**STATUTES**

1. Pursuant to the provisions of L. 1667/86 regarding civil societies and L. 2121/1993 on intellectual property, neighbouring rights and cultural issues a “non-profit” limited liability Cooperative – henceforth Collecting Society – was established under the name of “Society for the Collective Management of Singers and Performers L.L.CO-OP. and the distinctive title “ERATO”, who was licensed to operate a Collective Management Organization for the related rights of Singers in accordance with the provisions of Article 54 et seq. of Law 2121/93 and under the Minister of Culture's decision No 11089 / 05-12-1997. The publication of Law No 4481 / 20.07.2017 (Gazette A, issue 20 / 20.07.2017) transposing into national law the Directive 2014/26/EU, which amended the operating regime of Collective Management Organizations, resulted in an obligation to incorporate these provisions into the Articles of Association of the Cooperative in order to comply with the provisions of Law 4481/2017.

2. Following the incorporation of the provisions of Law 4481/2017 and Article 52 of Law 2121/93 (transposition of Directive 2011/77 / EU), the Articles of Association are codified as follows:

**ARTICLE 1**

 **NAME – REGISTERED OFFICE**

The name of the Society is “Society for the Collective Management of Singers and Performers L.L.CO-OP. and its distinctive title “ERATO”.

The name of the Society and its distinctive title can be used in any foreign language, as long as they are accurately translated into this language.

**ARTICLE 2**

**REGISTERED OFFICE**

The registered address of the Collecting Society is in the Municipality ofAthens, at 4 of Lazarou Sohou Street. The establishment of the Collecting Society in its offices is made after a decision of the Administrative Council, taken by an absolute majority of its members, and the approval of the General Assembly.

According to article 8 par. 3b of Law 4481/17, and by exemption of the principle of locality, the Collecting Society is to operate on a national basis and pursuant to the national regulations, the EU law, and the international treaties, internationally. Therefore it is possible for branches or offices of the Collecting Society to be established anywhere in Greece or abroad, after the relevant decision of the Administrative Council and the approval of the supervision authority, should such an approval is required.

**ARTICLE 3**

**OBJECTIVES**

1. The exclusive objective of the Collecting Society is the management and protection of the neighbouring rights of the performers and singers and their heirs, which, under the current legislative framework, are subject to obligatory collective management.
2. The Cooperative manages the related rights of the performers / singers and their heirs and the rights of entities holding a related right and entitled to a share of the proceeds arising from the rights, including other collecting societies, which meet the terms of the Cooperative for admission and registration as a member and shall be admitted by the Cooperative, in accordance with the conditions of the relevant laws and these statutes.
3. The Cooperative is obliged to manage such rights unless it has objectively justified reasons for refusing to take up management.
4. The Cooperative shall act in the best interests of the beneficiaries whose rights it represents and not impose any obligations which are not objectively necessary for the protection of their rights and interests or for the effective management of their rights.
5. The Cooperative enables its members, or their respective beneficiaries represented, to communicate with them by electronic means even for the exercise of their rights.
6. The Cooperative can establish a joint collecting society with other collecting societies for the protection of neighbouring rights , if that is provided by law, for the purpose of collecting the equitable remuneration under article 49 Law 2121/1993 on a completely non profit basis. The statutorial provisions of the joint collecting society are decided by the Administrative Council upon approval by the General Assembly and the joint collecting society can in particular, negotiate, grant licenses, agree on the level of remuneration, make claims for payment, take any judicial or extrajudicial action, collect the fee from users and distribute it to their respective collecting societies.
7. The Cooperative must comply with the provisions of Law 2121/93, Law 4481/2017, the present articles of association and distribution regulations.

**ARTICLE 4**

**RIGHTS MANAGED BY THE SOCIETY- ACTIVITIES –TASKS OF THE COLLECTING SOCIETY**

1. The rights that the Collecting Society manages according of the provisions of Laws 2121/1993 and 4481/2017 are mainly the following:

a) the right of a remuneration for the reproduction of the recorded works of the performers and singers for private purposes made by technical and audiovisual means (for example equipment for recording on audio or audiovisual recording material such as magnetic tapes or other similar carriers appropriate for such a reproduction, article 18 L.2121/1993)

b) the right of an equitable remuneration for the public performance of the recorded performances of the performers and singers and their public broadcast via radio and television through any means, such as electromagnetic waves, cable or other transmitting/broadcasting material (article 49 L.2121/1993)

c) the right to manage the property rights of singers-performers of the annual supplementary remuneration, as defined in Article 52 of Law 2121/93, (incorporation of Directive 2011/77 / EU) and is entrusted with the management of the performers' collective management organizations.

1. The Collecting Society achieves its objectives by pursuing, among others, the following:
2. the administration of the related rights that have been assigned to it or that have been entrusted with a relevant proxy on the basis of assignment contracts and the information to the beneficiaries of their rights as well as of the conditions for the exercise of their rights in the manner laid down in the relevant legislation and, inter alia, at least by posting on the collegiate management organization's website and communicating by e-mail to the beneficiary.
3. defines, on the basis of a remuneration list, the equitable remuneration, as provided in article 49 of L.2121/1993 for the radio/TV broadcasts and in general the public transmission of their performances whose management has been assigned to the Collecting Society. In the formulation and implementation of the remuneration, the cooperative applies objective criteria and acts without autocracy and abusive discrimination.
4. draws up contracts with users on the terms of exploitation of performances and on reasonable remuneration due. Differences between the Collecting society and users in terms of the amount of remuneration to be paid by the user may be subject to arbitration by agreement, in accordance with the relevant legislative provisions of Law 4481/2017.

d) concludes collective agreements with the organisations representing the users regarding the minimum proportional remuneration and the terms of the exploitation of the performances of the beneficiaries.

 e) Receives the fees of the rights he manages as provided for in Laws 2121/1993 and 4481/2017 and maintains bank accounts in accordance with Articles 17 and 19 of these Statutes.

(f) distributes the amounts received between the beneficiaries, after deduction of the percentage to cover the management costs.
(g) Maintains appropriate registers of members, licenses and uses of performances.
h) Controls the relevant data required for effective collective management of the rights provided by beneficiaries and users.

i) concludes reciprocal agreements with Collecting Societies from other countries regarding the management, collection and distribution of the rights of the performers and singers.

j) informs the other collecting societies of revenue, bookings and any other information relating to the management of rights under their contracts as it is provided for in Laws 4481/2017 and 2121/1993.

k) exercises the right of the right holder to license or refuse authorization to a cable operator to retransmit cable or other material transmissions pursuant to Article 35 of Law 2121/1993.

l) proceeds to any administrative, judicial or extra-judicial action for the legal protection of the rights of the singers and performers who have assigned the management and protection of their rights to the Collecting Society.

(m) The Collecting society, even before the delegation of rights management is entrusted to it, provides the beneficiaries, other collecting societies under representation contracts and users - even potential - with the information provided for in Articles 28,29,30 of the statutes (Articles 25, 26, 27 of Law 4481/2017).

(n) Publishes and posts on its web sites the information required, in accordance with Article 28 of Law 4481/2017.

(o) Prepares and publishes the Annual Report on Transparency and the Special Report referred to in Article 26 of the statutes (Article 29 of Law 4481/2017).

p) Takes any administrative or judicial or extra-judicial action to legitimately protect the rights of the beneficiaries and, in particular, applies for interim measures, takes legal action, appeals, prosecutes, appears as a civil plaintiff, requests a ban on acts, infringes the right to the powers conferred on them and requests the seizure of illegal copies or the judicial escrow of the goods in accordance with Article 64 of Law 2121/1993.

q) receives from the users all the information necessary for the application of the tariffs, the calculation of the remuneration and the collection and distribution of the revenues collected from the rights, using the relevant recognized industrial standards.

r) carries out in co-operation with the relevant public authority or according to the procedure provided in article 64 of Law 2121/1993 the necessary audits at outlets that sell, hire or lend copies of the recordings of the performances of the partners and beneficiaries or the public transmission of the recorded performances it protects in order to ascertain that these acts do not violate the rights of the partners and beneficiaries.

s) Provides social, cultural or educational services for the benefit of members and beneficiaries. Organizes and participates in conferences on issues pertaining to intellectual property and related rights and provides all legal support required to the partners and beneficiaries.

t) Within the scope of these competencies, the Collecting society carries out intra-Community trade.

u) Any other competence consistent with the nature and purpose of the Collecting society, provided that it is included in the authorization of the Ministry of Culture and Sports and provided for in this Statute.

**ARTICLE 5**

**CAPITAL AND SHARES OF THE COLLECTING SOCIETY**

The capital of the Collecting Society is variable and is divided into equal shares each one of value seventy three euro and thirty six cents (73.36 €)] incorporated to registered titles of the same value. Every single title bears the signature of the President and Secretary of the Administrative Council of the Collecting Society.

Every partner is registered for one share of the Collecting Society, obligatory to receive, indivisible and not transferable for life, and it has to be paid when the partner is registered.

The Collecting Society itself cannot acquire shares only in the case they are granted to it.

The heirs and beneficiaries of the shares of the Collecting Society are entitled of acquiring the status of partner if they satisfy the relevant preconditions provided in article 7 of these statutes. In case a share is transferred after the death of its owner to more than one beneficiary they should appoint a common proxy vested with the status of the partner.

**ARTICLE 6**

**PERIOD OF OPERATION**

The period of operation of the Collecting Society is defined to 70 years starting from the date its statutes were filed for the first time in the register of the competent District Court.

**ARTICLE 7**

**ASSIGNMENT CONTRACT – BENEFICIARIES**

1. The owners of the rights mentioned in article 3 par. 2 above can assign the management and protection of their rights to the Collecting Society by transfer or by a proxy. To this end they sign a contract with the Collecting Society through which they assign their rights for three years and the content of this contract is governed by the stipulations of these statutes.
2. The assignment is made in writing and for a certain period of time which cannot be longer than three (3) years. In case of doubt it is presumed that the assignment covers all performances, which includes future performances of the right owner for a period which may not be longer than three (3) years.
3. The Collecting society may refuse to manage the rights of a beneficiary if it has objectively justified reasons to refuse to take up such management.
4. The right holder assigns and gives its consent to the cooperative / collective society with an explicit written text for a specific management of powers or category of powers, or type of performance.

**ARTICLE 8**

**TERMINATION OF CONTRACTS**

1. Beneficiaries shall have the right to terminate in whole or in part the assignment contract in respect of the rights referred to in their contract of assignment or categories of powers or types of interpretation of their choice in the territories of their choice or to revoke any of the rights, categories of powers or types of performances by the collecting society, after a three-month written notice. The denunciation shall take effect three months after the written notice has been given, and the payment agreements signed before the denunciation shall continue to be valid until the end of their term.
2. If there are amounts due to a beneficiary for acts of exploitation made before the termination of the contract of assignment, or the lodging of a complaint or revocation, the beneficiary shall retain all his rights and obligations as recognized in the relevant provisions of Law 4481/2017 and these statutes.
3. The Collecting society may not restrict the exercise of the rights referred to in paragraphs 1 and 2 by imposing on its terms of exercise of rights the assignment to another collecting society of the management of rights or categories of powers or types of performances terminated, or terminated, or revoked.

**ARTICLE 9**

**MEMBERS OF THE COLLECTING SOCIETY**

1. Partners/members of the Cooperative are:
2. natural persons with a Greek tax number and legal documents from the relevant Greek tax and social security authorities, as provided for the practice of the profession of singer- performer, who have at least thirty (30) different performances or songs that have been recorded on audio or audiovisual recording material and these recordings have been reproduced and made available in the market and these recordings have been used for at least three (3) years by broadcasters who pay an equitable remuneration under the article 49of law 2121/1993.
3. An independent management entity or a collecting society established in Greece shall operate in accordance with Laws 4481/2017 and 2121/93 and shall represent beneficiaries: (a) natural persons for whom the conditions of paragraph (A) are met; (b) legal persons representing beneficiaries natural persons who are subject to the same conditions of paragraph (A) and they are entitled to a share of the proceeds arising from the collective management of rights by the Cooperative.

For their entry as members of the Cooperative the following are required :(a) the lack of any conflict of interest between members and / or shareholders and / or partners and / or members of the management of the independent management entity with the Cooperative and the members or beneficiaries of the Cooperative respectively,

(b) the prohibition of the simultaneous execution of potential competitive practices on the part of the Independent Management Entity or the Collective Management Organization

c) approval of entry for the Independent Entity by an increased majority of 75% of the present members of the General Assembly of the Cooperative.
d) notification and provision to the Cooperative of the following items and documents:

1) notification of the statutes, contact details, including address, VAT number, registered office address, e-mail address

2) notification of a legal representative, members of the administrative and supervisory council and general manager, if any, with a certificate from a competent judicial authority for not prosecuting such persons definitively for a felony or for not having been convicted for a felony or misdemeanor by deprivation of liberty for more than two years or, irrespective of the penalty, for crimes against property or intellectual property rights, for smuggling, counterfeiting or forgery, tax evasion, bribery or bribe.

3) a list of beneficiaries who have delegated to them the management of powers arising from their intellectual property right and the expiry of the assignment contracts for each beneficiary.

4) the repertoire for which they manage the rights,

5) a draft of the assignment contract, which shows the legal form and duration of the management.

6) the rights distribution regulation, which sets the time, the principles and the manner of distribution of the income from rights per category of beneficiaries

7) regarding the Collective Management Organization, the license for its legal operation and any published change in its data, the lawful publication of the information of its operation and the submission of the transparency report, as provided for in the provisions of Law 4481/2017.

8) with respect to the Independent Economical Entity, confirmation by the Intellectual Property Organization that it submits and publishes the information required in accordance with the provisions of article 28 of Law 4481/2017 and any change in its data.

9) abidance of the conditions of par. 2 and 3 of article 32 of Law 4481/2017, if the legal form of the Independent Management Entity is S.A.

10) any other document proving the lawful management of the Independent Entity and the Collective Management Organization in compliance with the provisions of Law 4481/2017.

C) A Collective Management Organization and an Independent Management Entity established in another EU Member State shall, in addition to the above (with the exception of Article 6 (1) (D)), also produce a certificate by the Intellectual Property Organization containing the data for their entry into service and their establishment in the Member State, provided that such a provision is laid down in the national law of that State. Their admission as members is approved by an increased majority of 75% of the present members of the General Assembly of the Cooperative.

D) The conditions of entry into the Cooperative of a legal entity, as described above as a Member / Partner, shall be re-examined after three years in the Cooperative and as long as it remains as a Member to the Cooperative. If the conditions for its admission as a Member have ceased at that time, the Board of Directors will decide on its relationship with the Cooperative, at the request of the Beneficiary. The relevant decision of the Board of Directors will be approved by the General Meeting and if it remains as the Beneficiary, according to the approval of the General Assembly, its admission as Beneficiary will be obtained by the General Assembly decision approving the acceptance of their application by the Administrative Council.

1. The following cannot become members:
	1. those who have assigned the management of their rights or powers or types of performances to another collective management society based in Greece or abroad.
	2. those who have been members of another Collecting Society with the same objectives and withdrew from it without having fulfilled their obligations or have been expelled from this Collecting Society because they were condemned for penal charges or for bad management or have been forced to comply with claims of the Collecting Society and have not satisfied them.
	3. those against whom there is a definitive court decision for offences as provided in article 66 of law 2121/1993.
	4. those engaged in business activities similar to the main objective as that of the Collecting Society.
	5. Legal persons, such as Independent Management Entities and Collective Management Organizations, who do not meet the conditions for admission as members of the Cooperative.
	6. Natural or legal persons, such as Independent Management Entities and Collective Management Organizations having conflicting interests with the cooperative as initially estimated and decided by the Board of Directors of the Cooperative and approved by the General Assembly.
2. If a performer or singer wishes to become a member of the Collecting Society he or she has to proceed to the following: a) file a written application to the Administrative Council and the latter will decide on the acceptance or otherwise of the application in its first meeting. The registration of new members is approved in the first General Assembly that is convened after their registration, in which case membership is obtained by a decision of the General Assembly approving the acceptance of their application by the Board of Directors. The status of a member is acquired when the Administrative Council makes a positive decision in response to the written application. The new members are able to participate in the decision-making process and become members of the bodies of the collecting society after their registration is approved by the General Assembly. The same General Assembly will decide on the acceptance or otherwise of the applications for membership that the E.C. has rejected and the person concerned has appealed to this General Assembly. In order for the members or beneficiaries to register they have to pay their subscription right, which is fifty-eight euro and seventy cents (€ 58.70).

**ARTICLE 10**

**BENEFICIARIES**

Beneficiaries who are not registered members of the Cooperative or who do not meet the conditions for acquiring Member / Partner status or who have lost this status in accordance with the articles hereof may register with the Cooperative and entrust to it the management and protect their rights as "Beneficiaries " if they have been involved with their performance or execution at least in one audio or audiovisual production and have by law or through transfer, license or any other contractual agreement, the right to receive part of the revenue from fees. The same applies to the heirs of the beneficiary, unless the heirs fulfill the condition and wish to be registered as Members of the Cooperative. In order to be registered as a Beneficiary, the Beneficiary submits a request to the Board of Directors of the Cooperative, which can only reject the application for an important reason.

Beneficiaries do not acquire the status of Partner / Member of the cooperative, unless the circumstances change in their capacity to acquire the status of Partner / Member of the Cooperative, so they file a new application for admission as Members to the Cooperative.

Independent Management Entities and Collective Management Organizations have the same reporting obligations as in the above article 9 in order to be registered as Beneficiaries in the Cooperative.

The Cooperative is obliged to enable Beneficiaries to communicate by electronic means even for the exercise of their rights.

**ARTICLE 11**

**MEMBERS’ REGISTRY**

The Cooperative keeps records of the Members / Partners, the represented right holders and beneficiaries (s) who regularly and in every case updates each month and prepares a list including their e-mail addresses, which then submits to the Intellectual Property Organization annually.

**ARTICLE 12**

**PARTNERS’ RIGHTS – OBLIGATIONS**

1. The Partners/Members are entitled to:
2. participate in the General Assembly, elect and be elected at the administrative bodies of the Collecting Society, request the convocation of the General Assembly. All members of the collecting society have the right to participate and vote at the general Assembly of the members. Members of the collecting society, natural or legal persons, must not have conflicting interests with the collecting society. The general assembly of members may limit the membership and voting rights to the general assembly of members on the basis of the amounts received or due to members and / or the duration of membership, provided that these criteria are set and applied in a fair and proportional manner, they are included in the statutes of the collecting society and are disclosed in accordance with the relevant provisions of Law 4481/2017.
3. express their views regarding the general rules for the specification of the amount of the remuneration, the methods for the collection and distribution of the remuneration, as well as other issues regarding the management and protection of their performances.
4. receive appropriate remuneration for the use of their works with regard, inter alia, to the economic value of the use of rights in trade, having regard to the nature and extent of the use of their performances and to the economic value of the services provided by the collecting society to the user. The Cooperative shall inform the user of the criteria used to determine these charges.
5. collect the remuneration amounts due to them according to the distribution regulation after the deduction that the Collecting Society withholds to cover the management expenses
6. be informed of the proceedings of the General Assemblies, the balance sheet and the profit and loss results in days and hours arranged by the Administrative Council at least five (5) days before the General Assembly is convened.
7. The right holders have the right to grant non-commercial use licenses of rights, categories of powers or types of performances. A decision by the general assembly sets the conditions under which the holders grant non-commercial licenses with the obligation to inform the right holders of their choices and to grant them flexibility in the exercise of their rights.
8. To receive all information from the Cooperative concerning the management of their rights and to exercise any legal right as provided by these Statutes and the provisions of Law 4481/2017 and Law 2121/93.
9. Any other rights specified in this Statute and the provisions of Law 2121/93 and Law 4481/2017, in the assignment contracts and in the generally applicable legal provisions.
10. The Members are obliged to:
11. to respect the laws, the statutes, the internal rules of the Collecting Society and the decisions of its bodies
12. to participate in the General Assemblies
13. to pay their subscription fee and every ordinary or extraordinary contribution as provided in these statutes or imposed after a decision of the Administrative Council and approved by the General Assembly
14. not to transfer any part or the whole of the collectable remunerations and rights to users and generally to any person that has an interest or could, for any reason, have an interest on the exploitation of the performances
15. to inform the Collecting Society on any violation of the rights of the members
16. to inform in writing the Collecting Society about the performances that have been recorded in any way and about their new performances to be recorded after the assignment of the management, as stipulated in particular in the assignment contract. In this context, the collecting society reminds the right holders annually of this obligation and at the same time enables them to inform it by electronic means.

**ARTICLE 13**

**RIGHTS AND OBLIGATIONS OF THE BENEFICIARIES**

Beneficiaries of the organization have the rights provided for in subparagraphs (b), (c), (d), (f) and (g) in respect of legal persons or Article 12 of these Statutes and the obligations under subparagraphs (a) and (c) of the right of registration, d, e and f of Article 12, as well as any other right and obligation mentioned in these statutes.

**ARTICLE 14**

**LOSS OF MEMBER OR BENEFICIARY STATUS**

A1. The following lose the status of regular membership:

1. those expelled according to article 15 of these statutes
2. those who leave the Collecting Society having filed a written statement with the Administrative Council at least three months before the end of the fiscal period
3. those who proceed to the rescission of the assignment contract in accordance with the provisions of Article 8 of this Statute.
4. legal entities for which the conditions for entry to the collecting society as a Member / Associate cease to exist in accordance with paragraph 3 of article 9 hereof.

 Those who cease being members of the Collecting Society are not entitled to any refund of their share and the subscription fee.

B. The following lose the status of beneficiary:

those who request the cancellation of their subscription or proceed to rescission of their contract as above within the time allowed.

Those who lose the status of beneficiary are not entitled to any refund of the subscription fee.

**ARTICLE 15**

**EXPULSION OF MEMBERS**

A member can be expelled after a relevant decision of the General Assembly for which a 2/3 quorum is required as well as a majority of 50% of the total of the members of the Collecting Society. The General Assembly can decide in favour of the expulsion: a) if the member creates problems to the smooth operation of the Collecting Society due to neglect, personal reasons – objectively not related to the reasonable relations between the member and the Collecting Society, b) if the member with her/his conduct intentionally harms the interests of the Collecting Society, particularly if the provisions of paragraphs a, c, and d of article 12 are violated, c) if the preconditions for the status of membership cease to exist for this person, d) if the person concerned with her/his conduct harms the legal rights of the other beneficiaries, particularly in case he/she has committed the offences stipulated in article 66 of law 2121/1993. These provisions are also valid in case of rescission of the assignment contract by the Collecting Society, provided the reason is substantial.

Contracts concluded between the Collecting Society and the user before the expulsion regarding works of the expelled member, will remain valid after the expulsion, as provided in the assignment contract.

**ARTICLE 16**

**LIABILITY OF THE MEMBERS**

Every member is totally liable for the debts of the Collecting Society for an amount equal to the face value of his/her share.

**ARTICLE 17**

**INCOME AND EXPENSES OF THE COLLECTING SOCIETY**

The following constitute the income of the Collecting Society:

1. contributions of the members (ordinary and extraordinary) and the subscription fees
2. a percentage of the rights collected that is withheld as this amount is specified by the Administrative Council in order to meet the administration expenses
3. subsidies from the state, from international organisations and legal entities of the public or private law
4. donations from inheritance, bequeaths, donations and contributions from natural or legal persons accepted as the law stipulates.
5. The Collecting society keeps separately in its accounts: (a) income from royalties and any income resulting from the investment of receipts of rights and (b) its own assets and income from such assets, from management or from other activities.
6. If the Collecting Society invests revenue from the rights or proceeds arising from the investment of the proceeds from the rights, it shall do so in the best interests of the rightholders whose rights they represent, in accordance with the investment policy and the policy on the management of possible cases that may affect the fulfillment of the obligations and achievement of the objectives of the Collecting Society and taking into account the following rules:

(a) where there is a potential conflict of interest, the Collecting Society shall ensure that the investment is made solely in the interest of those rightholders,

(b) assets are invested in a manner that guarantees the security, quality, liquidity and profitability of the portfolio as a whole,

(c) assets are appropriately diversified in order to avoid over-reliance on a particular asset and the accumulation of risks in the portfolio as a whole.

D. The Collecting Society does not have the right to use the proceeds of the rights or revenues that result from the investment of the proceeds from the rights for purposes other than the distribution to the rightholders. Exceptions shall be made for the withholding or offsetting of management costs or the use of income from royalties or proceeds arising from their investment on the basis of decisions taken by the General Assembly.

The following are the expenses of the Collecting Society:

1. operational and administration expenses, particularly expenses related to the collection, documentation of the uses of the used repertoire, identification and identification of the rightholders, distribution and in general protection of the rights that have been assigned to the Collecting Society, according to their licence and the statutes.
2. expenses for the organisation and participation in congresses on intellectual property and performers rights
3. the subsidies given to the members from the special social care reserve of the Collecting Society.

**ARTICLE 18**

**DEDUCTIONS**

The Collecting Society grants the rightholder, who entrusts it with the management of its rights, and before receiving the rigthgholder's consent for such management, documented information on the management costs and other deductions from the income from the rights and income from the investment of the income from rights.

The management costs of the Collecting Society cover the justified and documented costs of managing the rights.

 **ARTICLE 19**

 **Distribution of amounts due to rightholders**

1.The distribution to the right holders shall take place as much as possible according to the actual use of their works as soon as possible and no later than nine (9) months after the end of the fiscal year in which the revenue from the rights, unless objective reasons relating in particular to user reporting, the determination of rights, the identification of the recipients or the matching of interpreting information with the right holders, do not allow the Collecting Society to meet this deadline.

2. The Collecting Society distributes and pays the amounts owed to the rightholders regularly, diligently, accurately and in accordance with the distribution regulations.

3. If the amounts due to the rigthholders cannot be distributed within the time limit set out in paragraph 1 because the rightholders concerned cannot be identified despite the necessary measures of the Collecting Society to identify them and the exemption from the deadline is not applicable, these amounts are kept in a separate account of the Collecting Society.

4.The Collecting Society shall take all necessary measures to identify the rightholders and verify the records of its members or their respective rightholders represented, as well as other directly available records. Not later than three (3) months after the deadline specified in paragraph 1, the Collecting Society shall provide information on performances for which one or more rightohlders have not been identified:

(a) to the rightholders it represents or, to entities representing the rightholders if they are members of the collecting society and

(b) to all collecting societies with whom it has reciprocal agreements. The information in the second subparagraph shall include, where applicable, the following:

A. the title of the work or other object of protection,

B. the name of the beneficiary,

C. the name of the producer,

D. any other relevant information available which may assist in identifying the rightholder. If the aforementioned measures have no effect, the Collecting Society shall make this information available to the public no later than one (1) year after the expiry of the three-month period.

5. If the amounts due to the rightholders cannot be distributed after three (3) years from the end of the fiscal year in which the proceeds from the collection of the reasonable remuneration were collected and the Collecting Society has taken all the necessary measures for identifying rightholders, these amounts shall be considered as non-distributable.

6. The General Assembly of the Collecting Society decides on the use of the undistributable amounts, without prejudice to the right of the rightholders to claim these amounts from the Collecting Society if they are not time-barred.

7. Only half of the undistributable amounts may be used by the Collecting Society for investments, while the remaining half may be used separately and independently to finance social, cultural and educational services for the benefit of the rightholders. By decision of the General Assembly, the amount of non-distributable funds for investment can be increased. The General Assembly may also decide that part of the undistributable amounts will be distributed to the rightholders, provided that this decision does not impede the ability of the rightholders to claim and receive the amounts corresponding to their claims which are not time-barred.

8. Claims by the rightholders against the Collecting Society for collecting income from rights shall be forfeited within ten (10) years from the end of the fiscal year in which they were received. If the rightholders have not been identified, the ten (10) year period is calculated from the completion of the identification process.

**ARTICLE 20**

**BODIES OF THE COLLECTING SOCIETY**

The governing Bodies of the Collecting Society are the General Assembly, the Administrative Council and the Auditing Council.

**ARTICLE 21**

**GENERAL ASSEMBLY**

**A.**

1. The General Assembly consists of all the members of the Collecting Society and is convened for ordinarily and extraordinarily.
2. The powers of the General Assembly of the Members / Partners of the Collecting Society may be exercised by a meeting of representatives elected at least every four (4) years from the General Assembly of the Collecting Society, provided that:
3. the proper and effective involvement of the members in the decision-making process of the collecting society is ensured and,
4. the representation of the various categories of members 'rights in the assembly of the representatives is fair and balanced. The rules applicable to the General Assembly of the Members shall apply mutatis mutandis to the Assembly of Representatives.
5. The ordinary General Assembly is convened once every year after the invitation of the Administrative Council and within four months after the end of the accounting period.
6. The extraordinary General Assembly is convened by the Administrative Councilor the Supervisory Board or after the relevant demand forwarded by 1/10 of the members of the Collecting Society, which cannot be less than 3 members,and the agenda is defined by the entity that convened it.
7. In case the Administrative Council does not convene the General Assembly within 15 days after the submission of the relevant demand forwarded by the Supervisory Board or the members, then the convocation of the General Assembly will be ordered by the District Court after the request of the above, unless the Court deems that there is no substantial reason for it.
8. In the invitation for the General Assembly the date, time, venue and the agenda have to be mentioned. The invitation should be sent to the members at least 8 days before it is scheduled to take place. Items in the agenda can be added if they are proposed by at least 1/10 of the registered members at least 8 days before the General Assembly. In this case the Administrative Council will send a new complementary invitation to the members at least 5 days before the General Assembly is scheduled to take place.
9. The General Assembly is in quorum and legally in session when at least half of the members of the Collecting Society are present at the beginning of the assembly. In case quorum is not reached, the General Assembly will convene after 7 days in the same venue and at the same time without any further invitation (unless a different venue and/or time for the second General Assembly is specified in the initial invitation) and has the power to decide on all issues of the agenda as long as ¼ of the members of the Collecting Society are present at the beginning of the General Assembly. If again quorum is not reached, the General Assembly is convened again within seven (7) days and decisions are made on all the items of the agenda irrespective of the number of the members present. No General Assembly can take place if less than 7 members are present. The decisions of the General Assembly are made on the basis of a clear majority of the number of the members who voted. For decisions regarding the change of the objectives or the address of the Collecting Society, or the amount of the Collecting Society share, the extension, dissolution, merging of the Collecting Society and the revocation of the mandate of members of the Administrative Council or the Supervisory Board, the approval of a proposal of the Administrative Council regarding the introduction or amendment of the distribution regulation the General Assembly is in quorum if 2/3 of the total of the full members are present and the decision is made on the basis of a 2/3 majority of the present members. In case quorum is not reached, the General Assembly will convene after 7 days without any invitation in the same venue and at the same time, quorum will be reached if at least half of the members are present and the decision will be made with a 2/3 majority of the members present.
10. At the beginning of the Assembly the members elect the Chairperson and the Secretary of the General Assembly. The Chairperson of the Administrative Council acts as Chairperson of the General Assembly, in case this person is absent this task is performed by the Vice-Chairperson or any other member of the Administrative Council and, in case no such member is present, a member of the Collecting Society that will be appointed by the General Assembly. If none of the members of the Administrative Council is present, the reasons for their absence will be investigated and, unless these reasons are very serious, the Administrative Council will be censured and the General Assembly could even decide to relief the members of the Administrative Council from their duties. The chairperson moderates the deliberations of the General Assembly and the secretary takes down the proceedings that are endorsed by the Chairperson and the Secretary.
11. In the General Assembly the items of the agenda are discussed and relevant decisions are made. If all the members are present issues that are not included in the invitation can be discussed during the General Assembly. At the relevant request of 1/20 of the members the discussion of these issues is postponed. The elections, the relief of the liability of the members of the Administrative Council and the Supervisory Board, and personal issues are decided by secret ballot. The members of the Administrative Council and the Supervisory Board do not have the right to vote for decisions regarding the relief of their liability.
12. Each member has the right of one vote in the General Assembly.The Independent Management Entities and the Collective Management Organizations that have acquired the status of Member participate in the General Assembly with their legal representative and have the right of one vote. They must immediately notify the Collecting Society in case of any change in their legal representation and provide the relevant documents.
13. Each member of a collecting society has the right to designate any other member, who may be a natural person or legal entity, as a proxy, even by simple written authorization to the member to participate in and vote at the general assembly of members on his account, provided that this designation does not lead to a conflict of interest. The proxy holder may represent up to two (2) members of the collecting society. Each power of attorney is valid for only one (1) general assembly of members. The proxy holder has the same rights at the general assembly of members as those of the member who appoints him. The proxy holder shall vote in accordance with the instructions given by the designating member. Furthermore, each member of the Collecting Society and the proxy holder, provided the latter has submitted his authorization to the members, may vote electronically, provided that the Collecting Society has installed an electronic system for electronic voting, which ensures the secrecy of voting, for the operation of which the Collecting Society has informed its members.
14. The General Assembly for the elections and the approval by vote of the annual report will elect a Supervisory Committee comprised by three members. The members of the Supervisory Committee cannot stand to be elected to the Administrative Council and Supervisory Board. The member that took most of the votes of the relative majority is declared as the Chairman of the Supervisory Committee, the next in votes is declared as the Secretary and the members that were not elected as deputy members of the Committee.
15. The elections are held in the headquarters of the Collecting Society seven (7) days after the completion of the General Assembly for the elections and the approval by vote of the annual report and the election of the Supervisory Committee. After the relevant decision of the General Secretary voting can be held in two days. During those days the electronic voting also takes place.
16. The voting for the election of the Administrative Council and the Supervisory Board is done on a single ticket on which the candidates for each body are separately written in alphabetical order. Seven (7) candidates from this ticket are elected as ordinary members of the Administrative Council and four (4) as alternate members of the Administrative Council, also three (3) candidates are elected as ordinary members of the Supervisory Board and three as alternate members. The members can choose by ticking up to five candidates for each body. The cross is placed next to the name of the candidate.
17. The order of election in the posts of ordinary and alternate members of the governing bodies is defined by the number of the ticks given to each candidate. In case candidates for the Administrative Council as ordinary members for the seventh position, and alternate members for the fourth position, got the same number of votes, their success will be decided by drawing lots, a process to be carried out by the elections committee. Those that have not been elected as ordinary members will be considered as alternate members on the basis of the order of the number of votes they received.
18. The Elections Supervisory Committee will assume its duties right after its members is elected.
19. The members who wish to stand for election in the Administrative Council or the Supervisory Board are obliged to declare to the Elections Supervisory Committee their intention to be candidates at least three full days before the date of the elections. The members of the Collecting Society who subscribed within less than three months before the elections cannot stand to be elected to the governing bodies. As an exception the previous provision is not valid for the first Administrative Council and the first Supervisory Board.
20. As soon as the above deadline expires the Elections Supervisory Committee, having first verified the legitimacy of the candidates according to the limitations set by these statutes, writes a single ticket for each body and places it on a board in the headquarters of the Collecting Society that is quite apparent to everyone. Then the Committee supervises the preparation of the ballots estimated to be needed for the smooth election procedure.
21. The members of the Elections Supervisory Committee are obliged to be in the headquarters of the Collecting Society during the day of the elections from 11:00 a.m. to 19:00 p.m. and supervise the smooth progress of the elections. The identification of the voters is made by them producing their identity card or any other document that proves their identity (such as passport, driver’s licence, voting booklet) or by a solemn declaration according to the L. 1599/86).
22. After the end of the election procedure the Elections Supervisory Committee counts and sorts the votes, announces the names of the winning candidates and writes the official elections’ document.
23. The General Assembly is the supreme governing body and decides on all issues concerning the Collecting Society. The electronic participants in the General Assembly also count at the above mentioned quorums and majorities of the General Assemblies, provided an electronic / digital system is established in the Collecting Society and they have announced their participation before the General Assembly.

**B.**

 The following are under the exclusive competence of the General Assembly:

1. the amendment of the statutes
2. the election or dismissal of the members of the Board of Directors and the members of the Supervisory Board
3. the approval of remuneration or the provision of other benefits, monetary or not, to the members of the administrative and supervisory board and to the Director-General, after an assessment of their overall performance, as well as the payment of redundancy compensation to such persons,
4. the merging, the extension of the duration, the dissolution and revival of the Collecting Society
5. the approval of the distribution regulation regarding the collected rights and the remunerations provided in articles 18 and 49 of L. 2121/93, as well as the approval of the remunerations list
6. the basic principles for the use of amounts that cannot be distributed and the use of amounts that cannot be distributed on a case by case basis
7. the investment policy for the income deriving from the rights and from the investment of the income from the rights, taking into account the provisions of article 17 paragraph 4 and article 19, paragraph 7 of Law 4481/2017
8. the deductions from the income from the rights and from the income derived from the income from the rights, taking into account article 18 of Law 4481/2017
9. the use of revenue from the rights and proceeds arising from the investment of the income from the rights as to the manner, time or any other detail,
10. the manner of management of possible cases that may affect the fulfillment of obligations and the achievement of the organization's objectives (risk management policy)
11. the approval of any acquisition, sale or mortgage of immovable property,
12. approve of mergers and alliances, setting up subsidiaries and of acquisitions of other entities, or acquisitions of shares or rights in other entities,
13. The approval of the receipt and granting of loans or collateral for loans,
14. drawing up the conditions for the granting of non-commercial use rights,
15. the participation in a company or other Collecting Society or withdrawal from it
16. the approval of the balance sheet and the profit and loss account
17. the approval of the budget and the plan of activities
18. the election of the Administrative Council and the Supervisory Board and their relief from every liability
19. the introduction of contributions by the members to deal with extraordinary damages or other emergencies
20. the approval of the registration of new members and of the decision giving them the status of membership according to article 6 of the statutes
21. the creation of special and extraordinary reserves
22. all other activities assigned to the General Assembly by these statutes
23. control of the activities of the organization, at least by making a decision on the appointment or removal of certified accountants and approving the Annual Transparency Report submitted by the Collecting Society in accordance with article 29 of Law 4481/2017
24. limitation of the right to participate and vote in the general assembly of members on the basis of the amounts received or due to a member and / or membership duration or members having conflicting interests with the organization
25. any other matter provided for by the relevant legislation.
2. The general assembly of the members of a collecting society may decide to delegate to the supervisory board the powers referred to in the above-mentioned cases.

3. In case the Collecting Society is unable to pay its overdue debts, or if, during the elaboration of the budget, it is realised that the liabilities exceed the assets by a third of the total amount of the liability of all the members, the Administrative Council forcibly and immediately is to convene the General Assembly to decide on the issue of imposing an extraordinary contribution by the members. The balance sheet and a report of the Administrative Council on the financial status of the Collecting Society, as well as the amount of the extraordinary contribution are submitted to the General Assembly. The extraordinary contribution is to be proportional according to the shares of the members and in accordance to a decision made by the General Assembly with a two-thirds quorum and absolute majority of the members of the Collecting Society. The extraordinary contribution is imposed on the members by the General Assembly by quorum and majority as defined in paragraph 7b of this article.

**ARTICLE 22**

**ADMINISTRATIVE COUNCIL**

1. The Administrative Council is comprised by seven (7) members that are elected by the General Assembly.
2. The term of office of the Administrative Council is three years and can be extended until the election of the new Administrative Council, with this extension being no longer than six months. The members of the Administrative Council are free to be re-elected
3. The members of the Administrative Council and the Supervisory Board cannot:
4. own, be managers, directors or top executives in radio or television broadcast organisations
5. have a salaried employment relation or any permanent co-operation with the above mentioned organisations
6. exercise similar duties in any legal entity of the private or public law (or in services of the state), in case of a possible conflict of the interests of this entity with those of the Collecting Society.

Those who will assume such duties during their term of office will lose their post in the Collecting Society.

1. They are also deprived of their post, by a decision of the General Assembly which decides by a quorum of at least 2/3 of all its members, the members of the Administrative Council who are convicted for administrative misconduct against the Collecting Society or violate the provisions of article 66 of Law 2121/93 or the provisions of the obligations of article 12B par. a) and d) of this Statute or have conflicting interests with the Cooperative.

These decisions are revoked, at the request of the interested member, by a new decision of the General Assembly, which decides with the quorum of article 21 par. 7b hereto, which may convene specifically for this purpose.

1. The member that was given the highest number of votes in the elections invites the other elected members of the Administrative Council within 10 days after their election and they elect with secret ballot the President, the Vice-President, the Secretary and the Treasurer. If there are more than two candidates for a post in the presidium then the election will continue between the two candidates that have won the highest number of votes. If a member of the Administrative Council resigns, is revoked from the post or falls in any way from its post, it is replaced by the candidate who was the next in votes. The substitution of a member of the Presidium is done by the Administrative Council.
2. The Administrative Council administers, represents and commits the Collecting Society according to the provisions of the statutes. As an indication and with the reservation of everything otherwise stipulated in these statutes and the law, the Administrative Council has the power to:
3. elaborate and submit for approval to the General Assembly the distribution regulations and their amendments
4. implement the annual plan of activities and the decisions of the General Assembly andin general to decide on any issue regarding the administration, organisation, operation, management as well as the affairs or projects of the Collecting Society pertaining to the achievement of its objective (except the decisions that are clearly under the authority of another body as stipulated in these statutes or the law)
5. Elaborate, amend and sign with the beneficiary any contracts and the reciprocal agreements with foreign organizations
6. elaborate at the end of the accounting period the balance sheet and the profit and loss account and submit them to the ordinary General Assembly and the Supervisory Board for audit fifteen (15) days before the day the General Assembly is convened
7. decide on the registration of members and beneficiaries according to article 6 of these statutes
8. propose to the General Assembly the expulsion of members
9. co-operate with state agencies and other collective management societies for the promotion and protection of intellectual property and neighbouring rights by appointing representatives of the Collecting Society when it is deemed necessary
10. conclude individual and collective contracts with the users and elaborate the remunerations list and propose it to the General Assembly
11. conclude bilateral agreements with foreign Collecting Societies
12. hire the managing director and the rest of the managerial staff, assign to them their powers and specify their salary
13. appoint representatives of the Collecting Society in congresses
14. specify the percentage to be withheld in order to cover administrative expenses. This percentage is to be notified to the performers – singers before they sign their assignment contract. This percentage cannot increase without the consent of the members and beneficiaries unless a year’s warning has passed
15. accept donations and heritages
16. elaborate the internal regulations of the Collecting Society and all other activities assigned to the Administrative Council by the statutes
17. represent the collecting society in the bodies of the joint collecting society by decisions between the members of the Board of Directors and those provided for in the statutes of the joint collecting society,
18. enter into contracts with information providers on the use of performances,
q) enter into representation contracts with other collecting societies in the best interests of the beneficiaries,

r) decide on the installment of computerized systems for the exercise of the rights of beneficiaries,

t) conclude the required contracts for the administration and collection of the annual supplementary remuneration, as defined in article 52 of Law 2121/93,
u) decide on the appointment of a person responsible for the processing of personal data in accordance with the provisions of Law 2472/1997

v) other activities entrusted to the Administrative Council by this Statute.

1. The members of the Administrative Council are obliged to exercise the same diligence for the management of the affairs of the Collecting Society as that they exercise for their own affairs.
2. The Administrative Council meets regularly at least once every two months and extraordinarily if the President or one third of its members request a meeting. It is in quorum and in legal session if the present members are more than the absent ones~~.~~ The decisions are made on the basis of a majority of the present members. In case of halved votes the vote of the President will be the casting one. The decisions and the minutes are recorded in the minutes book and they are signed by all present members of the Administrative Council. Exceptionally and for reasons of urgency the Administrative Council can hold a meeting without the presence of the members at the meeting by taking any decision by conduct. The meeting of the members of the Administrative Council is possible by teleconference provided that all members agree and can decide on the technical safety requirements for the validity of the meeting. In this case the invitation to the members of the Administrative Council includes the necessary information for their participation in the meeting.
3. A member of the Administrative Council cannot participate in the meeting or vote when the issues that are discussed concern directly this member of a relative, up to second degree.
4. The post of the member is honorary and without salary~~;~~
5. In case the Administrative Council has to decide on its proposal regarding the distribution regulation, this decision is made on the basis of a quorum of 2/3 of the total of its members.

**ARTICLE 23**

 **POWERS OF THE PRESIDIUM OF THE ADMINISTRATIVE COUNCIL**

1. The President chairs the meetings of the Administrative Council, signs, together with the General Secretary, the minutes of the meetings and represents the Collecting Society to third parties and the courts. If the President cannot perform any of these duties she/he is replaced by the Vice-President, and if the Vice-President cannot then a member of the Administrative Council that will be appointed by it.
2. The General Secretary is responsible for the correspondence, keeps the archives of the Collecting Society and the minutes of the meetings of the Administrative Council which she/he signs together with the President as well as all payment orders. The General Secretary is responsible to notify the content of all incoming documents to the members of the Administrative Council. The General Secretary is responsible for the keeping and updating of the register of the members. In case the General Secretary cannot perform any of these duties she / he is replaced by an Administrative Council member appointed by it.
3. The Treasurer keeps the accounts books as the law provides and is responsible for the collections, and supervises the appropriate function of the financial services. The Treasurer elaborates the budget and the financial management report. In case the Treasurer cannot perform any of these duties she / he is replaced by an Administrative Council member appointed by it.
4. The members of the Administrative Council perform the duties assigned to them by the President, the General Secretary or the Treasurer, and in general they contribute to the administration and management of the Collecting Society
5. All the above powers and competence can be transferred to members of the Administrative Council or third parties after a relevant decision of the Administrative Council.

**ARTICLE 24**

**SUPERVISORY BOARD**

1. The Supervisory Board is comprised of three (3) members that are elected from the General Assembly.
2. The same member cannot be member of both the Administrative Council and the Supervisory Board. The members of the Administrative Council and the Supervisory Board cannot be related up to second-degree relation.
3. The Supervisory Board controls the actions of the Administrative Council and the compliance to the legal regulations, to the statutes and decisions of the General Assembly. The Supervisory Board has the right as well as the duty to be informed on any book, document or data related to the Collecting Society, to perform accounting and managerial audits and monitor the development of the affairs of the Collecting Society. Up to three consultants or experts can be appointed to carry out accounting and managerial audits. In case the Supervisory Board establishes violations of the law, the statutes and the decisions of the General Assembly, or managerial irregularities, it suggests their correction to the Administrative Council and convenes the General Assembly if it deems that these violations or irregularities are serious and can harm the interests of the Collecting Society.
4. The Supervisory Board elaborates the report on the balance and the profit and loss account, which is submitted to the General Assembly. The report together with the balance and the profit and loss account should be available to the members five (5) days before the meeting.
5. The members of the Supervisory Board are liable for every misdemeanour. By decision of the general assembly of members, the members of the supervisory board may be exempted of their liability.
6. Every member of the supervisory board of the collecting society submits to the general assembly of members an annual individual statement on conflicts of interest containing the information referred to in the third subparagraph of Article 26 (2) hereof.
7. The supervisory board of the collecting society shall meet regularly and in any case at least four (4) times a year and shall have at least the following powers:
(a) the exercise of the powers conferred on it by the general assembly of the Members,
8. the monitoring of the activities and the performance of the duties of the members of the Management Board, the Director-General and / or the Directors, where a Director-General or Directors has been appointed, as well as those persons entrusted with relevant duties and responsibilities,
9. monitoring the implementation of the decisions of the general assembly of the members, in particular concerning: (a) the method of distribution of the amounts due to the beneficiaries and the distribution of allowances; (b) the application of the basic principles for the use of the amounts that cannot be distributed; (c) the investment policy for income from royalties and for revenue deriving from income from rights; (d) deductions from income from rights and from income generated by the investment of income from the rights, having regard to Article 18 of Law 4481/2017
10. compliance with the provisions of Law 2121/93, Law 4481/2017, the articles of association and distribution regulations.
11. For the exercise of its powers, the Supervisory Board may request from the persons referred to in paragraph 7 (b) any information, data, books or documents of the collecting society necessary for the fulfillment of the purposes set out in paragraph 7..
12. The Supervisory Board shall report at least once a year to the general assembly of the members on the exercise of its powers.
13. A member of the Management Board or a Director-General or Director may not participate in the Supervisory Board. It is forbidden to be a spouse or have any affinity up to the second degree between members of the board of directors, the general manager or the director with the members of the supervisory board. The members of the Supervisory Board are responsible for any fault.
14. If the Board of Directors establishes an infringement, the Supervisory Board may use the procedure provided for in Articles 43 and 46 to 47 or 51 of Law 4481/2017.
15. For the exercise of all its powers, the supervisory board may authorize independent statutory auditors or accountants or lawyers, of its discretion and choice, with up to 3% of the annual management costs, as appropriate, falling on the collecting society, subject to the principles of confidentiality and non-conflict of interest.

**ARTICLE 25**

**ADMINISTRATION STAFF**

1. The Managing Director and the deputy Managing Director are hired by the Administrative Council. They exercise the powers assigned to them without the signed approval of any other body of the Collecting Society.
2. The Administrative staff of the Collecting Society is comprised by members of the Collecting Society or third parties that are non-members. The persons that comprise the managerial staff of the Collecting Society cannot: i) own or be partners, managers, directors or production managers in radio broadcasting organisations, whatever the visual or audiovisual signal transmission means could be, or in companies that trade or produce audio or audiovisual recording material, ii) be related through a salaried employment relation, or any other permanent co-operation with the above companies, iii) act as directors of a rights management company in Greece or abroad, unless they act on the order of the Administrative Council of the Collecting Society, iv) exercise similar duties in any legal entity of the private or public law (or in services of the state), in case of a possible conflict of the interests of this entity with those of the Collecting Society, v) to acquire interests that might conflict with those of the Collecting Society vi) to pursue their personal goals by employing the services of the Collecting Society, vii) to exercise the rights of a partner.

**Article 26**

**ANNUAL TRANSPARENCY REPORT**

1. The Collecting society shall prepare and publish an annual Transparency Report, together with the Special Report, for each tax year no later than eight (8) months after the end of the year. The Annual Transparency Report is published on the Collecting society's website, where it remains available to the public for at least five (5) years.

2. The information to be provided in the Annual Transparency Report is as follows:

a) financial statements that include a balance sheet or a statement of assets and liabilities, a revenue and expenditure account for the year and a cash flow statement,

(b) a report on the activities of the tax year,

(c) information on the refusal to grant an authorization in accordance with Article 22 (4)

(d) a description of the legal structure and governance structure of the collecting society,

(e) information on other entities owned or controlled, directly or indirectly, wholly or in part, by the collecting society,

(f) information on the total amount of the remuneration paid to the persons referred to in Article 10 (3) and Article 31 (1) in the previous year and other benefits granted to them,

(g) financial information referred to in paragraph 2,

(h) a special report on the use of sums spent for the purposes of social, cultural and educational services. The report shall contain the information referred to in paragraph 3.

3. The following financial information is to be provided in the Annual Transparency Report:

(a) financial information on the income from entitlements, by category of powers managed by the collecting society and by type of use, including information on revenue generated for the investment of income; rights and the use of these revenues (whether these are distributed to beneficiaries or other collecting societies or otherwise used),

(b) financial information on the costs of managing rights and other services provided by the collecting society to the beneficiaries, with a detailed description of at least the following:

(aa) all operating and financial expenditure broken down by category of authority managed by the collecting society and, if the costs are indirect and cannot be attributed to one or more categories of powers, an explanation of the method used for the distribution of these indirect costs,

bb) operating and financial expenditure, broken down by category of authority, managed by the collecting society and, if the costs are indirect and cannot be attributed to one or more categories of powers, an explanation of the method used for distribution of indirect costs only in respect of rights management, including management fees detained or offset against income from royalties or with income deriving from the deduction of income from rights in accordance with Article 17 (3) and Article 18.

cc) operating and financing costs in relation to services other than rights management but including social, cultural and educational services,
(dd) the resources used to cover the costs,

(ee) deductions made on the income from rights, broken down by category of powers managed by the collecting society, by type of use and purpose of detention, such as rights-related costs,

ff) the percentages representing the cost of managing the rights and other services provided by the collecting society to beneficiaries compared to the revenue from the rights in the tax year concerned, by category of powers managed by the collecting society and whether the costs are indirect and cannot be attributed to one or more categories of powers, an explanation of the method used to allocate indirect costs.

c) Financial information on amounts due to beneficiaries with a detailed description of at least the following elements:

(aa) the total amount attributable to beneficiaries with a breakdown by category of powers managed by the collecting society and by type of use,

bb) the total amount paid to beneficiaries with a breakdown by category of powers managed by the collecting society and by type of use,
(cc) the frequency of payments, broken down by category of authority, managed by the collecting society and type of use,

 (dd) the total amount received but not yet assigned and is attributable to the beneficiaries, broken down by category of powers managed by the collecting society and by type of use, and indicating the tax year in which these amounts were received,

ee) the total amount attributable to the beneficiaries and not yet distributed to them, broken down by category of powers managed by the collecting society and type of use and indicating the tax year in which they were received,
(ff) if the collecting society has not made the allocation and payments within the time limit laid down in Article 19 (2), the reasons for the delay,
(gg) the total undistributed amounts together with an explanation of the use of these amounts.

d)Information on relations with other collecting societies, describing at least the following:

(aa) the amounts received by other collecting societies and the amounts paid to other collecting societies, broken down by category of authority and by type of use and by collective management organization,

bb) management costs and other deductions of revenue from royalties due to other collecting societies, broken down by category of authority and by type of use and by collective management organization,
(cc) management costs and other deductions from the amounts paid by other collecting societies, broken down by category of authority and by collecting society,

dd) the amounts distributed directly to beneficiaries coming from other collecting societies, broken down by category of authority and by collecting society in accordance with Article 37 (3).

4. The special report shall cover the use of sums spent for the purposes of social, cultural and educational services and shall include the following information: (a) the amounts spent on social, cultural and educational services during the tax year, with breakdown of amounts per service and b) the information and explanations for the use of these amounts by type of service, the recipients, the management costs of the organization to finance social, cultural and educational services, and the amounts actually spent on these services.

5. The financial statements referred to in paragraph 2 (a) hereof and any financial information referred to in paragraphs (g) and (h) of paragraph 1 and paragraph 3 of the present article are audited by one or more statutory auditors, accountants, who draw up a report. This report is published in full in the Annual Transparency Report.

6. Provisions of other laws relating to the financial management and control of collecting societies shall remain in force.

**ARTICLE 27**

**OBLIGATIONS OF THE PERSONS MANAGING THE BUSINESS ACTIVITIES OF THE COLLECTING SOCIETIES**

1.Persons managing the business of the Collecting societies such as the legal representative, the members of the board of directors and the Supervisory Board, and the Chief Executive Officer, if any, must:

(a) not be finally convicted of a felony or convicted of a felony or miscarriage of a custodial sentence of more than two (2) years or, irrespective of the amount of the sentence, of crimes against property or intellectual property rights; smuggling, forgery or forgery, tax evasion, bribery or bribery. For the purposes of determining the non-final referral and the non-conviction of the preceding paragraph, such persons shall submit to the Hellenic Copyright Organization a certificate of the competent judicial authority for non-referral and a copy of a criminal record indicating non-conviction respectively. The above persons must also provide a declaration with the information referred to in Article 31 (2) (d)

b) act properly, prudently and appropriately, through the application of appropriate administrative and accounting procedures and internal control mechanisms

(c) establish and implement procedures to avoid conflicts of interest and, if such conflicts cannot be avoided, they must identify, manage, monitor and disclose real or potential conflicts of interest in such a way as to prevent the negative impact on the collective interests of the beneficiaries represented by the organization. To this end, they are at least required to submit an individual statement to the general assembly of the collecting society prior to taking up their duties and then on an annual basis, containing at least the following information:

(a) any interest in the collecting society

(b) any remuneration, indemnity or benefit received by the collecting society during the previous tax year, including pension, insurance, and other benefits,

(c) the amounts received during the previous tax year as beneficiaries by the collecting society

d) a statement of any actual or potential conflict between the personal interests and interests of the collecting society or between obligations towards the collecting society and obligations vis-à-vis any other natural or legal person.

**ARTICLE 28**

**PROVISION OF INFORMATION TO BENEFICIARIES ABOUT THE MANAGEMENT OF THEIR RIGHTS**

1.The collecting society shall provide, not later than nine (9) months after the end of each year of use to any beneficiary to whom it has recognized the revenue accruing to it for the relevant year of use, whether paid or not, at least the following information:

 (a) the contact details the beneficiary has authorized the collecting society to use to identify and locate him or her,

(b) revenue from the rights attributable to the beneficiary,

(c) the amounts paid by the collecting society to the beneficiary by category of authority it manages and by type of use,

d) the period during which the use is made, to which the corresponding amounts recognized and paid to the beneficiary correspond, unless objective reasons relating to the reports made by the users do not allow the collecting society to provide these information,

(e) deductions made for management costs,

(f) reservations made for any purpose other than management costs,
(g) income from rights attributable to the beneficiary which have not been paid for any period of time.

2. The collecting society provides the above information to Independent Management Entities / members of the collecting society responsible for the further distribution of the revenues from the rights to the beneficiaries, if the entities in question already possess such information. These entities are required to provide the above information no later than nine (9) months after the end of each year of use to each beneficiary to whom they have recognized the revenue accruing to them for the year in question, regardless of whether they have been paid to them or not.

**ARTICLE 29**

**PROVISION OF INFORMATION TO OTHER COLLECTING SOCIETIES ABOUT THE MANAGEMENT OF THEIR RIGHTS BASED ON REPRESENTATION AGREEMENTS**

The collecting society shall provide, not later than nine (9) months after the end of each year of use and by electronic means at the collecting societies for which it assumes rights management under a representation agreement for that year, at least the following information:

1. the revenue from the rights attached and the amounts paid by the collecting society by category of powers it manages and by type of use for the rights it manages under the representation agreement,

(b) the income accruing to them which has not been paid for any period of time,

(c) deductions made for management costs,

(d) deductions made for any purpose other than the management costs referred to in Article 18 of Law 4481/2017

(e) information on the granting or non-granting of authorizations in respect of projects and other matters covered by the representation agreement,
(f) decisions adopted by the general assembly that concern the management of rights under the representation agreement.

**ARTICLE 30**

**PROVISION OF INFORMATION TO BENEFICIARIES, OTHER COLLECTING SOCIETIES AND USERS UPON REQUEST**

The collecting society disposes, upon a justified request, to any collecting society on behalf of which it assumes the management of rights under a representation agreement or to any beneficiary, member of the collecting society or beneficiary or to any user, even a potential one, by using electronic means; and without undue delay, at least the following information: the types of performances they represent, the rights they manage, and the territories covered.

**ARTICLE 31**

**PERSONAL DATA PROTECTION**

The processing of personal data carried out under this Law is subject to the provisions of Law 2472/1997 (A 50). A data processor is designated by a decision of the Administrative Council.

**ARTICLE 32**

 **ACCOUNTING PERIOD**

The calendar year is defined as the accounting period. The first accounting period will start from the date the Ministry of Culture grants the licence for the operation of the Collecting Society and will finish on December 31st of the next year.

**ARTICLE 33**

**RESERVE CAPITAL**

1. 1/10 of the net income of every accounting period is to be withheld in order to accumulate the reserve capital, unless this amount reaches the total value of the Collecting Society shares.
2. The General Assembly has the authority to decide on the accumulation of special extraordinary reserves.

**ARTICLE 34**

**PRINCIPLES GOVERNING THE DISTRIBUTION REGULATION**

1. The General Assembly approves or amends the distribution regulation.
2. The product of the collection management is principally distributed on the basis of the participation of each performance in this product.
3. Deviations from this principle will be accepted if it is impossible or non feasible to calculate the actual use of every performance or the number of beneficiaries for every use. Even in these cases however the distribution should be based on objective and verifiable criteria.
4. A percentage of the net income can be allocated for the creation of a Mutual Assistance Fund or the support of political activities after a relevant decision of the General Assembly.

**ARTICLE 35**

**REFERENCE OF COMPLAINT REQUESTS- SUBMISSION OF COMPLAINTS**

The collecting society makes available to its Members/ Partners, Beneficiaries and Collective Management Organizations, on behalf of which it manages rights under representation agreements, procedures for dealing with complaints, especially in relation to the rights management agreement and the expiration or revocation or termination of rights, the terms of admission of a member, the collection of sums owed to the right owners, the bookings and distributions. The complaint shall be filed in writing in any manner deemed appropriate by the complainant, including e-mail.

The collecting society displays in a visible manner on its website the information necessary to allow for the submission of complaints, as well as the relevant context and the procedure governing the submission and processing of such complaints.

If a complaint is filed in the collecting society, the collecting society shall inform the complainant on the receipt of the complaint immediately and in any case not later than three (3) working days after its submission. The collecting society must respond in writing and in good faith within twelve (12) working days of receipt of the complaint. If further details are required from the collecting society, it may request them from the complainant within that time limit. In this case, the collecting society must respond in writing and duly justified within seven (7) working days from the date of receipt of the supplementary information.

**ARTICLE 36**

**DISPUTES SOLUTION BETWEEN MEMBERS AND COLLECTING SOCIETY**

1. Differences between the collecting society and members of collecting societies and collective protection organizations, beneficiaries or users arising from the application of the provisions of Law 4481/2017 and Law 2121/1993 may, if all parties involved so wish, to go under mediation, in accordance with the provisions of Law 3898/2010 (A211).

**ARTICLE 37**

**DISSOLUTION OF THE COLLECTING SOCIETY**

The Collecting Society will be dissolved:

1. if membership falls below the number of 10 members
2. when its period of operation expires and no extension has been decided by the General Assembly
3. after a relevant decision of the General Assembly
4. if bankruptcy is declared as provided in article 11 of law 1667/1986

**ARTICLE 38**

**MERGING OF COLLECTING SOCIETIES**

Two or more Collecting Societies can merge. The requirements for the merger are: a decision of the General Assemblies of the Collecting Societies and registration of the new statutes in the Collecting Societies’ Registry of the District Court in the area of which the Collecting Society that will result after the merging will establish its headquarters. After this registration the resulting new Collecting Society will take upon the rights and obligations of the Collecting Societies that have merged. The pending court cases will be pursued by the new Collecting Society.

**ARTICLE 39**

**LIQUIDATION**

The liquidation is carried out by an auditing council. The pending cases are settled, in particular the claims are collected, the assets of the Collecting Society are liquidated and its debts are paid. The balance after these acts is distributed to the members according to the distribution regulation.

**ARTICLE 40**

**FINAL CLAUSE**

These Statutes, consisting of 40 articles, was approved by the General Assembly, which was held on 19th December 2017, and was signed as follows:

 For the Collecting Society ERATO L.L. CO-OP

 THE MEMBERS OF THE ADMINISTRATIVE COUNCIL