

**MINUTES OF THE ANNUAL GENERAL MEETING OF THE COPYRIGHT SOCIETY OF BOTSWANA (COSBOTS) HELD AT TLOTLO HOTEL AND COINFERENCE CENTRE, PLOT 11683, BLOCK 5, GABORONE, ON 27 MARCH 2021 AT 09:55 HOURS**

**PRESENT:**

Patrick Setsiba	-	Chairman
Alfred Mosimanegape	-	Vice-Chairman
Mpho Motlhasedi	-	Treasurer
Tomeletso Sereetsi	-i	Director
Winani Sekani	-	Director
Benjamin Mogotsi	-	Director
Kopano Mantswe	-	Director
Game Bantsi	-	Director (Virtual Platform)
Staffnurse B. Lesetedi-Keothepile	-	Director (Virtual Platform)

**APOLOGIES :**

Moletlanye Trinity Mphoeng	-	Director
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**IN ATTENDANCE:**

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Letlhogonolo Makwinja	-	Reprography Manager
Onalenna Gaontebale	-	Document and Distribution Manager
Laxman Jay	-	BAMAS Accountant
Masego Mbaiwa	-	Human Resources Officer
Gosego Makhamisa	-	Licensing Manager - Music
Seeletso Lekgaba	-	Corporate Communication Manager
Patrick Matlapeng	-	Documentation and Distribution Officer
Bokamoso Ngwenya	-	Information Technology Officer
Gaonewe Phenyoo	-	Documentation and Distribution Assistant
Gofaone Siwela	-	CIPA
Vincent Phemelo Rapoo	-	CIPA
Keitseng Monyatsi	-	CIPA
Sherman Selepe	-	Recording for /Company Secretary

**1. PRELIMINARIES**

The Chairman called the meeting to order and started the Annual General Meeting (AGM) proceedings at 09h55 by welcoming all members. He apologized for the delay in starting the meeting as scheduled per notice and announced the fact that it was because of an

urgent application to Court by Ramalepa Attorneys acting on instructions by some members of the company to stop or cancel the AGM, amongst others.

The Chairman pleaded with members to exercise patience as the Board is still in consultation with the company Attorney on the way forward pending the receipt of the Court Order on the outcome of the urgent application and welcomed all shareholders who were present at the Annual General Meeting. The Chairman, together with other Board Members and the Chief Executive Officer, were summoned to appear at Court hence the AGM was adjourned at 10h00 and pending the pronouncement of the court verdict of the urgent application.

**The AGM resumed in earnest at 12h30** with the Chairman, upon his return from the High Court, calling members to order.

## **2. OPENING PRAYER**

A Member of Board opened with a Prayer.

## **3. CONFIRMATION OF QUORUM**

The Secretary confirmed the quorum as duly constituted as nine (9) Members of the Board were in attendance including two (2) through Virtual Platform.

## **4. ADOPTION OF AGENDA**

The proposal was made to amend the Agenda by excluding items numbers 12 and 13. The proposed motion was duly seconded hence adopted as amended.

## **5. INTRODUCTION**

A Member of the Board introduced the Board, Chief Executive Officer (CEO) in abstentia, Management Staff, Accountant, Company Secretary Representative and the Lumi Technical Team.

He further acknowledged the presence of a representative from the Company and Intellectual Property Authority (CIPA).

The short-listed candidates for Board Membership were also introduced.

## **6. WELCOME REMARKS**

The Chairman welcomed all and once more apologized for the delay in the resumption thereof but thanked members for exercising patience. He further highlighted that some Members of the Board have remained at Court with the Company Attorney as the court business was still on-going on the matter.

The Chairman therefore moved that the AGM Agenda will be without the Items Number 12 and 13 as they are material to the on-going urgent court application at hand.

The Chairman reminded members to be mindful of the health and/or COVID-19 protocols and be as compliant as possible. He also encouraged members to be as brief as possible so that the business of the AGM could be completed within the shortest possible time frame.

## **7. MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING**

The minutes of the meeting held on 18 January 2020 were approved as a correct record of the proceedings of the meeting as moved by Ms. Bakalanga Mahoko and seconded Mr. Michael Kelebonye Sibanyoni.

## **8. MATTERS ARISING FROM THE MINUTES**

### **.1 Constitutional Review**

The Board Chairman reported that the constitutional review was still work in progress, acknowledging that it was taking rather longer than anticipated.

### **.2 Registration of Other Sectors:**

Management is awaiting the Ministry of Trade and Investment's response regarding registration of other sectors.

### **.3 Limitations of the System of Providing Royalty Statements**

It was reported that though the monitoring system is in place, it is under observation to determine whether it is effective in giving out the desired and expected results, i.e. automated comprehensive royalty statements.

A member lamented that the royalties issue needs to be attended to rather urgently, especially the payments monitoring systems and revert to members with an update. More royalties seem to be paid to foreigners, most probably because the monitoring system used by foreigners is more robust and effective in tracing air-play.

Members pleaded for equity in the allocation of royalties between producers and artists. It appears the former get a lion's share thereof yet the latter can make more money from direct sales.

There is still an outcry from local musicians that local Broadcasters do not play their music equitably and hence their low royalties compared to their foreign counterparts. Even with that low air-play, the royalties do not seem to be commensurate with due royalties which calls for a closer look at the correlation between air-play monitoring system together with the payment system.

A member asked as to why is the Government (COVID-19) Relief Fund does not cover the Creative Industry.

The Chairman expressed his disappointment and regretted if the imbalances in air-play still exists as they have addressed it before and thought the matter was resolved. They will revisit it to ensure it does not recur.

However, the Chairman acknowledged that royalties to foreign artists are more than the local ones but went further to indicate that there is ongoing collaborative effort by COSBOTS, Botswana government and other stakeholders to address the matter.

On the Relief Fund, the Chairman confirmed that the COSBOTS released P1 million from the Social and Cultural Fund for the COSBOTS members, and each member got P438.00. He encouraged members who did not get their share to contact the COSBOTS office for assistance.

The Chairman explained that actually, the royalties depend on the frequency of air-play of one's music or song or track hence the more it is played the more the artist will get in royalties.

He further indicated that COSBOTS does not have a mandate to determine or influence music users how much local music play.

The Chairman further indicated that there is low return on distribution unlike selling the products and/or services and the latter approach could significantly lead to the increase in the company's profitability.

The Chairman further indicated that the constitutional review exercise is ongoing and implored members to honour invitations by COSBOTS to come and partake in the review process as that will help fast track the process.

Another member lamented about quietness on licensing process yet the CEO had in the previous AGM in Francistown reported that a robust licensing process would be put in place. Now with the State of Public Emergency (SOE), it is more urgent that it be looked into.

The Chairman in response said the Board has done everything as required for Reprography hence there is very little they can do.

On whether the Licensing Agent(cies) are effective or not, the response was that in an effort to address the challenge posed by the fact that the artists are spread throughout the breadth and depth of the country hence it was a better and cost-effective option.

#### **.4 Funeral Scheme for Members**

There was a need to closely look into the operations of this scheme which is being administered under the Social and Cultural Fund.

### **9. CONSOLIDATED REPORT**

Mr. Letlhogonolo Makwinja presented the consolidated Annual Report for year 2020 and mentioned that a copy thereof was shared with members as part of the Annual General Meeting Pack which was distributed beforehand to all members and covered Agenda Items 8, 9, 10 and 11.

- The Annual Report of the Board of Directors, The Chairman's report
- The Chief Executive Officer's Report
- The Corporate Governance Report

The presented Consolidated Annual Report and comments thereon noted was moved, seconded and duly adopted.

### **10. BOARD OF DIRECTORS' REMUNERATION**

The Director's remuneration was presented as per the Consolidated Report and approval sought of such per resolution hereunder.

#### **11. COMPANY'S AUDITED ANNUAL FINANCIAL STATEMENTS**

The Accountant, Laxman Jay, presented the report highlighting and explaining key features and changes, notably improvement in the profitability from P709 667.00 in the previous year to P2 530 485.00 in the year 2020 under review; an increase of 256.6% amounting to P1 820 818.00.

The Accountant further reported that the Balance Sheet as at June 30<sup>th</sup> 2020 depicted a healthy status with an improvement from P20 920 700.00 in June 2019 to P32 287 768.00, an increase of 54% amounting to P11 367 068.00.

A member suggested that instead of writing-off debts, COSBOTS should follow up the next of kin of the debtors to recoup the owed money.

The Chairman in acknowledging the impressive financial performance for the period under review, admitted also that year 2020 was marred by a number of challenges, especially for the creative industry, amongst which is the COVID-19 pandemic.

However, on following up the next of kin for the debts, the Chairman indicated that it has been noted and will be looked into by the finance team.

The Accountant, Laxman Jay, presented the Audited Annual Financial Statements for the year ended 30<sup>th</sup> June 2020, explained and provided details to the material figures on the financial statements, answering pertinent questions on material variances therein.

Mr Kabelo Eric Kgaodi proposed that the Audited Annual Report and the Financial Statements be adopted and was seconded by Michael Kelebonye Sibanyoni and they were duly adopted.

#### **12. APPOINTMENT OF AUDITORS OF THE COMPANY AND THEIR REMUNERATION**

It was noted that this item removed from the Agenda.

#### **13. ELECTION OF NEW DIRECTORS AND RE-APPOINTMENT OF DIRECTORS**

The Chairman announced that he has received news that the High Court has dismissed with costs, the urgent application case to cancel the AGM. He indicated that voting process will therefore be undertaken as scheduled.

The seven (7) short listed candidates were each given an opportunity to address the AGM about their candidacy and they all did.

The voting process commenced and was successfully completed as scheduled and top five (5) made it into the Board and these were:

Ms. Bakalanga Mahoko  
Mr. Kabelo Eric Kgaodi  
Mr. Reginald Bakwena  
Mr. Kelebonye Michael Sibanyoni  
Mr. Ookeditse James Moyambo

## 14. READING, CONSIDERATION AND APPROVAL OF THE DRAFT RESOLUTIONS

### .1 First Resolution

Adoption of the Report of the Board of Directors:

**IT WAS RESOLVED THAT** the Annual Report of the Board of Directors, including the Corporate Governance Report as submitted to the Annual General Meeting be and is hereby adopted.

### .2 Second Resolution

Adoption of the Audited Accounts for the Financial Year 2020.

**IT WAS RESOLVED THAT** the audited annual accounts for the accounting period 01<sup>st</sup> July 2019 to June 30<sup>th</sup> 2020 as submitted to the Annual General Meeting by the Board of Directors be and is hereby adopted.

### .3 Third Resolution

Release from Liability of the Members of the Board of Directors

**IT WAS RESOLVED THAT** the Members of the Board of Directors be and hereby granted a release from liability for the conduct of the performance of their duties during and with respect to the financial year ended June 30<sup>th</sup> 2020 to the extent that their activities have been reflected either in the audited annual accounts for the financial year ended June 30<sup>th</sup> 2020 or in the Annual Report of the Board of Directors be and is hereby adopted.

### .4 Fifth Resolution

Amendment of the Membership and Distribution Rules

**IT WAS RESOLVED THAT** the Membership and Distribution Rules shall be changed to reflect the current commercial environment and for the company to be consistent with the standard and “model” version of rules prescribed by the international federations which COSBOTS is affiliated to be and is hereby adopted.

### .5 Sixth Resolution? This resolution is directly linked to Resolution 4, which was deferred to an AOGM? Naturally it must not pass?

Ratification of Auditors' Remuneration

**IT WAS RESOLVED THAT** pursuant to the provisions of Section 192(b) and other applicable provisions, if any, of the Company's Act, the remuneration payable to MSD Mesothe & Associates, the external auditors of the company, appointed by the Board of Directors to conduct the audit of the Annual Financial Statements of COSBOTS for the financial 2020 – 2021, amounting to Sixty Thousand Pula, i.e.

P60 000.00 and exclusive of VAT in connection with the aforesaid audit be and is hereby ratified and confirmed.

**.6 Seventh Resolution – This resolution was also deferred to**

Adoption of Ordinary Resolution to Remove Directors from the Board of Directors

**IT WAS RESOLVED THAT** the special notice from one ordinary member of the Copyright Society of Botswana, Mr. Ookeditse James Moyambo, to remove all elected individuals from the offices of the Board of Directors of the company, be and is hereby noted and adopted and that the resolution be and is herein included as an item of the ordinary business in the agenda for the Annual General Meeting scheduled for March 27<sup>th</sup> 2021

**.7 Eighth Resolution**

The Nominations, Human Resources and Remunerations Committee Nominating Candidates for Election as Directors at the Annual General Meeting of Members

**IT WAS RESOLVED THAT** the Members of Copyright Society of Botswana, as effective as of the date hereof, hereby consent to, approve and adopt the following members be and they hereby are elected to the Board of Directors;

- Ms. Bakalanga Mahoko
- Mr. Kabelo Eric Kgaodi
- Mr. Reginald Bakwena
- Mr. Kelebonye Michael Sibanyoni
- Mr. Ookeditse James Moyambo

**15. CLOSING REMARKS**

In his closing remarks, the Chairman thanked members for their cooperation and patience which enabled the business of the Annual General Meeting to be undertaken very smoothly and successfully.

**16. CLOSING PRAYER**

The closing prayer was offered by Mr. A. Mosimanegape.

**There being no further AGM business the Chairman declared the AGM closed at 16h30**

Signed as a true record of the proceedings of the AGM.

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Mr. Patrick Setsiba,  
**Chairman**

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Date