

CODE OF CONDUCT

AUTHORS' LICENSING & COLLECTING SOCIETY (ALCS)

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1. Background to this code

This Code of Conduct has been drafted in accordance with the British Copyright Council's Principles for Collective Management Organisations' Codes of Conduct. Subsequent changes to this code may be made in response to member feedback or as a result of regulatory reforms affecting this sector.

The ALCS Code of Conduct sets out what Members can expect from the services we provide. It also provides details of the steps that members can take if our service does not meet their expectations.

This code sets out the standards ALCS seeks to maintain in the performance of its role. As a private company incorporated in the UK, ALCS is bound by laws and regulations applicable to such entities. As a collective rights management organisation, ALCS is also bound by The Collective Management of Copyright (EU Directive) Regulations 2016.

2. Introduction to ALCS

ALCS is an organisation committed to protecting and promoting the rights and interests of writers. Our primary objective is to ensure that writers receive fair payment for various uses of their work. ALCS collects and distributes fees for writers in the UK and overseas in cases where collective management is the only, or most effective, means of administering certain rights in writers' works.

ALCS is a private company limited by guarantee, run on a not-for-profit basis. ALCS is run by writers, for writers.

3. What we do

ALCS administers rights in respect of literary and dramatic copyright works, protected under the Copyright, Designs and Patents Act (1988). ALCS provides various third parties with the authority to exploit writers' works in situations where licensing and monitoring usage on an individual basis is impractical. The resulting fees are then allocated and distributed to writers by ALCS.

In the UK, such authorisations are primarily granted through ALCS membership of agencies providing licences to different sectors. Books, journals and other text-based content are licensed through the Copyright Licensing Agency (CLA) (www.cla.co.uk) for use in business, education and the public sector.

The use of TV and radio programmes in the education sector is licensed through the Educational Recording Agency (ERA) (www.era.org.uk). Beyond the UK, ALCS has partnerships with author societies and rights management organisations across the world facilitating collections from the exploitation of UK works in more than 40 countries. Further details of these income sources can be found at www.alcs.co.uk.

To ensure that it is acting in the best interest of its members as a whole, ALCS will:

- Operate within the mandates granted to us by members and always consult members on proposed changes to those mandates;
- Obtain members' approval for any proposed changes to the distribution rules;
- Provide clear documentation accompanying all fees distributed to members;
- Operate a governance structure in which members play a central role;
- Deal with members in a professional and courteous manner;
- Seek the views of members on how ALCS services could be improved or enhanced.

4. Membership and mandates

Membership of ALCS is open to any writer (Ordinary Member) or the heir(s) of a deceased writer (Successor Member). ALCS is committed to treating its members in a fair and impartial manner.

In order to join ALCS as an Ordinary Member you may either apply online using our online application tool (currently only available to UK residents), or download a paper application form. Both options can be accessed by visiting the 'Join' section of the ALCS website (www.alcs.co.uk/join). (We will send paper application forms by post, on request).

Applicants for Successor Membership are required to download a paper application form from the ALCS website. Applicants for Successor Membership must provide proof of their entitlement to receive revenue from the estate of the deceased writer as directed on the application form.

By signing the membership application form, writers authorise ALCS to exploit certain rights in their works on a collective basis, however this does not constitute a formal, legal assignment of the rights. A 'plain English' description of these rights with some examples of how they are exploited in practice is available on our website. Members will be consulted on any proposals involving material changes to the operation of their mandates. Further information on the scope and application of the mandate can be found by contacting the Rights and Licensing Department (see section 10).

Members who wish to exclude their works from certain schemes can do so by contacting our Distribution and Membership Department (see Section 10).

Members wishing to resign their ALCS membership may do so by providing written notice to the ALCS Board of Directors using the contact details provided in Section 10.

ALCS authorisations apply to high-volume, blanket licensing schemes designed to collectively protect the rights of writers and other rightsholders in situations where licensing and monitoring usage on an individual basis is impractical. Where licensed copying data includes the work(s) of a writer who is not an ALCS member, ALCS offers membership to that writer. Should the writer decline the offer of membership, any applicable fees are paid and notifications are sent to exclude their works from the licence schemes. In its dealings with such writers, ALCS will apply the same service levels as it does to existing members under this Code.

5. Distributions

Revenue collected on behalf of writers is allocated to individual member accounts based on the usage data supplied when the source payments are made to ALCS or through information acquired from external suppliers. Allocated fees are paid out in distributions during February/March and August/September. In certain specific circumstances, it is possible to distribute royalties to individual members outside of these scheduled distributions on receipt of a written request to the Distributions and Membership department (see Section 10). Writers can receive distribution income directly or through their nominated agent by choosing this option on the application for membership form.

In accordance with Regulation 11 (Deductions) of The Collective Management of Copyright (EU Directive) Regulations 2016, every member's payment is accompanied by a statement detailing the fees paid in respect of each income source, the licence period to which the fees relate and the level of any deductions, including adjustments for UK taxes where appropriate. A list of distribution FAQs and contact details for queries to relevant departments can be found on our website (www.alcs.co.uk).

ALCS works with partner organisations to try to secure the best available data to inform distributions. In cases where the data is restricted or incomplete, policies apply for reallocation and distribution. The Distribution and Membership Committee is responsible for recommending these policies to the Board. Further details of all committees can be found in Section 7.

Policies recommended by the Distribution and Membership Committee and approved by the Board are incorporated within a set of Distribution Rules. In accordance with the Collective Management of Copyright (EU Directive) Regulations 2016, these Rules are subject to the approval of the members in a General Meeting. The Rules are published on our website (www.alcs.co.uk/rules).

6. Charges

Lifetime membership of ALCS costs £36. This is a one-off payment deducted from each member's first distribution payment. No up-front payments are required. Currently, free membership of ALCS is offered to members of the Society of Authors, Writers' Guild of Great Britain, National Union of Journalists, Chartered Institute of Journalists and British Association of Journalists.

The ALCS operation is financed primarily by commission on distributed fees. Commission is charged at the point of distribution, not collection. The current rate of commission is 9.5%.

As a not-for-profit organisation run for the benefit of its members, ALCS aims to keep operational costs at a minimum and so maximise returns to writers. In line with this policy, any surplus funds at the financial year-end (including any sums in respect of interest accumulated pending distribution) are returned to members in the following year. As a result of this policy, the actual commission charged to Members is typically lower than the headline rate.

7. Governance

ALCS is governed by a Board of Directors numbering between 9 and 11 of whom the majority must always be members elected by the membership. In accordance with Regulation 7 of the Collective Management of Copyright (EU Directive) Regulations 2016 all appointments to the Board are subject to the approval of the members. The Board of Directors appoints the Chair. The Chief Executive Officer (CEO) also has a seat on the Board.

Members can apply for a seat on the Board when vacancies arise. Details of any vacancies and procedures for applications and elections will be provided to members prior to each Annual General Meeting of the company. The Board has sub-committees comprised of board members, executive officers and, in some cases, external observers. Where necessary and appropriate the committees seek external information and professional advice to inform decision-making in a particular area. The Board currently has the following sub-committees:

- The Distributions and Membership Committee is responsible for reviewing ALCS distribution policies and for proposing developments and changes as well as reviewing services to members.
- The Finance and Audit Committee is responsible for monitoring the financial management and performance of the company and in addition advising the executive and Board on financial strategy including investment policies.
- The Nominations Committee is responsible for approving appointments to committees.
- The Remuneration Committee is responsible for reviewing remuneration policy.

All members receive an invitation to the ALCS Annual General Meeting (AGM).

The following matters are dealt with at the AGM:

- A report and review of the past year;
- Presentation of the Annual Report and Directors' Report and Financial statements;
- Consideration of any changes to the company's Memorandum and Articles of Association or Rules;
- Announcement of Board elections, where necessary;
- Other special business such as proposed changes to membership terms/ mandates or significant changes to licensing schemes or distribution/ collection processes.

Each member has a vote at the AGM on each resolution. Members who are not able to attend may vote by proxy. ALCS recognises that many members do not live within easy access of London, and we aim to hold our AGM outside London regularly. We also try to ensure that all ALCS events are held in buildings which are accessible to people with disabilities.

The ALCS Articles of Association also grant members the right to require the Board to convene a General Meeting under Section 303 of the Companies Act.

Regulation includes the following information: the audited accounts for the preceding financial year, a summary of key operational developments, a list of serving directors and their remuneration, a Corporate Social Responsibility report, a statement on compliance with this Code.

In addition to the Annual Report, the following documents are also published on our website (www.alcs.co.uk/downloads):

- the company Memorandum and Articles of Association;
- the Distribution Rules;
- the BCC Principles for Collective Management Organisations' Codes of Conduct.

8. Information provided by Members

To assist ALCS in maximising returns to members and operating efficient distribution processes, we need to know certain information from our members such as addresses, bank details and information about their works.

Books and scripts can be registered via the members' area of the ALCS website (www.alcs.co.uk) or by downloading a form and posting it to us at the ALCS Freepost address:

ALCS

Freepost RTSH-JHGL-JTYZ
1st Floor, Barnard's Inn
86 Fetter Lane
London
EC4A 1EN

For work appearing in journals, magazines and other periodicals, Members need to 'claim' for any articles they have had published within the last three years.

Claims can be submitted via the Members' area of the website or by downloading a form from www.alcs.co.uk.

ALCS will from time to time share details of works and authors with partner collective rights management organisations in order to collect fees for the use of members' works overseas. We will only share these details where an agreement has been signed between the two parties regulating processes for data exchange.

ALCS will always apply due care in dealing with any information provided by its members; details of our data protection, privacy and security policies can be found at www.alcs.co.uk.

ALCS enables members to view and amend all aspects of personal information relating to them held on our database. This can be done by registering for the secure members' area of the website.

ALCS is always seeking to improve its service. Please use the contact details in Section 10 to provide any feedback or suggestions. We also hold regular focus groups for members around the country, details of which can be obtained by contacting the Communications Department.

9. Complaints

ALCS is committed to providing an efficient and courteous service to the writers it represents and will provide the necessary staff training to deliver this commitment.

However, should you wish to register a formal complaint about the service you have received from ALCS, in the first instance please address the matter to the relevant department using the contacts list in section 10, providing an outline of the complaint and your contact details.

Any such complaints will be acknowledged within 5 working days providing information as to the steps that are being taken. Not more than 10 working days from the original registration of the complaint a response will be provided by the manager responsible for the relevant department which will either:

- (i) set out in writing the outcome of the investigation into the complaint, or
- (ii) request further information and/ or time to investigate a more detailed issue.

In all circumstances you will be kept informed of the process and timetable.

If you are dissatisfied with the outcome of the review by the manager you may refer the matter to the CEO. If you are still dissatisfied, a further review by the Chair is available. At each stage of the process the reasoning for the decision made will be clearly communicated to the complainant.

ALCS will provide access to an independent, external review process free of charge through the Copyright Licensing Ombudsman, for complaints that remain unresolved following this internal process (www.ombudsman-services.org). Where ALCS has communicated to you its final position regarding the complaint, you have 6 months from the communication to refer the matter to the Ombudsman. In any event, you are entitled to refer an unresolved complaint to the Ombudsman when 8 weeks have elapsed since the complaint was first communicated to ALCS. ALCS will provide you with full details of the referral process.

Following an investigation, the Ombudsman will communicate their decision to you and to ALCS, with a recommendation to the ALCS Board regarding any steps necessary for resolving or otherwise addressing the complaint. Within 28 days of receiving notice of the Ombudsman's decision, ALCS will provide a formal response to you which shall set out, where appropriate, the measures to be taken in response to a recommendation by the Ombudsman.

The Copyright Licensing Ombudsman cannot deal with complaints relating to commercial decisions or other policy matters determined by the ALCS Board.

10. Contacting ALCS

In all contacts with ALCS you can expect our staff to be courteous and professional and to know and understand the contents of this code.

Contacts list for different departments:

- Membership – Colette Scourse
- Distributions – Alan Smith
- Rights and Licensing – Richard Combes
- Communications – Alison Baxter
- Finance – Mark Bispham
- HR – Barbara Hayes

A list of common queries and links to the relevant department can be found on our website www.alcs.co.uk. Our office hours are: 9am – 5.15pm. An answering service operates for out of hours contacts. Phones will be answered within 90 seconds; if the person you are trying to contact is unavailable, their voicemail will prompt you to leave a message. Messages and other correspondence will be responded to within a reasonable timescale and in any event within 14 days of receipt. Our staff can provide information, assistance and advice on matters relating to ALCS membership, operations and distribution payments. Please note we are not able to provide general legal and financial advice.

You can contact us by telephone, post or by email:

T: +44 (0)20 7264 5700
E: alcs@alcs.co.uk
P: 1st Floor, Barnard's Inn, 86 Fetter Lane, London EC4A 1EN

11. Communications

We aim to communicate by electronic means wherever possible in line with our environmental policy.

12. Code review

ALCS will ensure that the administrative requirements for upholding this Code of Conduct are met and that compliance in meeting the obligations conferred by this Code of Conduct is monitored as part of the company's internal audit process.

The ALCS Code will be reviewed annually with a compliance statement included in our Annual Report.

ALCS will co-operate with any third party duly appointed to oversee, review and report on the application and operation of codes of conduct in the collective rights management sector.

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