



Gramex ry
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By-laws of Gramex ry

If there is any conflict or inconsistency between the language versions, the Finnish version shall be the governing and prevailing version.

Article 1: Name and domicile

The name of the Society is Esittävien taiteilijoiden ja äänitteiden tuottajien tekijänoikeusyhdistys GRAMEX ry (Copyright Society of Performing Artists and Producers of Phonograms GRAMEX), and its domicile is the city of Helsinki.

Article 2: Purpose

The Society is a non-profit society, and its purpose is to protect and to promote the rights of performing artists and producers of phonograms laid down in the Finnish Copyright Act. The activities of the Society shall include the collection of the remunerations referred to in the Copyright Act, the keeping of the remunerations until they are distributed, and their distribution among those entitled to them.

It is the purpose of the Society to further the general preconditions for the development of the Finnish performing art of music and phonogram production. It is not the purpose of the Society to obtain profit or any other direct financial gain for those who are parties to the Society, nor is the Society even otherwise of a primarily economic nature. In order to achieve its purpose, the Society shall keep abreast of the development of copyright circumstances and legislation in Finland and abroad, make any necessary proposals, and aim at influencing the legislation in such a way as to obtain better protection than before for the rights referred to in Paragraph 1.

Article 3: Members of the society

Upon written applications, the General Meeting of the Society can accept as members of the Society any registered societies whose principal purpose is to promote the rights of performing artists or producers of phonograms laid down in the Finnish Copyright Act.

Member societies shall, to a significant degree, represent such persons or corporate bodies referred to in Article 2 that are entitled to remunerations and are not yet represented. The member societies' representation of persons or corporate bodies entitled to remuneration as referred to in Article 2 shall not overlap significantly with the representation of another member society.

The Society has the right to levy an annual membership fee on its members and an entry fee on new members. The amount of the fees shall be approved by the General Meeting of the Society.

Article 4: Clients of the Society

The Society shall conclude an agreement for establishing client relationship with the persons and corporate bodies entitled to the remunerations referred to in Article 2; the content of the agreement shall be approved by the General Meeting of the Society. Anyone entitled to the said remunerations shall have the right to become a client of the Society.

Article 5: Distribution of the Society's remunerations

The Society shall, in accordance with its Distribution Rules, turn over the remunerations referred to in Article 2 to those entitled to them. The Society's Distribution Rules shall be approved by the General Meeting of the Society.

The General Meeting of the Society can decide that the copyright royalties that have not been distributed can be added to the collective management organisation's capital, used in either direct or collective remunerations, or used otherwise in the benefit of those entitled to remuneration.

ADMINISTRATION OF THE ASSOCIATION

Article 6

The Annual General Meeting of the Society shall be held annually during March–June at a time designated by the Board of Directors.

An Extraordinary General Meeting of the Society shall be held whenever the Board of Directors deems it necessary or whenever a minimum of two fifths of the members of the Society request it for dealing with a matter specified by them.

An invitation to the General Meeting of the Society shall be sent to the members by recorded delivery no later than fourteen days prior to the meeting to the member's address recorded in the membership list. The matters to be dealt with shall be stated in the invitation.

A representative of a member of the Society can attend the Annual General Meeting in person or alternatively, with the permission of the Board of Directors or the General Meeting of the Society, via a real-time, two-way communication channel.

A member of the Society that has not paid its membership fee by the due date has no right to vote at the General Meeting of the Society and its representatives are not allowed to speak.

A member of the Society has no right to vote at the General Meeting of the Society during the first four years of its membership.

Article 7

The following matters shall be dealt with at an Annual General Meeting of the Society:

- Election of a chairman. The chairman shall appoint a secretary.
- Election of two inspectors of the minutes of the Meeting and other officials for the Meeting.
- Inspection of the authorisations of the delegates to the Meeting, and the verification of the legality of the Meeting and the presence of a quorum.
- Annual Report by the Board of Directors.
- Financial statements.
- Auditors' Report.
- Approval of the financial statements and discharge from liability of those accountable.
- Election of the Chairman, members and depute members of the Board of Directors.
- Remunerations of the Chairman and members of the Board of Directors.
- Election of two auditors and two deputy auditors.
- Any other matters presented by the Board of Directors or the members of the Society.

Article 8

The following matters shall be decided by the General Meeting of the Society:

1. The rights and forms of use of phonograms and music videos administered by the Society.
2. Appointment and dismissal of the members of the supervisory body of the Society as well as their remuneration and other benefits.
3. The general principles of royalty distributions to copyright holders.
4. The use of copyright royalties that have not been distributed and the general principles for the use of such funds.
5. The general principles of investing copyright royalties and the income from such investments.
6. The general principles of deductions from copyright royalties and the income from investing them.
7. The principles of risk management of the Society.
8. The principles of purchase, sale or pledge of fixed assets.
9. Approval of mergers, establishment of affiliates and acquisition of other societies, their shares or rights, as well as any other significant organisational changes that influence the Society's activities in the administration of copyrights.
10. Taking and granting a loan together with the securities.
11. Approval of the Annual Transparency Report.
12. Delegation of power to the supervisory body in matters referred to in points 7 to 10.
13. The Annual General Meeting can grant a member of the Board of Directors an additional remuneration for a task outside the scope of the usual functions of a member of the Board of Directors.

The following matters are received and processed by the General Meeting of the Society:

- The supervisory body's report on its observations and use of delegated powers if applicable.
- The annual disclosures of private interests given by the members of the supervisory body and the Chief Executive Officer.

Article 9

The General Meeting of the Society can decide that, after the deduction of expenses, a maximum of 10% of the sum to be distributed will be used for purposes that promote performing music and phonogram production, transferred to funds or reserves in compliance with the by-laws of the Society.

Article 10

The Board of Directors shall consist of a Chairman and six other members. The Board of Directors shall elect two Vice-Chairmen from among its members.

The Chairman of the Board of Directors shall be a person well-versed in copyright questions, and he must not belong to either one of the interest groups mentioned below.

Three of the members of the Board of Directors shall be elected from among phonogram producers and three from among performing artists. The members elected from among performing artists shall represent different groups of artists diversely.

A personal deputy shall be elected for each member of the Board of Directors.

Article 11

The task of the Board of Directors shall be to represent the Society, to select the Chief Executive Officer of the Society, to approve the salary and remunerations of the Chief Executive Officer, and to attend to the affairs of the Society in compliance with the by-laws and the decisions of the meetings of the Society.

The Board of Directors of the Society will act as the Society's supervisory body that supervises the Chief Executive Officer's activities and performance of duties, as well as the implementation of the General Meeting's decisions, especially in relation to the general principles decided by the Meeting.

The supervisory body prepares an annual report to the General Meeting of the Society on its observations and use of delegated powers if applicable.

Each member of the supervisory body gives the General Meeting of the Society an annual disclosure of private interests that may influence their ability to carry out the duties of the role. The disclosure of private interests shall include at least the following information:

- Ownership stake in the Society.
- The salary and remunerations during the previous financial period of the Society.
- The remuneration received in the capacity of a copyright holder during the previous financial period of the Society.
- Information about any other rights, remuneration or such positions in the Society, its ownership, an organisation that has authority over it, or its customer organisation, that may have influence the member's ability to carry out their duties in the supervisory body.

Article 12

The Board of Directors shall convene, when necessary, at the invitation of the Chairman or when two members of the Board of Directors request it of the Chairman, and be quorate when

- the Chairman and at least four members are present, in which case at least two of the members shall represent phonogram producers and at least two shall represent performing artists, or
- two Vice-Chairmen and at least one member representing phonogram producers and at least one member representing performing artists are present.

A member of the Board of Directors can attend a meeting in person or alternatively, due to unforeseen circumstances, via a real-time, two-way communication channel. The Chief Executive Officer shall be notified about the use of a communication channel in advance in order to allow sufficient time to make arrangements for the connection.

By the decision of the Chairman, the meeting can be held as an email meeting or via a real-time, two-way communication channel.

Article 13

The Society processes the complaints by its members, the rightholders it represents and other collective management organisations about the Society's actions, negligence and decisions that have an impact on the rights or benefits of the appellant. The complaint shall be in writing.

If a complaint is based on contradictory information provided by two or more of members of the

Society, rightholders it represents or other collective management organisations, the Society does not process the dispute between the parties.

The complaints are handled by the Society's Office led by the Chief Executive Officer. If the Chief Executive Officer considers the nature of the complaint to be such that it needs to be handled by a committee set by the Board of Directors, the Chief Executive Officer refers the handling to the Board, which sets a committee to handle the complaint.

The committee set by the Board of Directors has either one or three members. A one-member committee shall be set by the Board of Directors unanimously. A three-member committee shall be set by the Board of Directors in such a manner that one member is elected by the representatives of performing artists and one member by the representatives of phonogram producers. The third member, who acts as the chairman and represents neither of the rightholder groups, is elected by the Board of Directors unanimously.

Minutes shall be taken for each committee meeting. The Society's lawyer shall act as the secretary of the committee. The committee can consult experts or other individuals as it deems necessary. If necessary, the committee drafts a proposal of measures for the Board of Directors to address the issue that led to the complaint.

A written resolution to the complaint shall be given within a reasonable time and the appellant shall be notified in writing.

Article 14

One of the auditors of the Society shall be an auditor authorised by the Central Chamber of Commerce (KHT).

Article 15

The name of the Society shall be signed singly by the Chairman of the Board of Directors, or singly by the Chief Executive Officer of the Society, or jointly by the Vice-Chairmen, or singly by any of the staff members of the Society appointed as signatories by the Board of Directors.

Article 16

The financial year of the Society shall be the calendar year. The Society's financial statements, the Annual Report by the Board of Directors and the Annual Transparency Report in compliance with the Act on Collective Management of Copyright shall be submitted by the end of February to the auditors for inspection, and the Auditors' Report shall be presented to the Board of Directors by the end of March.

The Annual Transparency Report shall be published on the Society's website no later than eight months after the end of each financial year and kept available for minimum of five years from its publishing year.

AMENDMENTS TO THE BY-LAWS AND THE DISSOLUTION OF THE SOCIETY

Article 17

The Society may be dissolved or the by-laws amended only in the event that a minimum three-quarters of those members of the Society present at a meeting vote in favour of such a proposal.

Article 18

If the Society is dissolved, the funds that are left after the distributions shall be used to promote the general operating conditions of the performing art of music and phonogram production referred to in Article 2.