

# By-laws of the Association

## ALAI Česká republika

### Basic provisions

#### ARTICLE I NAME AND SEAT

1. A voluntary association named **ALAI Česká republika** (the “Association”) is hereby established in public interest.
2. The Association’s seat shall be in the municipality of Prague.

#### ARTICLE II MISSION, ACTIVITY AND DURATION OF THE ASSOCIATION

1. The Association is a learned society associating legal entities and individuals interested in the support and protection of authors’ and related rights.
2. The Association is a national section of the International Literary and Artistic Association ALAI (Association Littéraire et Artistique Internationale) established in Paris in 1878 (the „ALAI“). The Association adheres to the ALAI’s goals and follows the activities of forcibly dissolved Czechoslovak section of the ALAI in the years 1926-1939.
3. The Association’s mission is to contribute to achieving the common good, defend an adequate protection of authors in compliance with the ALAI’s goals and create conditions for an examination of the copyright issues, in particular through the following:
  - (a) monitoring of the national copyright legislation and pursuing its improvement;
  - (b) defence and promotion of international copyright protection;
  - (c) studying and comparison of national copyright laws, projects aimed at development, perfection or unification of these laws and recognition of legal protection of artistic production in all countries;
  - (d) improvement and extension of the application of international conventions relating to the copyright, in particular the Berne Convention, Universal Copyright Convention and copyright conventions administered by the World Intellectual Property Organisation, in particular through their revisions and drawing up of new international conventions pursuing the same goals and a high level of international harmonisation;
  - (e) participation in studies and activities of national and international organisations pursuing the same goals;
  - (f) professional support provided to legislative bodies, authorities, courts and international organisations in preparation of the copyright legislation and its implementation;
  - (g) organization of seminars and conferences and education in the field of copyright
4. The Association shall, wherever applicable, strive to ensure accomplishment of the above mentioned goals on the international level through ALAI or in cooperation therewith. A delegate of the Association in the executive of ALAI is a chairman of the Association, in case the Association shall appoint more

- delegates, the second delegate will be a vice-chairman of the Association and in case of other seats in the executive, the delegates will be elected by the Board of Trustees.
5. In order to achieve its mission, the Association shall carry on activities consisting in particular in providing the platform for meetings and discussions of its members and other persons interested in the copyright, organisation of educational events in the given field, preparation of opinions on copyright issues, publishing of copyright-related materials etc.
  6. The Association shall carry on its activity permanently and it is established for an indefinite period of time.

## **Membership**

### ARTICLE III FORMATION AND TERMINATION OF MEMBERSHIP, PASSAGE OF MEMBERSHIP

1. Individuals above 18 years and legal entities agreeing with the By-laws and the goals of the Association may become members of the Association.
2. Membership in the Association is voluntary and commences at the date of the decision of the Board of Trustees on adoption of a new member based on his application filed together with the recommendation of at least two of the current members of the Association. The membership in the Association equals membership in ALAI, on the conditions given under the internal regulations of ALAI.
3. The membership terminates in the following events:
  - a) delivery of a member's written notification of termination of his membership in the Association,
  - b) elapse of the time period to file a request to review the decision of the Board of Trustees to exclude a member or in case of a timely filed request on the date of decision of the Assembly of Members confirming the decision of the Board of Trustees to exclude the member ,
  - c) death of a member-individual or dissolution of a member-legal entity without a legal successor.
4. Membership of an individual is not heritable. Membership of a legal entity dissolved with a legal successor passes to such legal successor. For the avoidance of any doubt, a membership does not pass over to the assignee of a business or a part thereof in case of a sale of the business or a part thereof by a member of the Association (individual or legal entity) who is an undertaking.

### ARTICLE IV RIGHTS AND OBLIGATIONS OF MEMBERS

1. A member of the Association has in particular the following rights:
  - a) participate in the Association's activity and in the membership benefits,
  - b) participate, directly or indirectly, in the management and control of the Association's activity in compliance with these By-laws,
  - c) vote and be elected to the Association's bodies in compliance with these By-laws.
2. A member of the Association has in particular the following obligations:
  - a) observe these By-laws, further internal regulations and respect the decisions of the Assembly or the Supervisory Board,
  - b) actively participate in the accomplishment of the Association's goals,
  - c) follow and advocate the mission and the goals of the Association and ALAI and not to damage the interests and the reputation of the Association and

ALAI (for the avoidance of any doubt, a different legal opinion or the fact that he acts in the name or on behalf of persons with different interests during the performance of his professional duties of a counsel does not mean a breach of the member's obligations),

- d) hold diligently and duly the positions in the Association's bodies to which he was elected.

#### ARTICLE IVA LIST OF MEMBERS

1. The association maintains the list of members. Records or deletions are performed by the chairman or with his/her consent by a person determined by him/her.
2. The list of members is publicly available on the website of the Association. It is presumed that members of the Association agree with the publication of their membership. A member who does not agree with the publication of the membership is required to inform the Association.

### **Organisation of the Association**

#### ARTICLE V BODIES OF THE ASSOCIATION

1. The Association has the following bodies:
  - a) Assembly of Members,
  - b) Board of Trustees,
  - c) Supervisory Board
  - d) other bodies if these are established by the Assembly that will in this case determine their competence and powers.

#### ARTICLE VI ASSEMBLY

1. The Assembly is the supreme body of the Association and is formed by all of its members.
2. The Assembly meeting is not open to public unless the Assembly decides otherwise. The Assembly is chaired by the chairman of the Association and in his/her absence by a person elected by the Assembly of Members.
3. The Assembly decides on the following issues:
  - a) changes of the By-laws,
  - b) appointment and removal of members of the Board of Trustees and the Supervisory Board or members of other bodies of the Association appointed in accordance with Article V. (1) d) of the By-laws,
  - c) dissolution of the Association and the method of settlement of its property and obligations or its merger with other entity under the conditions given by the laws,
  - d) the other issues if the laws or these By-laws expressly place them in its competence.
4. The Assembly meeting constitutes a quorum regardless of the number of the present members and decides by a simple majority of the present members unless these By-laws states otherwise. Decisions under Article VI.(3)(a),(b),(c) require a two-third majority of the members present at the meeting of the Assembly.
5. A member of the Association may be represented at the Assembly meeting by any other member of the Association on the basis of a power of attorney.
6. A meeting of the Assembly is held once a year and it is convened by any member of the Board of Trustees at least 7 days before the meeting is held by an invitation send by mail or electronic mail to the address of all members of the Association,

always to the address of the member registered by the Board of Trustees; the Board of Trustees shall always convene the meeting if it is requested by at least one third of the members. The invitation shall state the time of the meeting and usually the agenda of the meeting and the place of the meeting; if the place of the meeting is not mentioned, it shall be understood that the meeting will be held in the registered office of the Association. The agenda of the meeting may be changed on the Assembly meeting if approved by a simple majority of present members; the issues under para. 3 lit. c) cannot be added to the agenda of the meeting in this way.

7. The meeting of the Assembly may be held through a long-distance communication (videoconference, telebridge etc.), if the minutes of the meeting are then signed by all the participating members of the Association.
8. The Board of Trustees may ask the members to express their opinions on a certain issue electronically (e.g. by voting through an electronic form) and determine a term for expressing their opinion. The opinion shall be adopted by a simple majority of the voting members unless the Board of Trustees states otherwise, at least half of all members have to give an opinion on the resolution. The decisions under section 3 letters a), b) a c) cannot be decided in this way.
9. The Assembly may adopt its rules of procedure if it considers it appropriate.

#### ARTICLE VII BOARD OF TRUSTEES

1. The Board of Trustees is the executive body of the Association that reports to the Assembly. The Board of Trustees manages the activity of the Association. The members of the Board of Trustees may be only the persons with no criminal record.
2. The Board of Trustees has five members. A member of the Board of Trustees may be represented at the meeting of the Board of Trustees by any other member of the Board of Trustees based on a power of attorney.
3. A person becomes a member of the Board of Trustees when elected by the Assembly. If the number of the members of the Board of Trustees drops to less than three, the Board of Trustees shall convene a meeting of the Assembly within six months; the remaining member(s) of the Board of Trustees exercise all powers of the Board of Trustees till the election of a new member of the Board of Trustees. If there is no member of the Board of Trustees, any member of the Association shall convene the meeting of the Assembly; the regulations governing the notification of meetings shall apply accordingly.
4. The members of the Board of Trustees shall be elected for the term of 5 years; once the term of his office expires, a member of the Board of Trustees shall remain in the office till the next meeting of the Assembly. A member of the Board of Trustees may be elected to the office repeatedly.
5. A member of the Board of Trustees may resign from his office; once he resigns from his office of a member of the Supervisory Board, his office of the chairman or vice-chairman of the Association terminates as well. The resignation shall be effective by the expiration of two months from the day of delivery of the notification of resignation to the Association. A member of the Board of Trustees may be removed from his office by the Assembly by the majority of all members of the Association.
6. The Board of Trustees shall meet at the application of any member (usually the chairman of the Association) sent by mail or electronic mail, however, at least once a year. If the Board of Trustees has not met for more than a year, any

- member of the Association shall be entitled to convene the Assembly; the regulations governing notifications of meetings shall apply accordingly.
7. A meeting of the Board of Trustees is not open to public unless the Board of Trustees decides otherwise.
  8. The Board of Trustees decides by the simple majority of the present members of the Board of Trustees on all matters which have not been expressly reserved for the Assembly. The meeting of a Board of Trustees constitutes a quorum when absolute majority of the members of the Board of Trustees is present. The Board of Trustees performs in particular the following:
    - a) executes the decisions of the Assembly,
    - b) approves the Annual report or report on the Association's activity submitted annually to the Assembly at its meeting,
    - c) prepares or has prepared the financial statement,
    - d) approves the financial statement, decides on the distribution of profit and payment of losses,
    - e) decides on creation of the Association's funds and on the method of their creation and drawdown,
    - f) convenes and prepares the meetings of the Assembly,
    - g) decides on adoption of a member,
    - h) decides on introduction or cancellation of the obligation to pay membership fees and on their amount, provided that unless the Board of Trustees states otherwise in its decision, the membership fees shall be payable by 30 March of the calendar year for which they are paid,
    - i) decides on exclusion of a member who breached the By-laws, is in delay with payment of the membership fee despite a notification of this fact or has been unappealably convicted for an intentional crime, excluded member may, within 15 days, request a review of the decision by the Assembly of Members by the request delivered to the Association.
    - j) submits to the Assembly draft amendments to the By-laws, applications for dissolution of the Association as well as any other applications and proposals.
  9. The Board of Trustees may submit a decision on any issue to the Assembly.
  10. A meeting of the Board of Trustees may be held through a long-distance communication (videoconference, telebridge etc.), if the minutes of the meeting are then signed by all the participating members of the Supervisory Board. The Board of Trustees may decide also per rollam in a way that any member of the Board of Trustees submits a draft decision to the members of the Board of Trustees for their comments and advices them of the term in which they should provide their written or electronic statement – if they do not provide a statement within such term, their votes will not be included in counting the quorum, at least half of the members of the Board of Trustees have to give an opinion on the resolution

#### ARTICLE VIII CHAIRMAN AND VICE-CHAIRMAN

1. The Board of Trustees elects a chairman and a vice-chairman of the Association from among its members who remain members of the Supervisory Board.
2. The chairman of the Association is an individual authorized representative and represents the Association towards third parties. If the chairman of the Association is not present or if there is an obstacle preventing him from holding

the office, the vice-chairman of the Association may act on behalf of the Association towards third parties.

3. The chairman and the vice-chairman may resign from their office by a written notice addressed to the Board of Trustees or by a declaration made at the meeting of the Board of Trustees. The resignation is effective by the expiration of two months from the date of the notification of resignation to the Association. Their membership in the Board of Trustees does not expire.

#### ARTICLE VIII A SUPERVISORY BOARD

1. The Supervisory Board is a controlling body of the Association. The supervisory board consists of 3 members elected by the Assembly of Members for the same term of office as the members of the Board of Trustees.
2. A member of the Supervisory Board may not be the member of the Board of Trustees or a liquidator or a person closed to them. It may not even be a person in employment or similar relationship to the Association. The member of the Supervisory board may be only a person with no criminal record.
3. The Supervisory Board oversees the activities of the Board of Trustees and verify the Annual report and the final financial statement and give report on its findings to the Assembly of Members and to the Board of Trustees. The members of the Board of Trustees are obliged to provide the members of the Supervisory Board with the necessary cooperation and allow them the access to business and accounting books.
4. A member of the Supervisory Board may resign from his office by a written resignation addressed to the Association or by a declaration made at the Assembly meeting. The resignation shall be effective by the expiration of two months from the day of delivery of the notification of resignation to the Association.
5. A member of the Supervisory Board may be removed from his office by the Assembly by the majority of all members of the Association.

### **Management principles**

#### ARTICLE IX FINANCIAL YEAR, FINANCIAL STATEMENT AND ANNUAL REPORT

1. The financial year equals the calendar year.
2. The Association shall keep the books of accounts in the determined way and in compliance with the legal regulations. The Board of Trustees is responsible for due keeping of the books.
3. The Board of Trustees shall ensure a timely preparation of the ordinary financial statement and the annual report upon termination of the financial year. The financial statement together with the application for coverage of losses shall be approved by the Board of Trustees.
4. The financial statement shall be prepared in a way complying with the applicable legal regulations and the principles of due book-keeping such as to reflect fully the property and financial situation of the Association and the achieved profit or loss incurred in the past financial year.
5. The Association reports costs and revenues (profits and expenses) associated with public mission activities and other activities and its own administration separately. Such information shall be included in the annual report.

#### ARTICLE X ASSOCIATION'S MANAGEMENT

1. The association effectively utilizes its assets to public mission purposes in accordance with its mission.
2. The Association pays for its needs and costs from the income formed in particular of the membership fees, donations received and grants obtained.
3. The Association may operate a secondary business activity in the extent such as publishing, organisation of seminars and training, production and distribution of audio and audio-visual recordings, wholesale and retail, advisory and consulting activity, advertising activity, professional translating or interpreting or organisation of cultural events. The Association does not divide the profit, but the incomes from the secondary business activity uses only to support the major activity of the Association.
4. The Association shall not establish subsidiary associations.

#### **Termination of the Association and property settlement**

#### ARTICLE XI TERMINATION OF THE ASSOCIATION

1. The Association terminates by a voluntary dissolution or in other ways specified by the laws or these By-laws.

#### ARTICLE XII PROPERTY SETTLEMENT

1. The property of the Association shall be settled upon termination of the Association.
2. The property issues shall be settled by the liquidator called by the Board of Trustees.
3. The Association will not pay to the member, whose membership terminated, any settlement share nor any liquidation share to any member. A liquidator is obliged to offer a liquidation balance to a legal person with the publicly beneficial status in the field of culture or copyright.

#### **Final provisions**

#### ARTICLE XIII EFFECTIVENESS OF THE BY-LAWS

1. This By-laws becomes effective on 1 January 2015 and completely replaces the By-laws of 14 March 2013 registered by the Ministry of the Interior on 16 April 2013.

#### ARTICLE XIV TEMPORARY PROVISIONS TO THE BY-LAWS OF 14 MARCH 2013

1. The first session of the founding members of the Association shall be convened by the preparatory committee within one month from the registration of the Association.
2. The founding members become members of the Association upon its formation.
3. The founding members established a preparatory committee composed of Rudolf Leška, Jakub Menčl, Petra Žikovská.
4. List of the founding members:
  - a) Zuzana Císařová
  - b) Jiří Čermák
  - c) Adéla Faladová
  - d) Rudolf Leška
  - e) Jakub Menčl

- f) Petr Ostrouchov
- g) Kateřina Štechová
- h) Petra Žikovská

ARTICLE XV TEMPORARY PROVISIONS TO THE BY-LAWS OF 16 APRIL 2013

1. In case ALAI decides that disagrees with the By-laws of the Association as approved by the Assembly of Members, the new wording of the by-laws shall be disregarded (resolutive condition). In such case, the Board of trustees shall prepare and submit a new draft of by-laws for the upcoming meeting of the Assembly of Members.

Approved at the meeting of the Assembly of Members on 16 December 2014.