



# STATUTES

Of Svenska Artisters och Musikers Intresseorganisation [Swedish Artists' and Musicians' Interest Organisation] (SAMI), economic association, in the version according to the decision of the association's annual general meeting on 6 May 2019.

## **1. Name of the organisation**

The name of the organisation is Svenska Artisters och Musikers Intresseorganisation (SAMI) [Swedish Artists' and Musicians' Interest Organisation], economic association. It was established in 1963 by the Svenska Musikerförbundet [Swedish Musicians Union] and Teaterförbundet för scen och film [Swedish Union for Performing Arts and Film]. (Since 1985, Sveriges Yrkesmusikersförbund, SYMF [Sweden's Union of Professional Musicians] forms its own union whose members were previously part of Svenska Musikerförbundet).

The term "SAMI" will be used hereinafter synonymously with the term "organisation" without any difference in meaning.

## **2. Seat of the organisation**

The organisation's board has its seat in Stockholm.

## **3. SAMI's purpose and activities**

The main purpose of the organisation is to manage the rights that accrue to performing artists (members and associates) for their common benefit. The organisation shall promote their economic interests by:

- monitoring, defending and managing the rights that, in accordance with the Act on Copyright in Literary and Artistic Works of 30 December 1960 (SFS 1960:729) with subsequent amendments and additions, accrue to performing artists;
- collecting and distributing payments accruing to them in accordance with the Act referred to above or equivalent foreign legislation;
- working towards expanding and improving legal protections for performing artists;
- while conducting its operations, promoting the professional interests of performing artists through contributions for cultural and educational purposes.

The organisation conducts its operations in cooperation with equivalent foreign organisations.

## **4. SAMI's administrative commission**

The mandate given to SAMI by the performing artist includes his or her right to payment in the case of public use of recorded performances as well as his or her right to other secondary use in accordance with the Act on Copyright in Literary and Artistic Works (SFS 1960:729) and equivalent foreign legislation: SAMI must enter into agreements on payment for the transmission and public performance of sound recordings in accordance with section 47. For other secondary use, SAMI's mandate

includes the sole right of the performing artist in accordance with section 45 of the Copyright Act as well as the provisions that also apply to performing artists through a reference in section 45, third paragraph. The performing artist's mandate for the organisation entitles SAMI to also represent him or her in other countries. SAMI is thus entitled, with binding effect, to enter into representation agreements with other foreign collective management organisations with regard to his or her rights in the other country.

The performing artist is entitled to limit SAMI's mandate by making an exception in the case of the following categories of rights: i) making available on demand, and/or ii) reproduction (other than reproduction that is necessary for communication to the public in accordance with section 47 of the Copyright Act). The performing artist can also choose to exclude one or more territories from SAMI's mandate. Limitation can take place at the time of the application for association with or membership in SAMI or at a later time. A request for limitation must be submitted to SAMI in writing and must be signed by the performing artist.

A limitation which takes place later than at the time of the original association takes effect six months after the right-holder has requested limitation of the mandate.

In the event of limitation of the organisation's mandate, the organisation will be entitled to charge an administrative fee in order to cover the additional expenses that may arise as a result of the limitation.

## **5. Association agreement**

A performing artist who has participated in a recording which is entitled to remuneration in accordance with the Copyright Act (SFS 1960:729) and whose collection lies within SAMI's area of administration has a right to enter into an association agreement with SAMI. That party must have mandated SAMI to collect such remuneration and must have approved the organisation's statutes and decisions that may have been made by the organisation and its board. The wording of the association agreement is established by the board. The agreement must be signed by the performer in person and must be returned to SAMI by ordinary mail or electronically.

To enable the association to be approved, SAMI must have received the necessary details to be able to identify the applicant in relation to the Swedish Tax Authority or other relevant Swedish or foreign authorities.

The performer must, upon application and also on an ongoing basis, provide SAMI with the requisite information and documentation about which recordings he or she has participated in.

## **6 Membership with voting rights**

A person wishing to join the organisation as a member with voting rights must, on the application form valid at any given time, submit to the board an application signed in his or her own hand. If the board approves the application, the member is accepted into the organisation and entered in the membership register. The member has the right to vote at the annual general meetings of SAMI.

In order to apply for membership with voting rights, the applicant must fulfil the following criteria:

- a) He or she must be an associate of SAMI in accordance with paragraph 5 and
- b) he or she must have received payment on two payment occasions and

c) he or she must be the holder of the rights him or herself

## **7. Shares**

Each member in accordance with section 6 participates in the organisation with a share of one (1) SEK. No member may participate in the organisation with more than one share. The share is paid by means of a deduction from the first settlement after the right-holder has been accepted as a member. Shares will not be refunded to members who leave or are excluded from SAMI.

## **8. Transfer and cancellation of membership**

Membership of SAMI is personal and is non-transferable. A member may leave SAMI by giving notice of termination of his or her membership in writing. A notice of termination signed in the member's own hand must be submitted to the organisation.

The member leaves the organisation six months after the member has given notice of withdrawal or has been excluded or another circumstance causing termination has occurred. A member who has left is entitled to have an association agreement.

If a member dies, the rights are transferred in full to the person or persons who, in accordance with the regulations on the right to marital property, inheritance or wills is or are entitled to the deceased member's estate. A deceased member's right-holder may not enter as a member in place of the deceased. Nevertheless, the administrative mandate that was issued will remain unchanged until otherwise agreed.

The applicable parts of the above provisions regarding transfer and notice of termination of membership apply in an equivalent manner to transfer and termination of association agreements.

## **9. Exclusion**

If a member is in breach of these statutes or his or her membership agreement or the particular regulations that apply to the organisation and thereby or otherwise causes damage to the organisation, he or she may be excluded from the organisation. The question of a member's exclusion according to the provisions hereof must be referred for a decision at an annual general meeting. In order to be valid, however, a decision on exclusion must be supported by at least three quarters of those voting.

## **10. Board of the organisation**

SAMI's board consists of eleven members and three deputies. The board's composition must consist of a reasonable and balanced representation of performing artists and must fully reflect the areas of activity of the performers that the organisation represents. Board members and deputies must be members of the organisation.

A board member's term of office lasts for a period of three years until an ordinary general meeting has been held during the third financial year. Four board members are appointed one year, four board members are appointed the year thereafter and three board members are appointed the year after that. A deputy's term of office lasts for one year until the next ordinary general meeting has been held.

The board appoints from among its members a Chairperson and a 1st and 2nd Vice-Chairperson and a Secretary from among its members or from other external persons.

The board is responsible for SAMI's organisation and the management of SAMI's affairs in accordance with these statutes.

The board has a right to make decisions on matters in accordance with section 5:5(2), paragraphs 3–5 of Act (2016:977) on the collective management of copyright.

The task of the board is also to supervise how the persons managing the activities fulfil their obligations. A Managing Director, who is appointed by the board, must be responsible for the day-to-day management.

The Chairperson must ensure that meetings are held whenever necessary. The board must be convened at the request of the Managing Director or an ordinary board member.

The board is quorate when at least six board members are present. The opinion in favour of which more than half the votes present are cast or, in the event of a tie, the opinion held by the Chairperson applies as the decision of the board.

### **11. Authorised signatories**

The organisation's signatories must consist, in addition to the board, of at least two board members or persons outside the board that have been appointed by the board acting jointly. However, the Managing Director signs alone on behalf of the company for day-to-day management.

### **12. Auditors**

For auditing the management of the board and the Managing Director and SAMI's annual report and accounts, the annual general meeting appoints three auditors, one of which must be an authorised public accountant, along with three personal deputies, of which one must be an authorised public accountant.

Elected auditors' term of office lasts for a period of two years until the annual general meeting has been held during the second financial year. One of the elected auditors is elected one year and one is elected the following year.

Authorised public accountants and deputies are elected annually.

### **13. Accounting**

For every accounting year, that is a calendar year, SAMI must provide an annual report. This, along with associated documents, must be submitted to the auditors no later than 1 March of the following year and they must issue an audit report for the annual general meeting for each accounting year. The audit report must be submitted to SAMI's board no later than three weeks before the annual general meeting.

### **14. Annual general meeting**

The annual general meeting is opened by the Chairperson of the board or, in his or her absence, by the person appointed by the board. The meeting then appoints a Chairperson, a Secretary, a member to check the minutes and any other officers of the meeting. Each member has one vote. The resolutions adopted by the annual general meeting consist of the opinion which has received more than half the votes cast or, in the event of a tie, the opinion held by the Chairperson. In the case of election of persons, the elected person is considered to be the person who has received the majority of the votes. In the event of a tie, the election is determined by drawing lots, unless otherwise decided by the annual general meeting before the election was held.

Voting takes place openly, unless any member requests voting by means of a secret ballot.

A member is entitled to have a matter discussed at an annual general meeting if the member puts forward his or her request in writing to the board in good time so the matter can be included in the summons to the annual general meeting. A person who has been excluded from the organisation is not entitled to have a matter discussed at the annual general meeting even if he or she has not yet left the organisation.

Associates who are not members have the right to attend the annual general meeting unless the meeting decides otherwise as an exceptional case.

A member's right with regard to the annual general meeting is exercised by the member in person or by a person who is the member's legal representative or through a proxy holding a written, dated power of attorney. The power of attorney is valid for one (1) annual general meeting. It must be made out to a particular person and the proxy must vote in accordance with the member's instructions. A proxy may represent no more than three members.

In order to participate in an annual general meeting, members must notify the SAMI secretariat of their or their representative's attendance before the meeting takes place in accordance with what is stated in the summons to the annual general meeting. The power of attorney must be submitted at the same time as the notice. Before the annual general meeting takes place, SAMI draws up a provisional voting list based on the notifications of participation received.

## **15. Annual General Meeting**

An annual general meeting must be held in Stockholm or at any temporary place as decided by the board, once a year during the period from April to June. The board must submit an annual report and audit report at this annual general meeting. Matters from persons other than the board must have been received by the board no later than 15 February in order to be admitted for discussion at the annual general meeting.

In addition to the other cases, which are referred for a decision by the annual general meeting, the following matters must be discussed:

1. Adoption of the income statement and balance sheet
2. Allocation of the organisation's profit or loss in accordance with the adopted balance sheet,
3. Grant of discharge from liability for the board members and the Managing Director
4. Election and removal of board members and deputies
5. Remuneration for each of the board members and the auditors
6. Election of auditors and personal deputies
7. Election of the nomination committee
  - a. Notices concerning Svenska Musikerförbundet [the Swedish Musicians' Union], Teaterförbundet för scen och film [the Swedish Union for Performing Arts and Film] and Sveriges Yrkesmusikerförbund [the Swedish Union for Professional Musicians] representatives on the nomination committee
  - b. Election of the annual general meeting's representatives on the nomination committee
8. Adoption of rules of procedure for the nomination committee

9. A general investment and risk management strategy for income from rights and any income deriving from invested income from rights
10. Where appropriate, allocation of funds to for cultural and educational purposes
11. Use of payments for cultural and educational purposes

## **16. Nomination committee**

The nomination committee consists of a minimum of three and a maximum of five members, who must be members of the organisation. The Swedish Musicians' Union, the Swedish Union for Performing Arts and Film and the Swedish Union of Professional Musicians are entitled to appoint one member each to the nomination committee. The others are elected at an annual general meeting. One of the members is the convenor. Members of the organisation's board or deputies cannot be members of the nomination committee.

In order to ensure fair and balanced representation of performing artists and to reflect the areas of activity of the performing artists' represented by the organisation, the Swedish Musicians' Union, the Swedish Union for performing Arts and Film and the Swedish Union of Professional Musicians, in their capacities as founders, are entitled to appoint two members each to the board.

Rules of procedure for the nomination committee are established by the annual general meeting according to a proposal from the board.

## **17. Notices and summons**

SAMI offers the represented right-holders the opportunity of electronic communication. Information about SAMI and its activities is available on the SAMI website.

Summons and other notices to the members are sent to the electronic address noted in the list of members as long as it is available and unless the Economic Associations Act requires ordinary mail to be used or the member has given notice that he or she prefers to receive summons by ordinary mail. Summons to an annual general meeting must be issued no earlier than six weeks and no later than four weeks before an annual general meeting and two weeks before an extraordinary meeting.

Summons to an extraordinary meeting may not be issued until the first meeting has been held. If an extraordinary meeting must discuss a matter relating to an amendment to the statutes, liquidation or merger, the rules on the notice period must nevertheless be the same as for summons to ordinary meetings.

## **18. Amendments to the statutes**

Decisions to amend the statutes are made by the annual general meeting. The decision is valid if all persons entitled to vote in SAMI have agreed to it. The decision is also valid if it has been made at two successive meetings and was supported at the later meeting by at least two thirds of those voting.

## **19. General principles on deductions from payments collected**

Each year, SAMI may make a deduction from payments collected for:

1. SAMI's costs for management during the year (management fees)
2. Costs for cultural and educational purposes at a maximum of 3% of the payments that are subject to so-called "allocation by analogy" of what remains after the administration costs have been deducted and taking into

consideration Chapter 8, section 2 of the Act on collective management of copyright.

## **20. General principles for allocation of payments collected in Sweden**

SAMI applies a points system for allocation of payments. The points system means that a rightsholder who has taken part in a recording is allocated a role-code which is scored in a particular way depending on the right-holder's contribution to the recording. Role codes and points are established in the organisation's rules for allocation. Changes to role codes and points must be approved by the annual general meeting.

SAMI must, as far as possible, allocate the payment according to the actual use, provided that it can be considered reasonable and cost-effective. If use reports are missing, are too imprecise or are otherwise considered by the organisation to be too costly to manage for a particular collection area, the organisation is entitled to apply what is referred to as "allocation by analogy".

The rules of procedure for amending SAMI's allocation rules are laid down in the policy on allocation decisions applicable at any given time.

## **21. General principles for use of payments that cannot be made**

Payments where the rightsholder cannot be located must, as a general rule, be reserved for ten years, calculated from the year in which the usage forming the basis for the payment took place and must thereafter be returned for distribution in accordance with the usage reports for that year.

The annual general meeting may decide that payments that have become subject to statute of limitation must be set aside wholly or in part for cultural and educational purposes after the ten-year period in accordance with the first paragraph has expired.

## **22. Retained earnings**

SAMI is non-profit making.

Any annual profits made by the organisation, after a statutory provision made to a reserve fund and after a provision for estimated taxes, must be transferred to a fund for retained earnings.

## **23. Liquidation**

A decision on liquidation of the organisation, in cases other than those contemplated in Chapter 11, sections 3 and 4 or section 19 of the Act on Economic Associations, are only valid if all the persons entitled to vote have agreed on the decision or if the decision has been made at two successive general meetings and was supported at the later meeting by at least two thirds of those voting.

Upon dissolution of the organisation, SAMI's retained assets must be allocated to SAMI's represented right-holders.