

## AUDIOVISUAL LICENSING ALLIANCE (AVLA) LIMITED

### CODE OF CONDUCT

*This code was approved and adopted by the Members of Audiovisual Licensing Alliance (AVLA) Limited (“AVLA”) on 21 November 2022 and it comes into effect on the same date.*

#### 1. INTRODUCTION AND PURPOSE OF THIS CODE

This is the code of conduct for Audiovisual Licensing Alliance (AVLA) Limited (“AVLA”). AVLA is a not-for-profit company based in the UK, which operates a licensing scheme (“AVLA Licence”) on behalf of its members (“Members”) who themselves are organisations representing rightholders in audiovisual works, such as films, series and TV programmes (**Rightholders**”).

AVLA’s mission is to establish and administer the AVLA Licence within the United Kingdom to license the transmission of audio-visual works for the benefit of the Rightholders who its Members represent, and to offer simple, cost-effective and efficient licences to users of audio-visual works that allow them to license the rights of multiple types of Rightholder at the same time.

AVLA has adopted this Code of Conduct to ensure that its conduct in representing its Members and third parties with whom it conducts its activities is in accordance with the Collective Management of Copyright (EU Directive) Regulations 2016 (“**2016 Regulations**”) and the 2014 European Union Directive concerning the collective management of copyright and related rights. The purpose of this Code of Conduct is to:-

- identify the rules governing AVLA’s governance structure, licensing arrangements, collection of licensing fees, distribution practices and administration charges;
- provide for transparency in relation AVLA’s licensing tariffs;
- explain the mandates given to AVLA by its members;
- clarify service levels provided by AVLA for its members and licensees;
- clarify complaints and disputes procedures for its members and licensees.

In this Code “**Act**” means the Copyright, Designs and Patents Act 1988 (as amended).

Nothing in the Code replaces or overrides what is set out in the AVLA’s Articles of Association, Membership Agreements or the AVLA Licence.

## 2. ABOUT AVLA

AVLA is a not-for-profit organisation created, owned and controlled by its Members, who themselves represent rightholders in audiovisual works.

Its Members are the following organisations who all represent different categories of Rightholders who have given those Members the right to represent their rights in audio-visual works:

- (i) **Association De Gestion Internationale Collective Des Oeuvres Audiovisuelles (“AGICOA”)**, a non-profit company representing producers, established and existing under the laws of Switzerland, at 1 Rue Pestalozzi, CH-1202 Geneva, Switzerland, and registered with the Chamber of Commerce under the number CH-660.0.184.984-7.
- (ii) **Authors’ Licensing and Collecting Society Limited (“ALCS”)**, a non-profit company representing writers, established and existing under the laws of England and Wales with company number 01310636 whose registered office is at 6th Floor International House, 1 St. Katharine's Way, London, E1W 1UN, United Kingdom.
- (iii) **Directors UK Limited (“Directors UK”)**, a non-profit company representing directors, established and existing under the laws of England and Wales with company number 02685120 whose registered office is at 4th Floor, 20-22 Stukeley Street, London, England WC2B 5LR.
- (iv) **British Equity Collecting Society Limited (“BECS”)**, a non-profit company representing audio-visual performers (such as actors, singers, dancers and stunt people appearing in films and TV programmes), established and existing under the laws of England and Wales with company number 03547531 whose registered office is at Plouviez House, 19-20 Hatton Place, London, England EC1N 8RU.
- (v) **Design and Artists Copyright Society (“DACS”)**, a non-profit company representing visual artists, established and existing under the laws of England and Wales with company number 01780482 whose registered office is at 33 Old Bethnal Green Road, London, England E2 6AA.
- (vi) **PICSEL Ltd (“PICSEL”)**, a non-profit company representing visual artists, established and existing under the laws of England and Wales under company number 09899186 whose registered office is at Amelia House, Crescent Road, Worthing, England BN11 1QR.

Any society, guild, association, company or other body (including a collective management organisation) is eligible to join AVLA as long as it represents a substantial number of Rightholders whose rights are relevant to the uses authorised in the AVLA Licences. Admission to membership requires a positive vote of the board of directors of a majority of at least 75%.

An existing member may leave AVLA upon 3 months written notice provided that their rights remain within existing annual licences until the end of that calendar year.

Under mandates from its Members (which, in turn, reflect the mandates to those Members from their respective Rightholders), AVLA has created the AVLA Licence under which it licences the non-exclusive communication to the public right in relevant audiovisual works (“**AVLA Repertoire**”) by way of the distribution of TV channels within hotels (including bed and breakfast businesses, motels and other serviced accommodation). The advantage to licensees is that instead of having to license rights separately from each category of Rightholder, they can license them collectively in a simple, fair and efficient way.

Once licence fees are collected, AVLA is committed to ensure that the only deductions taken from them are the reasonable costs of setting up and managing AVLA and that the balance of that income is distributed equitably, efficiently and in a transparent manner to Members. Members are then responsible for onward distribution to Rightholders in accordance with their own distribution rules and policies.

### **3. AVLA’s VALUES**

AVLA operates to be:

Efficient  
Responsive  
Accessible  
Trusted  
Transparent  
Collaborative  
Fair

### **4. LICENCE INFORMATION**

**Under the AVLA Licence:**

- Hotels (including bed and breakfast businesses, motels and other serviced accommodation) can communicate the AVLA Repertoire via the distribution of TV channels within their bedrooms.
- They also have the option to extend the licence to TVs within the public areas of their establishments such as, for example, the hotel’s restaurant, bar or gym.
- The AVLA Licence covers the simultaneous, continuous linear distribution of the AVLA Repertoire within TV channels, and in certain cases also ancillary services such as catch-up services, shifted view and pause and resume. However, it does not cover on demand, pay per view or subscription services.
- Fees are calculated on a calendar year basis (but based on the licensee’s period of operation) and are based on a transparent tariff which is published on AVLA’s website.

- The Licence automatically renews unless terminated by the licensee upon at least 60 days notice.

You can find a copy of the AVLA Licence at AVLA's website.

## **5. MANDATES**

Any Rightholder who is a member of one of AVLA's Member organisations is eligible to mandate that Member organisation to give AVLA a mandate to issue hotels, bed and breakfast businesses, motels and other serviced accommodation with a licence under which their rights in relation to audio-visual works are included in the AVLA Licence.

## **6. LICENSEES**

An AVLA Licence may be acquired via AVLA's online platform by any proprietor or manager of a hotel, bed and breakfast businesses, motels and other serviced accommodation that is based within the United Kingdom.

## **7. DISTRIBUTIONS & CHARGES**

AVLA is committed to operating a policy for the distribution of revenues from its licensing activities that is fair and that reflects the commercial contribution made to the AVLA Repertoire by the different categories of Rightholders whose rights are being licensed.

AVLA's board establishes its distribution rules, annual distribution plan and the scheduling of its distribution, all of which are set in accordance with a distribution policy approved by its Members (you can find a copy at the website of AVLA).

The only authorised deductions from the revenues collected by AVLA from the AVLA Licence are AVLA's reasonable and necessary running costs (including reserves to meet future running costs) and, in the early stages of AVLA, the reimbursement of sums that have been paid by AVLA Members to establish AVLA for the benefit of their respective Rightholders. The amounts deducted from revenues to cover running costs are decided by its Members following the recommendation of the board of directors and are established on the basis of the minimum amount that is compatible with AVLA's ability to meet its operational objectives.

## **8. GOVERNANCE**

AVLA is a non-profit company limited by guarantee and its constitution is set out in its articles of association ("**Articles**") can be found on AVLA's website . AVLA's main decision-making bodies are its board of directors and the Members within the General Assembly.

### Board of Directors

Reflecting a fair balance between the categories of Rightholder mandates provided by the AVLA members, the board of directors consists of the following, who are appointed by the relevant Member organisations:

- (a) four directors representing producers;
- (b) one director representing authors;
- (c) one director representing performers;
- (d) one director representing directors; and
- (e) one director representing visual artists.

The board of directors meets quarterly and is responsible for the management of AVLA. Subject to any requirements within the 2016 Regulations for Members' approval, the directors can decide the terms and conditions of the membership agreement, the distribution policy, the terms of AVLA licences and other matters relating to these fundamentals of the organisation. It also sets the dispute resolution procedure.

The AVLA board meets regularly to discuss strategy, policy and operational issues. It decides matters either by consensus or a majority vote except that for certain key decisions, a majority of more than 75% of the directors present is required. These decisions are; (i) admitting a new Member or deciding that an existing Member no longer meets the membership criteria; (ii) setting the terms of an AVLA Licence; (iii) approving budgets; (iv) commencing, or settling litigation; (v) taking out any loan or providing security for a loan; (vi) acquiring or disposing of land or immovable property and (vii) adopting or changing policies. Each Member organisation can also appoint up to two observers who can attend board meetings and participate in the discussion but who may not vote.

#### General Assembly of Members

The Members have the right to attend the Annual General Assembly, and other General Assemblies may be called if there are interim matters that require the decision of Members. No quorum is required for the General Assembly and, unless a special resolution is required either under the Articles or the Act, decisions are taken by a simple majority via the application of the Members' respective voting powers. These are set out in the Articles of Association.

Members' approval is required for (i) distribution policy issues bearing on the shares relating to the different categories of Rightholders; (ii) deductions from licence revenue; (iii) investment of revenue policy issues, (iv) use of non-distributable amounts issues; (v) membership terms and conditions; (vi) changes to the Articles or membership agreement or membership categories; (vii) changes to the uses of the AVLA Repertoire authorised under the AVLA Licences; (viii) changes to the risk management policy.

## **9. SERVICE STANDARDS**

AVLA is a small organisation. If you wish to contact us, please send us an email or letter we will try to respond to you fully within three working days. In some circumstances this may not be possible. If that is the case, we will let you know and we will give you an estimate of when a full answer can be given.

## **10. DATA**

AVLA takes the privacy of its licensees, its Members and their respective Rightsholders extremely seriously. Any personal data is used only for AVLA's legitimate business operations, is held securely and is only made accessible to authorised personnel in accordance with the AVLA Privacy Policy. The Privacy Policy is posted on AVLA's website and may be updated from time to time.

## **11. COMPLAINTS PROCEDURE**

AVLA views complaints as an opportunity to learn and improve for the future, as well as a chance to put things right for the person (or organisation) who has made the complaint. Our policy is:

- To provide a clear, usable policy for parties wishing to complain;
- To properly identify formal complaints;
- To make sure that AVLA officers and board members know what to do in the event of a complaint;
- To ensure that complaints are investigated fairly and in a timely way;
- To respect the confidentiality of information received during the course of a complaint
- To resolve complaints, wherever possible;
- To gather information that helps us to improve what we do.

Our Complaints Policy and Procedure can be found on AVLA's website.

## **12. CONTACT DETAILS**

Secretariat- Audiovisual Licensing Alliance (AVLA) Limited c/o ALCS, 6th Floor International House, 1 St. Katharine's Way, London E1W 1UN, United Kingdom

secretariat@avla.uk

## **13. TRANSPARENCY REPORTS**

For additional information, copies of AVLA's annual transparency reports are available on the AVLA website.