

1.2. The Fund shall receive, hold and utilise the resources allocated to it in accordance with paragraph 4 below, in pursuance of decisions taken by the Board of Management set up pursuant to paragraph 2 below.

1.3. By a decision of the Board of Management, the Fund may enter into arrangements with any organisation pursuing objectives of cinematographic and audiovisual interest, with a view to co-ordinating their work.

1.4. The headquarters of the Fund shall be in Strasbourg.

2. *Board of Management*<sup>1</sup>

2.1. Each Member State of the Fund shall appoint one representative to the Board of Management.

2.2. The Board of Management shall take all decisions regarding the granting of financial aid. It shall determine the policy and modalities for the granting of financial aid, assuring itself beforehand that the works retained fulfil in particular the cultural criteria conforming to the objectives of the Fund. It shall also ensure the most effective use of the resources of the Fund.

2.3. The Board of Management shall manage the Fund. For this purpose, it may secure the assistance of experts and representatives of the professional circles concerned.

2.4. The Board of Management shall adopt its rules of procedure.

Decisions shall be taken by a two-thirds majority of the votes cast, each of the Fund's Member States casting one vote. The decisions thus taken shall be valid provided the above-mentioned majority represents half of the paid-in capital of the Fund, calculated on the basis of the contribution of each of the Fund's Member States.

However, procedural decisions shall be taken by a majority of the votes cast.

2.5. The Board of Management shall invite the representative of an associate member to attend Board of Management meetings whenever such associate member is directly concerned by one of the items on the agenda. The associate member shall be entitled to vote in respect of any such item, and the voting rules set out in paragraph 2.4 above shall be construed accordingly.

3. *Audit of Accounts*<sup>2</sup>

3.1. The accounts of the Fund shall be audited by the Board of Auditors of the Council of Europe.

<sup>1</sup> Amended according to the provisions of Resolution (95) 4 adopted by the Committee of Ministers on 7 June 1995 at the 540th meeting of the Ministers' Deputies.

<sup>2</sup> Amended according to the provisions of Resolution (89) 6 adopted by the Committee of Ministers on 15 June 1989 at the 427th meeting of the Ministers' Deputies