	Performers
	25,00%)	Producers
. For Private Copy of Videograms	33,33%)	Authors
	33,33%)	Performers
	33,33%)	Producers

It is considered that public policy is concerned in these payment formulas.

. Duration of protection of phonograms

This being 50 years, phonograms fixed prior to the year of rights under consideration less 51 years, are not taken into account for the apportionment of rights due for use in the year of rights under consideration, in application of the provisions of article L. 211-4, II of the Intellectual Property Code. For each following year, this rule is applied by sliding forward.

However the law of 20 February 2015 provides for extended protection period of 20 years (70 years) under the following condition: when the fixation of phonogram is lawfully published or communicated to the public during the initial period, the extra period applies to phonograms fixed since 1 November 2013 and the phonograms fixed and published or communicated to the public since 1 January 1963 and which are not in the public domain from 1 November 2013.

Phonogram statements do not specify the month of fixing and / or publication, so the SPPF has decided to set up this new provision as from 1964.

. Duration of protection of videograms

This is 50 years, videograms previously fixed in year law considered least 51 years, are not included in the framework of rights distributions due under the broadcasts of the year of law considered pursuant to the provisions of article L. 211-4, III of the Intellectual Property Code. For each subsequent year, this rule is applied by sliding.

if during this period of 50 years, a video is the subject of a provision of the public through physical copies or communication to the public, the rights of the producer expire 50 years from January 1 of the year civil following the first such occurrence.

Finally, in application of the provisions of Article L. 324-17 of the Intellectual Property Code, non-trading companies must use for activities involving assistance with creation, the extension of live performances and performer-training activities 25% of sums received from Private Copies.

Furthermore, SPPF goes on to affect 100% of non-distributable sums received under the terms of Equitable Remuneration.

Privacy Policy

The Société Civile des Producteurs de Phonogrammes en France (SPPF) is particularly attentive that the collection and processing of your personal data comply with the privacy legislation (GDPR, the French law « informatique et libertés », etc.).

The aim of this policy is to provide you with transparent information on the personal data processed by the SPPF. In the following, the term "You" or "Your" refers to any person concerned by the processing of personal data subject of this information.

Why and how does the SPPF process your personal data?

This policy concerns the Partners of the SPPF. The Partners are responsible for sending this information to all persons whose data are transmitted through them to the SPPF.

The SPPF processes your personal data for the purposes of:

- Management of your membership application,
- Implementation of the mandates (required or optional) that you have signed,
- Constitution of the Corporate Directory constituted by your declarations of phonograms and videograms,
- Conclusion of General Common Interest Contracts or agreements with users of phonograms or videograms,
- Collection and distribution of your rights (rights to remuneration, exclusive rights of a property nature relating to the use of phonograms and videograms and all similar rights devolved upon producers of phonograms and videograms),
- Allocation of aid for creation,
- Protection and defense of the intellectual property rights of the Partners (control of uses, noting of misuse of these right, legal action),
- Defense of the common interest of the profession
- Organization of the SPPF's general assemblies and in particular the voting.

In order to comply with the legal requirements, the SPPF may also process your data to ensure its bookkeeping and the deduction of the management fees charged on the collected remunerations.

The SPPF may be required to communicate with the Partners to inform them in particular about the management of their rights, about the SPPF news (e.g.: press releases, emailing, etc.) and about the holding of events (e.g.: general meetings, trade fairs, etc.).

Information and personal data are processed by the SPPF in its legitimate interest.

In any case, the SPPF limits the collection of your personal data to what is adequate, relevant and strictly necessary for the processing.

What personal data does the SPPF process?

The categories of personal data collected by SPPF relate to:

- your identity (surname, first name, etc.),
- your professional or personal details (postal address, e-mail address, fixed or mobile telephone numbers),

- your bank details enabling the payment of your rights or aid,
- your identification and authentication data for your membership space,
- information that you provide by filling in forms or by communicating with the SPPF by telephone, by paper or electronic mail or by any other means of communication,
 - economical and financial information,
 - connection data.

The SPPF collect this data in the relationship with its Partners. Not providing the data requested may result in the impossibility of concluding or executing the said contract.

Who are the recipients of personal data?

Personal Data are intended for the SPPF's internal departments, social, fiscal and financial organizations, some of its partners, as well as by collective management organizations established in or outside the European Union with which the SPPF has concluded a representation agreement.

Some processing operations may require data transfers outside the EU. In this case, we undertake to comply with the applicable regulations and to transfer this data only to a country recognized as "adequately protected" by the European Commission or in the framework of standard contractual clauses adopted by the European Commission.

How long is personal data kept?

Personal data are kept for the duration of the relationship with the SPPF extended by the limitation period, without prejudice to legislative or regulatory provisions specific to certain categories of data imposing a particular retention period or the deletion of this data.

What are your rights and how to exercise them?

Subject to duly proving your identity, you have the right to access, rectify, limit, delete, oppose, define in anticipation instructions on the post-mortem processing of your data and portability of personal data that you can exercise:

- Either by e-mail: to dpo@sppf.com;
- Or by post: to SPPF (Protection of personal data) - 63 boulevard Haussmann - 75008 Paris (France).

You can also update your data on the website www.sppf.com in "Your Space".

You may lodge a complaint concerning the processing of your personal data with the Commission Nationale Informatique et Libertés (CNIL) - www.cnil.fr- 3 place de Fontenoy 75007 Paris (www.cnil.fr/fr/cnil-direct/question/844).