

ARTICLES OF INCORPORATION

CHAPTER A

ESTABLISHMENT - NAME - REGISTERED OFFICE - PURPOSE - TERM- CAPITAL

Article 1

Establishment - Applicable provisions

1. The Collective Management and Protection Organization under establishment is a Civil Non Profit Company, with legal personality, in accordance with Article 784 of the Civil Code and Law 4072/2012 and the provisions of Law 4481/2017.
2. It shall be governed by the provisions of this, the provisions concerning companies of the Civil Code and of Law 4072/2012, as well as by the provisions of Law 4481/2017, to the extent not provided for deviation from them by these articles of incorporation.

Article 2

Name

1. The name of the Organization is: "**ORGANIZATION FOR COLLECTIVE MANAGEMENT AND PROTECTION OF RIGHTS OF PHONOGRAM AND VIDEOGRAM PRODUCERS**".
2. In its foreign relations, the Organization shall use the name: "**HELLENIC COLLECTING AND ADMINISTRATING SOCIETY OF THE RIGHTS OF PHONOGRAM AND VIDEOGRAM PRODUCERS**".
3. The Organization will also use the distinctive title in Roman characters "**GRAMMO**" in its dealings, both domestically, as well as abroad.

Article 3

Registered Office

1. The registered office of the organization shall be the Municipality of Athens and the corporate branch shall be the leased property at Lazarou Sochou Street, No 4.
2. By decision of the Board of Directors, the registered office and the corporate branch may be changed. If the change does not entail the transfer of the registered office of the organization outside Attica, the change does not constitute an amendment of the articles of incorporation.

Article 4

Purpose

1. The organization is active: **(a.)** within the Greek Territory, where it is installed and **(b)** without installation, within the Territory of the Republic of Cyprus.
2. The sole purpose of the organization is to collectively manage and protect the rights of phonogram and videogram producers and / or their universal and / or quasi-universal and special successors, conferred on them, according to the principle of territoriality by the L. 2121/1993 (Greece) and the Basic Law 59/1976 (Republic of Cyprus).
3. Collective management and protection activity occupies any right of the beneficiaries, within the meaning of Art. 3(d) of Law 4481/2017¹, phonogram and/or videogram producers, which, according to L. 2121/1993, is subject to mandatory collective management regime, i.e. the rights under art. 18, 35 and 49 par. 1 of Law 2121/1993.

¹ Hereinafter, the term "beneficiary" has this meaning.

4. The rest rights of phonogram and/or videogram producers, i.e. those not subject to compulsory collective management, fall within the competence of the collective management and protection of the organization, provided that their bodies are **(a.)** members within the meaning of Art. 3 (e) of L. 4481/2017², of the organization, or **(b)** beneficiaries, and **(c.)** the members and / or beneficiaries have contractually assigned to the Organization the collective management and protection of their rights.

Article 5

Competencies

The organization:

1. Shall publish the conditions under which users, by territory, are legally entitled to exercise the powers deriving from the rights of the members/beneficiaries, which are managed and protected by the organization, by territory (remuneration table). These conditions are based on objective criteria and do not introduce unjustified discrimination.
2. Shall manage and protect the property right, the powers deriving therefrom, categories of powers or types of works or objects of protection, in the territories selected by members and/or beneficiaries.
3. Shall draw up contracts with users on the conditions of exploitation of the works or objects of protection, as well as on the fee payable, percentage, flat or minimal.
4. Shall provide members and/or beneficiaries with a percentage, flat rate or minimum remuneration as defined in Art. 32 and 39 of Law 2121/1993.
5. Shall receive the fees or allowances corresponding to the use of the powers it manages and protects and distributes the amounts received between the members and/or the beneficiaries.
6. Shall exercise the right of the beneficiary to grant or refuse authorization to a cable operator for retransmission through cable or other transmission materials in accordance with Article 35 of Law 2121/1993.
7. Shall conclude contracts of mutual representation with foreign organizations or companies managing or protecting or managing and protecting foreign phonogram and/or videogram producers and shall exercise in Greece and/or Cyprus on behalf of their members the same rights as those it exercises for its members. Shall inform the other collective management organizations etc., on revenue, deductions, licenses issued and any other information relating to the management of rights under those agreements and provided for in Law 2121/1993 and 4481/2017.
8. Shall provide the beneficiaries, other collecting organizations under reciprocal representation contracts and the potential other users with the information provided in Art. 25 to 27 of Law 4481/2017.
9. Shall publish and post on its website the information required in accordance with Art. 28 of Law 4481/2017.
10. Shall prepare and publish the annual transparency report of Art. 29 of Law 4481/2017.
11. Shall proceed in any administrative or judicial or extrajudicial action in legal protection of the rights of its members or/and beneficiaries and in particular, it shall submit applications

² Hereinafter, the term "member" has this meaning.

for interim measures, bring actions to exercise legal remedies, submit indictments and lawsuits, be present as civil plaintiff, request prohibition of acts that offend the right as to the powers conferred and request for confiscation of illegal copies or judicial escrow of the goods, according to art. 64 of Law 2121/1993.

12. Shall receive from users any information necessary for the implementation of the remuneration tables, the calculation of remuneration and the collection and distribution of collected revenue, under the relevant industry standards.
13. Shall conduct in cooperation with the Public Authority, or in accordance with the procedure of art. 64 of Law 2121/1993, the necessary controls in shops selling or renting or lending copies or presentation to the public of protected works, shall verify if these acts offend or not the rights of its members and/or beneficiaries.
14. It shall establish with other collective management organizations or collecting bodies, in so far as provided for in Law 4481/2017 and 2121/1993, a single collective management organization of any legal form for the collection and distribution of the rights it manages and protects, provided that the organization's participation in the decision-making process and the bodies of the single collecting society are fair and balanced, that is to say the percentage of the remuneration it is entitled to receive, based on Law 2121/1993.
15. Shall provide social, cultural or educational services to the benefit of members and/or beneficiaries,
16. Shall organize and participate in conferences on related rights and intellectual property issues.
17. Within the limits defined in the above, under 1 to 16 competences, it shall proceed to intra-community transactions.
18. It shall exercise any other competence consistent with its nature and purpose, provided that it is consistent with the operation license of Mr. Minister of Culture and Sports and is provided for, even in general, in these articles of incorporation.

Article 6

Term

The term of the organization shall expire on 31st December of the **year TWO THOUSAND FORTY** (31/12/2040), unless previously extended under the provisions hereof.

Article 7

Corporate capital

The capital of the Organization shall be eight thousand eight hundred and four Euros and eleven cents (€ 8,804.11). Paid in full by the founders in the Organization's fund as specified below in Article 43 of the present.

CHAPTER B

BENEFICIARIES- MEMBERS - RIGHTS AND OBLIGATIONS

Article 8

General principles

1. Beneficiaries may be individuals and / or legal entities, domestic and/or foreign.
2. The organization shall act in the best interests of the beneficiaries, whose rights it manages and protects. It shall not impose obligations on them which are not necessarily present in order to protect the rights.

3. Those entitled to share of the revenue generated by the collective management and protection of rights (= beneficiaries) are divided into two categories: **(a)** Members of the organization (= partners) and **(b)** non-members, hereinafter benefited persons. Members have a dual legal relationship with the organization. The corporate law and contract law (contract of award). The persons benefited retain only a contractual relationship with the organization, either by virtue of an award contract, or by law, where the revenue of the organization derives from the collective management of a right subject to compulsory collective management (= universal representation of the beneficiaries, irrespective of award contract).
4. The organization shall accept and register in its members beneficiaries and entities representing beneficiaries, including other collective management organizations and associations of beneficiaries, if they fulfill the membership requirements, which shall be based on objective, transparent or non-discriminatory criteria. Those membership and registration requirements shall be included in the articles of incorporation and posted on the organization's website. The organization is required to manage the property rights, powers or categories of powers or types of works or objects of protection, provided that their management falls within the scope of its activities, unless it has objectively justified reasons for refusing to undertake the management. In case of rejection of a request for admission of a member or assumption of management for a beneficiary, the organization shall provide the applicant with a clear statement of reasons and an explanation of the reasons for its decision.
5. Members of the organization or beneficiaries shall become, if they fulfill, respectively, the criteria set out in Art. 9 and 10 hereof, beneficiaries, collecting societies and independent management entities. 'Managers' and agents of beneficiaries shall not become members of the organization, nor may they be linked to it by an award contract (Art. 16 Directive 2014/26).
6. The members of the organization are required to assist in fulfilling the organization's statutory objects through their participation in committees which may be established by decision of the board of directors. They are also required to pay the regular annual contribution to be established by the Board of Directors.
7. The partnership is non-transferable.

Article 9

Membership Acceptance Criteria (= Partner)

1. The admission of a member constitutes an amendment to these Articles of Incorporation, as it concerns the recruitment of a partner.
2. Membership criteria shall be formulated accordingly, if the applicant for the admission is:
(a) phonogram and/or videogram producer, **(b)** collecting management organization, **(c)** independent management entity. Specifically:
3. **Phonogram and/or videogram producer:**
 - 3.1. Members shall become any national and/or foreign individuals and/or legal entities exercising in Greek territory, and/or abroad *active*, at the time of filing an application for admission, enterprise of phonogram and/or videogram production, or are specialists, universal or quasi-universal successors of an enterprise for the phonogram and/or videogram production, as the meaning of phonogram and/or videogram producer is defined, respectively, in Art. 47, par. 3(a) and (b) of Law 2121/1993.

- 3.2.** The exercise of *active* business shall mean: **[a.]** recording and marketing to the public in any format (analog or digital) of sixty (60) at least recordings on the submission date of the application shown below, or **[b.]** management/exploitation of sixty (60) at least recordings, directory and/or new, domestic and/or foreign repertoire, on the submission date of the application shown below. Same applies to the admission of specific, universal and semi-universal successor of phonogram and/or videogram producers. For the admission of persons of the preceding paragraph, as long as their predecessor meets one of the two above under [a.] and [b.] conditions.
- 3.3.** The applicant for admission must not be a member or a beneficiary non-member of another Collective Management organization operating in Greece or abroad, with which foreign organization Grammo maintains a reciprocal representation agreement, seeks the same as GRAMMO purpose and represents the same category of beneficiaries.
- 3.4.** The applicant shall submit an application, either in person or by proxy document, declaring that he accepts the terms of these Articles of Incorporation and the Distribution Regulation of the Organization.
- 3.5.** The application for admission shall be accepted by the general meeting of the members, with the ordinary quorum and majority of the art. 35, par. 1 to 8 herein. In the decision, the conditions for admission shall be substantiated.
- 3.6.** A condition for the activation of the above decision is the payment of the registration fee that shall each time be defined by the Board of the Organization.
- 4. Collective Management Organization:**
- 4.1.** Member shall become a national or foreign collective management organization, if its members or non-member beneficiaries meet the conditions of the cases 3.1. and 3.2. of the preceding paragraph.
- 4.2.** The collective management organization applying for admission: (A) should not be linked to Grammo with a reciprocal representation agreement and (b) should not be a member or beneficiary non-member of a collective management organization to which "Grammo" is linked with a reciprocal representation agreement.
- 4.3.** For the rest, cases 3.4 to 3.6 of the preceding paragraph shall apply.
- 5. Independent Management Entity:**
- 5.1.** Member shall become a domestic or foreign independent management entity, if the beneficiaries and/or members represented by it meet the conditions of the cases 3.1. and 3.2. of paragraph 3 of this Article.
- 5.2.** The independent management entity applying for admission: (A) should not be associated with "Grammo" under a reciprocal representation agreement; and (B) should not be a member or a beneficiary not a member of an independent management entity and/or a collecting society, to which "Grammo" is linked by a reciprocal representation agreement.
- 5.3.** The admission of an independent management entity is excluded, provided that: **(a.)** there is in any way a conflict of interests between members and/or shareholders and/or partners and/or members of the management of the independent management entity with "Grammo" and their members or their respective beneficiaries respectively; **(b)** the independent management entity is competing against "Grammo".

5.4. The application for admission shall be approved: **(a)** by the general meeting of the members, with the extraordinary quorum and majority of the art. 35, par. 9 hereof **and** **(b)** by the Supervisory Board, by a majority of $\frac{3}{4}$ of its present members. Decisions will substantiate the existence of the conditions for admission.

5.5. For the rest, the cases 3.3 and 3.6 of paragraph 3 of this Article shall apply.

Article 10

Criteria for assuming management for beneficiaries

1. Undertaking of management for beneficiaries does not constitute an amendment to these Articles of Incorporation.
2. Management undertaking criteria for beneficiaries are formulated accordingly if the applicant for the management is: **(a.)** phonogram and/or videogram producer, **(b)** collective management organization, **(c.)** independent management entity. Specifically:
 3. **Phonogram and/or videogram producer.** The criteria are as follows:
 - 3.1. To meet the requirements to become a partner, but not to desire it. **OR**
 - 3.2. To not meet the qualitative (= active business) and quantitative (= number of phonograms) conditions of Article 9 par. 3, case 3.1. & 3.2. of the present.
 - 3.3. To not be a member or a beneficiary non-member of another Collective Management organization operating in Greece or abroad, with which Collective management organization "Grammo" maintains a reciprocal representation agreement, seeks the same as "Grammo" purpose and represents the same category of beneficiaries.
 - 3.4. To submit an application, either in person or by proxy document, declaring that he accepts the terms of these Articles of Incorporation and the Distribution Regulation of the Organization.
 - 3.5. A decision of the Board to be taken into account. The decision of the Management Board to assume management is mandatory in its statement of reasons to satisfy the above conditions. As from the decision, subject to the following case 3.6, the applicant beneficiary non member of the organization, whose rights and obligations are governed by these articles of incorporation and the distribution regulation.
 - 3.6. A condition for the activation of the above decision is the payment of the registration fee that shall each time be defined by the Board of the Organization.
4. **Collective Management Organization,** The criteria are as follows:
 - 4.1. To meet the requirements to become a partner, but not to desire it. **OR**
 - 4.2. Its members or beneficiaries non-members to not meet the qualitative (= active business) and quantitative (= number of phonograms) conditions of Article 9 par. 3, case 3.1. & 3.2. of the present.
 - 4.3. It should not: **(a.)** be linked to "Grammo" by a reciprocal representation agreement; and **(b)** be a member or beneficiary of a non-member of a collecting society to which "Grammo" is linked by a reciprocal representation agreement.
 - 4.4. For the rest, cases 3.3 to 3.6 of the preceding paragraph shall apply.
5. **Independent Management Entity.** The criteria are as follows:
 - 5.1. To meet the requirements to become a partner, but not to desire it. **OR**

- 5.2.** The application for admission as member to not have been accepted, as a result of non-achievement of the majority provided for in Article 9 par. 5, case 5.4 hereof.
- OR**
- 5.3.** Its members or beneficiaries non-members to not meet the qualitative (= active business) and quantitative (= number of phonograms) conditions of Article 9 par. 3, case 3.1. & 3.2. of the present.
- 5.4.** It should not: **(a.)** be linked to "Grammo" by a reciprocal representation agreement; and **(b)** be a member or beneficiary of a non-member of an independent management entity, or/and collecting organization to which "Grammo" is linked by a reciprocal representation agreement.
- 5.5.** Management undertaking in 5.3. of paragraph 5 of article 9 hereof is excluded.
- 5.6.** For the rest, the cases 3.3 and 3.6 of paragraph 3 of this Article shall apply.

Article 11

Loss of the status of beneficiary

1. Without prejudice to the cases of compulsory collective management, the benefited person shall ipso facto waive his status as such, once: **[a.]** the criteria set out in Article 10 of this document cease to be fulfilled; or **[b.]** the awarding contract expires or is terminated at the initiative of the organization
2. Any decision of the Board on loss of the capacity of the benefited person has no constitutive, but only declaratory character.
3. The Board of Directors is entitled, in a reasoned decision, to delete a benefited person if its activity is directed against the objectives of the Organization. It is understood that the deletion results in the automatic termination of the concession agreement.
4. The contracts and licenses with users drawn up prior to termination/dissolution, for the above reasons, of the awarding contract shall continue to be valid until the expiry of their term. Paragraph 3 of Article 12 hereof shall be applicable accordingly.

Article 12

Management authorization

1. Beneficiaries shall have the right to authorize an organization of their choice to manage their property rights or the powers (rights) deriving therefrom or categories of powers or types of works or objects of protection of their choice, for the territories of their choice, irrespective of the Member State of nationality, residence or establishment of either the collective management organization or of the beneficiary (authorization agreement). Such authorization may be granted by delegation of the right or of the relevant powers, for the purpose of management, either by power of attorney or any other contractual agreement. Authorization shall be in writing and for a specified period of time which may not exceed three (3) years. In case of doubt, it is presumed that the authorization concerns all works, including future works, for a time period that may not exceed three (3) years.
2. Beneficiaries shall have the right to terminate, in whole or in part, the authorization to manage rights or categories of powers, or types of works or objects of protection of their choice, for the territory of their choice, or to withdraw from the collective management organization any of the rights, categories of rights, types of works and other subject-matter of their choice, upon serving three (3) months prior notice in writing. Such termination shall become effective upon expiry of the three month time period following the service of the written

notice, whereas the licenses which had been granted or the contracts concluded before termination shall be in full force and effect until the date of their expiry.

3. If there are any amounts due to a beneficiary for acts of exploitation which occurred before the expiry or termination of the award contract, or before the withdrawal of rights took effect, or under a license granted before the expiry or the termination or before the withdrawal took effect, the beneficiary shall retain his rights under Articles 18, 19, 25, 27 and 42 of L. 4481/2017.
4. Without prejudice to the cases of compulsory collective management, the organization shall not restrict the exercise of rights provided for under paragraphs 2 and 3 by requiring, as a condition for the exercise of those rights, that the management of rights or categories of rights or types of works and other subject-matter subject to expiry, termination or withdrawal, be entrusted to another collective management organization.
5. In cases where a beneficiary authorizes an organization to manage his rights, categories of rights, types of works or any other subject-matter, he shall give consent specifically for each right or categories of rights or types of works or any other subject-matter. Any such consent shall be evidenced in writing and documentary form.
6. The rights of beneficiaries deriving from paragraphs 1 to 5 shall be included in the award contract.
7. The organization must, before it is assigned with the management provided for in par. 1, inform the beneficiaries of their rights under paragraphs 1 to 5 and of the conditions for exercising the right provided for in Article 14 hereof. This information shall be posted on the website of the collective management organization and shall be communicated to the beneficiary by email.
8. The transfer of the contractual relationship under the award contract is strictly prohibited in any way. Similarly, the assignment of monetary claims of the member or the person benefited against the Organization arising from the award contract.

Article 13

Participation of members in the decision-making process

1. The rights of the members (corporate rights) resulting from the partnership contract, as well as those resulting from the award contract (rights of contract) are also exercised by electronic means.
2. The same applies to the communication of members with the organization.

Article 14

Members' archives - Beneficiary projects

1. The collective management organization shall keep records of its members or the represented beneficiaries and shall regularly update those records at least once a month. The organization shall submit to OPI, once a year and no later than the 20th of January, a full list of its members or represented beneficiaries, along with their e-mail addresses.
2. Beneficiaries who have entrusted the organization with the management of all their works and/or protective objects must inform in writing about the works/objects of protection they have published in any way, as well as any new project/object of protection published after the delegation of management to the organization. In this context, the collective management organization shall remind beneficiaries annually of this obligation and at the same time they shall enable them to provide this information by electronic means.

Article 15

Licenses for non-commercial uses

1. Beneficiaries shall have the right to grant licenses for non-commercial use of any rights, categories of rights or types of works or any other subject-matter of their choice.
2. By a decision of the general meeting, collective management organizations may determine the conditions on which the beneficiaries grant non-commercial licenses establishing an obligation to inform beneficiaries of their options and the greatest discretion possible regarding the exercise of their relevant rights.

Article 16

Rights of persons benefited

The articles: **(a.)** 13, as regards electronic communications and the exercise of rights of contract, **(b)** 14, par. 1, **(c.)** 22 and **(d.)** 25 herein shall also apply to recipients.

Article 17

Rights revenue

1. The organization shall be diligent in the collection and management of rights revenue. Rights revenue includes interest accrued in connection with the investment of rights revenue. For the purposes of the first subparagraph, the organizations shall maintain appropriate register of members, licenses and uses of works and any other subject-matter. The relevant information required for the effective collective rights management shall also be provided by beneficiaries and users and shall be checked by the collective management organization.
2. The organization shall keep in separate accounts in its accounts: (a) income from royalties and any revenue resulting from the investment of rights receivable; and (b) own assets and income from such assets, management costs or other activities.
3. The organization shall not be permitted to use rights revenue or income arising from the investment of rights revenue, for purposes other than distribution to beneficiaries. Exceptions shall be made to the deduction or offset of management fees or to the use of rights revenue or income arising from the investment of rights revenue in compliance with a decision taken pursuant to Article 33, par. 1 hereof.
4. Where the organization invests rights revenue or any income arising from the investment of rights revenue, it shall do so in the best interests of the beneficiaries, whose rights it represents, in accordance with the investment policy and the management policy of potential circumstances which may affect the fulfillment of obligations and the achievement of the organization's purposes referred to in art. 33, par. 1 (e) and (i) hereof and taking into consideration the following rules: (A) where there is a potential conflict of interest, the organization shall ensure that the investment is made solely in the interest of those beneficiaries; (B) the assets shall be invested in order to ensure the security, quality, liquidity and profitability of the portfolio as a whole, (C) the assets shall be properly diversified in order to avoid excessive reliance on any particular asset and accumulations of risks in the portfolio as a whole.

Article 18

Organization Resources - Reservations

A. The Organization's resources are:

1. Any single registration fee of members and benefited persons, which is the same for each category of beneficiaries and any annual fee, to be determined each time by decision of the Board.
2. Deductions on the revenue of the Organization, which retains it to cover the management costs and other expenses related directly or indirectly to the fulfillment of its statutory purposes.

B. Deductions:

1. Deductions shall be reasonable in relation to the services provided by the organization to beneficiaries and shall be established on the basis of objective criteria.
2. The organization shall provide the beneficiary, who has entrusted it with the management of his rights, with documented information on management fees and other deductions from the rights revenue and from any income arising from the investment of rights revenue, before obtaining his consent to manage his rights.
3. What applies to the use and transparency of use of the amounts deducted or offset from the management fees, shall apply to any other deductions made in order to cover expenses arising from the management of copyright or related rights.

Article 19

Distribution of amounts due to beneficiaries

1. The distribution to the beneficiaries takes place proportionally, as far as it is objectively possible, to the actual use of their projects, taking into account any categorical differences between the members and/or the beneficiaries in relation to the investment cost for production of recordings distribution and commercial communication.
2. Without prejudice to Art. 21, par. 2 of the present, the organization distributes and pays the amounts due to the beneficiaries regularly, diligently, accurately and in accordance with the distribution regulation. The organization shall distribute and pay those amounts to beneficiaries as soon as possible but no later than nine (9) months from the end of the financial year, in which the rights revenue was collected, unless objective reasons relating in particular to reporting by users, identification of rights, beneficiaries or matching of information on works and other subject-matter with beneficiaries prevent the organization from meeting this deadline. The Organization may proceed to advance payments to its members, following a relevant decision of the Board of Directors. Such advance payments shall not exceed by amount, a percentage higher than 70%, calculated on the average distributed amount received by the rightholder the previous two consecutive years.
3. If the amounts due to the beneficiaries cannot be distributed within the time limit specified in par. 2, because the relevant beneficiaries cannot be identified or located and the exemption from the deadline is not applicable, these amounts have to be kept separately in the organization's accounts.
4. The organization shall take all necessary measures in accordance with par. 2 for the identification and location of the beneficiaries and shall verify the records referred to in Art. 14, par. 1 hereof, as well as other readily available records. No later than three (3) months after the deadline specified in par. 2, the organization shall provide information on the works and other objects of protection for which one or more beneficiaries have not been identified or located:

- a) to the beneficiaries it represents or the entities representing beneficiaries, where such entities are members of the organization, and
- b) to all collective management organization with which it has concluded representation agreements.

The information referred to in the second subparagraph shall include, where available, the following:

- (aa) the title of the work or other subject-matter,
- (bb) the name of the producer,
- (cc) any other relevant information available which could assist in identifying the beneficiary.

If the above-mentioned measures fail to produce results, the organization shall make that information available to the public at the latest one (1) year after the expiry of the three-month (3) period.

5. Where the amounts due to beneficiaries cannot be distributed after three (3) years from the end of the financial year in which the collection of the rights revenue occurred, and provided that the organization has taken all necessary measures to identify and locate the beneficiaries, as referred to in par. 4, these amounts, including those resulting from the collection of reasonable remuneration, shall be deemed as non-distributable.
6. The general meeting of the members of the organization shall decide on the use of the non-distributable amounts in accordance with art. 33, par. 1 d) hereof, without prejudice to the right of beneficiaries to claim these amounts by the collecting management organization, if they are not time-barred.
7. Only half of the non-distributable amounts may be used by the organization, for investments, whereas the remaining half may be used separately and independently for the funding of social, cultural and educational activities, for the benefit of beneficiaries. By decision of the general meeting of the members of the organization, the amount of non-distributable investment amounts may be increased. Moreover, the general meeting of members of a collective management organization or the supervisory board of the independent management entity referred to in Article 50 may decide that part of the non-distributable amounts will be distributed to beneficiaries, provided that this decision does not prevent them from claiming and receiving the amounts which correspond to claims that are not time-barred.
8. Beneficiaries' claims for rights revenue collection against the organization shall be time-barred ten (10) years from the end of the financial year in which they were collected. If the beneficiaries have not been identified or located, the ten (10) years period shall be calculated from the completion of the procedure referred to in par. 4.

Article 20

Rights management under representation contracts

The organization shall not discriminate against any beneficiary whose rights it manages under a reciprocal representation agreement, in particular in relation to the applicable tariffs, management fees and the conditions for collection of the rights revenue and distribution of amounts due to beneficiaries.

Article 21

Reservations and payments provided for in representation contracts

1. The organization shall not make any deductions, other than in respect of the management fees on the rights revenue derived from rights it manages on the basis of a representation agreement, or from any income arising from the investment of that rights revenue, unless the other collective management organization that is party to the representation agreement expressly consents to such deductions.
2. The organization shall regularly, diligently and accurately distribute and pay amounts due to other collective management organizations as soon as possible but no later than nine (9) months from the end of the financial year, in which the rights revenue was collected, unless objective reasons relating in particular to reporting by users, identification of rights, beneficiaries or matching of information on works and other subject-matter with beneficiaries prevent the collective management organization or, its members, from meeting the deadline.
3. The organization shall distribute and pay amounts due to other collective management organizations with which it has contracts of mutual representation, as soon as possible but no later than six (6) months from the collection of these amounts, unless objective reasons relating in particular to reporting by users, identification of rights, beneficiaries or matching of information on works and other subject-matter with beneficiaries prevent the collective management organization or, its members, from meeting the deadline.

Article 22

Complaints - Processing Procedure

1. Any dispute arising between the organization and its members and/or benefited persons and/or the organizations to which it is linked by a reciprocal representation agreement and between members and/or benefited persons and/or the organizations to which the organization is affiliated under a reciprocal representation agreement, may be the subject of a complaint before the organization.
2. The subject of a complaint may be any matter relating to Chapter B hereof, and in particular in relation to the management award contract and the expiry or revocation or termination of rights, the conditions for the admission of a member, the collection of sums due to booking, reservation and distribution.
3. The complaint is in writing and is filed with the organization in writing in any way the complainant considers, including e-mail. The organization shall inform the complainant of receipt of the complaint immediately or no later than three (3) working days after its submission.
4. The complaint is judged by a four-member committee. The Committee is composed of the Organization's Management Advisor as Chairman, and as members the Legal Advisor, the Financial Advisor and the Organization's Operations Manager. The Committee shall respond in writing and in good time at the latest on the twelfth working day following the receipt of the complaint, after hearing the complainant. If further factual data is required from the organization, they are asked by the complainant within the above deadline. In this case, the Committee shall respond in writing and in due time no later than the seventh working day following the receipt of the requested information. In the event of a tie, the Chairman's vote shall prevail.

CHAPTER C'

Transparency

A. Management

Article 23

Information provided to beneficiaries on the management of their rights

1. Subject to par. 2 of this article and art. 24 hereof, the organization shall make this information available, no later than nine (9) months after the end of each year of use, to each beneficiary to whom they have attributed rights revenue for that particular year, regardless of whether they have been payed or not.
 - (a) any contact details the beneficiary has authorized the collective management organization to use in order to identify or locate him,
 - (b) rights revenue attributed to the beneficiary,
 - (c) the amounts paid by the collective management organization to the beneficiary per category of rights managed and per type of use,
 - (d) the period during which the use took place, for which amounts were attributed and paid to the beneficiary, unless objective reasons relating to reporting by users prevent the collective management organization from providing this information,
 - (e) deductions made in respect of management fees,
 - (f) deductions made for any purpose other than in respect of management fees,
 - (g) any rights revenue attributed to the beneficiary which is outstanding for any period.
2. As far as the organization revenue from GEA, the organization shall make this information available, no later than nine (9) months after the end of each year of use, to each beneficiary to whom they have attributed rights revenue for that particular year, regardless of whether they have been payed or not.

Article 24

Information provided to other collective management organizations on the management of rights under representation contracts

1. The collective management organization shall make at least the following information available, no later than nine (9) months after the end of each year of use and by electronic means, to collective management organizations on whose behalf it manages rights under a representation agreement for that particular year of use:
 - a) the rights revenue attributed, and the amounts paid by the organization per category of rights managed, and per type of use, for the rights it manages under the representation agreement,
 - b) any rights revenue attributed to them which is outstanding for any period,
 - c) deductions made in respect of management fees,
 - d) deductions made for any purpose other than in respect of management fees as referred to in article 18 of Law 4481/2017.
 - e) information on any license granted or refused with regard to works and other subject-matter covered by the representation agreement,
 - f) decisions adopted by the general meeting of the members of the Organization, insofar as those decisions relate to the management of rights under the representation contract.
2. Paragraph 2 of the previous article 23 shall apply mutatis mutandis.

Article 25

Information provided to beneficiaries,

**other collective management organizations
and users upon request**

1. The organization manages and protects phonograms and visualized phonograms. This has the consequence that protection objects/projects can not be individually identified. Therefore, pursuant to Art. 27 par. 1 b) of L. 4481/2017, the organization shall, upon a reasoned request, have access to any collecting society on behalf of which it assumes the management of rights under a reciprocal representation agreement or to any beneficiary or to any user, even potential except for objectively potential, that is, potential by virtue of his business, by the use of electronic means and without undue delay of the types of objects of protection/works he represents, the rights he manages and the territories covered.
2. The obligation of the organization according to par. 1 exists also for the needs of conducting bona fide diligent search by the operators of orphan works for the identification and location of the beneficiaries according to par. 1 and 6 art. 27^A L. 2121/1993.

Article 26

Disclosure of information to the public

1. The organization shall post on its website the following information:
 - (a) its articles of incorporation,
 - (b) its membership terms and the terms of termination of authorization to manage rights, if these are not included in its articles of incorporation,
 - (c) standard license contracts and standard applicable tariffs, including discounts, if any,
 - (d) agreements with representative user associations on the determination of remuneration,
 - (e) persons managing the business activities of the collective management organization, the members of the board of directors and of the supervisory board, the director-general,
 - (f) the method of distribution of the amounts due to beneficiaries and the policy on rights distribution per category of beneficiaries, showing the exact method of distribution,
 - (g) management fees and the basis for their calculation
 - (h) its policy on deductions, other than in respect of management fees, from rights revenue and from any income arising from the investment of rights revenue,
 - (i) the list of representation agreements it has entered into, and the names of the collective management organizations with which those representation agreements have been concluded,
 - (j) the use of non-distributable amounts, including the allocation of funds for social, cultural and educational services,
 - (k) the complaint handling and dispute resolution procedures available in accordance with articles 22 and 31 hereof,
 - (l) the Annual Transparency Report according to Article 27 hereof,
 - m) the license terms for non-commercial use, according to art. 15 hereof,
 - (n) the format in which the user submits to the collective management organization the information necessary for the use of the work under Article 24, 24 of Law 4481/2017.
 - (p) the decision to impose a sanction on the collective management organization, if any,
 - (p) the criteria for limiting voting rights in the general meeting of the members of the organization; and
 - (q) the rights of the beneficiaries referred to in Art. 12 para. 1 to 5 of the present (= art. 12 para. 1 to 5 L. 4481/2017) and
 - (s) its repertoire, which must be updated at least every six (6) months.

2. The organization shall post the above information in a machine-readable format and at a fixed place of storage and shall keep it up to date.

B. Corporate (Corporate Governance)

Article 27

Annual transparency report

1. The organization shall prepare and publish an annual transparency report, together with the special report referred to in par. 2 of this article for each fiscal year not later than eight (8) months after the end of the year. The annual transparency report shall be published on the website of the organization and shall remain available to the public for at least five (5) years.
2. The special report shall address the use of the amounts intended for the purposes of social, cultural and education services and shall contain at least the information set out in article 28, par. 3 hereof.
3. The financial statements referred to in Art. 28, par. 1, (a) as well as any financial information referred to in Art. 28, par. 1, (f) and (g) as well as in par. 2 herein are audited by a statutory auditor - accountant, who draws up a report. The audit report shall be reproduced in full in the annual transparency report.
4. Provisions of other laws relating to the financial management and audit of the collective management organizations shall remain in force.

Article 28

The content of the transparency report

1. The information to be provided in the Annual Transparency Report is the following:
 - (a) financial statements comprising a balance sheet or a statement of assets and liabilities, an income and expenditure account for the financial year and a cash-flow statement,
 - (b) a report on the activities of the financial year,
 - (c) information on the refusal to grant a license pursuant to Article 30, par. 2 hereof.
 - (d) a description of the legal and governance structure of the collective management organization,
 - (e) information on any other entities directly or indirectly owned or controlled, wholly or in part, by the organization,
 - (f) information on the total amount of remuneration paid to the persons referred to in Art. 29, par. 1 and 36 par. 1 of the present, during the previous year, and for other benefits granted to them,
 - (g) financial information referred to in paragraph 2 of this article.
 - (h) a special report on the use of amounts deducted for the purposes of social, cultural and educational services. The report shall contain the information referred to in paragraph 3 of this article.
2. Financial information to be provided in the Annual Transparency Report is the following:
 - (a) financial information on rights revenue, per category of rights managed by the organization and per type of use, including information on the income arising from the investment of rights revenue and the use of such income, whether it is distributed to beneficiaries or other collective management organizations or otherwise used,
 - (b) financial information on the cost of rights management and other services provided by the organization to beneficiaries, with a comprehensive description of the following items:

- aa) all operating and financial costs, with a breakdown per category of rights managed by the organization and, where costs are indirect and cannot be attributed to one or more categories of rights, an explanation of the method used to allocate such indirect costs,
 - bb) operating and financial costs, with a breakdown per category of rights managed by the organization and, where such costs are indirect and cannot be attributed to one or more categories of rights, an explanation of the method used to allocate such indirect costs, only with regard to the management of rights, including management fees deducted from or offset against rights revenue or any income arising from the investment of rights revenue in accordance with 17, par. 3 and 4, Art. 18 of this and Art. 18 of Law 4481/2017.
 - (iii) operating and financial costs with regard to services, other than the management of rights, but including social, cultural and educational services,
 - (iv) resources used to cover the costs,
 - (v) deductions made from rights revenue, with a breakdown per category of rights managed by the organization, per type of use and the purpose of the deduction, such as costs relating to the management of rights,
 - (vi) the percentages that the cost of the rights management and other services provided by the collective management organization to beneficiaries represents compared to the rights revenue in the relevant financial year, per category of rights managed by the collective management organization and, where costs are indirect and cannot be attributed to one or more categories of rights, an explanation of the method used to allocate such indirect costs.
- c) financial information on amount due to beneficiaries, with a comprehensive description of at least the following items:
- aa) the total amount attributed to beneficiaries per category of rights managed by the collective management organization and type of use,
 - bb) the total amount paid to beneficiaries per category of rights managed by the collective management organization and type of use,
 - cc) the frequency of payments, with a breakdown per category of rights managed by the organization and type of use,
 - dd) the total amount collected but not yet attributed to beneficiaries, with a breakdown per category of rights managed by the organization and type of use, and indicating the financial year in which those amounts were collected,
 - ee) the total amount corresponding but not yet attributed to beneficiaries, with a breakdown per category of rights managed by the collective management organization and type of use, and indicating the financial year in which those amounts were collected,
 - (ff) whether the organization has not made the distribution and payments within the time limit provided for in Art. 19, par. 2 hereof, the reasons for the delay,
 - gg) the total non-distributable amounts along with an explanation of the use to which those amounts have been put.
- (d) Information on relations with other collective management organizations, with a description of at least the following items:

- (i) amounts received from other collective management organizations and amounts paid to other collective management organizations, with a breakdown per category of rights, per type of use and per organization,
 - (ii) management fees and other deductions from the rights revenue due to other collective management organizations, with a breakdown per category of rights, per type of use and per organization,
 - (iii) management fees and other deductions from the amounts paid to other collective management organizations, with a breakdown per category of rights and per organization,
3. In the special report of Art. 27 par. 2 herein are:
- (a) amounts deducted for the purposes of social, cultural and educational services in the financial year, with a breakdown per type of service. The categories of rights from which the amount and share of each category originates, as well as the use of the amount shall be recorded per service,
 - (b) information and explanation on the use of those amounts, with a breakdown per type of service, the persons receiving those amounts, management costs deducted to fund social, cultural and educational services, as well as the amounts which were actually deducted for those purposes.

Article 29

Obligations of the persons who manage the business activities of the collective management organization

1. The persons managing the business activities of the organization, namely the members of the board of directors, any director-general and any directors, shall take care of the interests of the organization and the beneficiaries, under an obligation of loyalty.
2. Before taking up their duties and thereafter annually, i.e. up to 31st of January of each year, they shall submit an individual statement to the general meeting of the members of the organization. Failure to submit the statement in due time or making an incorrect declaration shall entail the person's automatic removal from office.
3. This statement shall include at least the following information:
 - (a) any interests in the organization,
 - (b) any remuneration, compensation or benefit received in the preceding financial year from the organization, including in the form of pensions schemes, insurance benefits, benefits in kind and other types of benefits,
 - (c) the amounts received in the previous tax year by the organization as beneficiary,
 - (d) a statement concerning any actual or potential conflict between any personal interests and those of the organization or between any obligations owed to the collective management organization and any other natural or legal persons.

CHAPTER D'

Relations with users - Alternative dispute resolution

Article 30

Relationships with users

1. Collective management organizations and users shall conduct negotiations for the licensing of rights in good faith and shall provide each other with all necessary information.

2. In connection with licensing, users shall submit a request to the organization stating, inter alia, the information required for that purpose. Upon receipt of all relevant information, the organization shall, without undue delay, either offer a license or provide the user with a reasoned statement explaining why it refused to offer the license, which statement shall also be notified to OPI.
3. The organization shall allow users to communicate with them by electronic means, including for the purpose of reporting on the use of the license.

Article 31

Alternative dispute resolution procedures

1. The differences between the organization and its members and / or recipients and / or organizations with which Grammo concluded a reciprocal representation agreement and / or the recipients of the contract have been concluded and which are the result of the interpretation and application of the law, 2121/1993 & 4481/2017, may, if they consent to all parties to mediation, according to the provisions of L. 3898/2010.
2. In the event that the dispute fails to be resolved by mediation, minutes shall be drawn up in accordance with art. 9 par. 2 of L. 3898/2010. The mediation procedure shall be without prejudice to the right of the parties to bring an action before a court. The parties may submit the dispute to mediation before or during pendency of proceedings. If the dispute is submitted to mediation, no action may be brought before a court until the completion of the mediation procedure. If the dispute is submitted to mediation while the court proceedings are still pending, the court, at each instance of the trial, and upon agreement of the parties, shall postpone the trial for a short period of time, not exceeding six months.
3. Any mediation shall without prejudice affect the right of the parties to assert and defend their rights by bringing an action before a court.
4. Nothing in this Article and / or in the Articles of Incorporation recommends or may be interpreted as Grammo's proposal for the subordination of the disputes of par. 1 of this Article to mediation.

CHAPTER E'

BODIES OF THE ORGANIZATION

A.- GENERAL MEETING

Article 32

Generally

1. The General Meeting of the members (= partners) of the organization is the supreme body of the company. All the other organs of the organization are accounted for and report. All members of the organization and its bodies shall be in full compliance with its decisions. Its decisions shall oblige and bind the absent or dissenting members, as well as the beneficiaries.
2. In particular, all members of the organization are entitled to participate and vote at the meetings of the general meeting. Participation and voting rights shall be exercised remotely by electronic means. The members of the organization, natural or legal persons, must not have conflicting interests with the organization.
3. Beneficiaries are not entitled to vote at the general meeting. However, they are entitled to attend, either expressly or by invitation, at the meetings, expressing their opinion. The

above right shall not be exercised remotely by electronic means. Failure to invite the beneficiaries to the general meeting in no way affects the status and / or prestige of the beneficiaries.

Article 33

Competences of the General Meeting

1. The general meeting of members shall control the organization's activities and take decisions on the following issues:
 - (a) amendment of the articles of incorporation,
 - (b):
 - (aa) approval of the organization's annual balance sheet, accounts and financial statements,
 - (bb) the appointment or removal of the statutory auditor (s)-accountant (s)
 - (cc) the adoption of the annual transparency report under Art. 27 hereof.
 - (dd) the election or dismissal of members of the board of directors and members of the supervisory board, as well as their discharge of any liability,
 - ee) the approval of remuneration or other benefits, monetary or non-monetary, received by the members of the administrative and supervisory boards and the Director-General, following an assessment of their overall performance, as well as of the compensation in the event of dismissal of such persons,
 - (c) the method of distribution of the amounts due to the beneficiaries and the distribution of rights regulation,
 - d) the general policy on the use of non-distributable amounts,
 - (e) the investment policy with regard to rights revenue and to any income arising from the investment of rights revenue, taking into account art. 17, par. 4 and Art. 19, par. 7 hereof.
 - (f) the deduction from rights revenue and from any income arising from the investment of rights revenue, taking into account Article 18 of Law 4481/2017.
 - (g) the use of rights revenue and of any income arising from the investment of rights revenue, in terms of manner, timing or any other detail,
 - (h) the use, on a case-by-case basis, of amounts which may not be distributed within the basic principles of the subparagraph d' of this paragraph, already decided upon,
 - (i) the management of potential cases which may affect the fulfillment of obligations and the achievement of the organization's purposes (risk management policy),
 - (j) the approval of any acquisition, sale or mortgage on immovable property,
 - (k) the approval of mergers and alliances, the setting up of subsidiaries and the acquisition of other entities, or shares or rights in other entities,
 - (l) the approval of taking out loans, granting loans or providing security for loans,
 - (m) the drawing up of the terms under 15 hereof, regarding the granting of non-commercial licenses for their rights,
 - (n) any matter referred to the supervisory board or board of directors.
 - (o) any matter which is not covered by these articles of incorporation and by the L. 4481/2017 under the sole responsibility of the board of directors or the supervisory board (general competence of the general meeting).
2. The general meeting may, if it wishes, delegate to the supervisory board referred to in Art. 36 par. 1 of the present decision, by virtue of its decision, the powers referred to in the cases i, k, l and m of par. 1 of this article.

Article 34

Invitation - Participation

1. The general meeting is always invited by the Board of Directors. It meets at the headquarters of the Organization, or anywhere else, in Attica, determined by the Board of Directors:**[a.] Regularly:** Once a year, the latest six (6) months from the end of each year to approve the balance sheet for the year, the financial statements and the proceedings thereof and to discharge the Supervisory Board and the Board of Directors from all liability.**[b.] Extraordinarily:** Whenever considered necessary by the Board, or if requested by members representing the four tenths (4/10) of all members.
2. The invitation to the General Meeting shall be drafted by the Board and shall include at least the place, the date and time of the meeting, as well as issues on the agenda clearly. It is notified by e-mail to each one of the members at least (10) full days before the date set for the meeting. It is also posted on the organization's website within the same deadline. This post is not a form of publicity of the invitation, so that its omission, and / or incomplete, and / or fragmentary publication does not affect the authority of the general meeting.
3. The invitation to repeat meetings, after forced cancellation of the first meeting, provided the invitation is not included in the initial invitation, is communicated by email to each one of the members at least five (5) full days before the date set for the meeting.
4. Failure to follow the above publicity form does not void the decisions of the General Meeting, provided that at the meeting are present or represented all the members of the organization and no one objects. Similarly, if all members are present or represented and no one raises an objection, the General Meeting validly decides on any matter not on the agenda.
5. Each member is present and participates in the General Meeting in person or by proxy. It is understood that the members- legal entities are present and participate with their authorized representative in writing (organic relationship). Each member of the organization is entitled to designate any other member of the organization as its proxy, in order to participate and vote at the general meeting of its members on its behalf, provided that this definition does not lead to a conflict of interest. The proxy holder may represent up to two (2) members of the organization. Each proxy shall be valid for one (1) general meeting. The proxy holder shall enjoy the same rights in the general meeting of members as those to which the appointing member would be entitled. The proxy holder shall cast votes in accordance with the instructions given by the appointing member.
6. According to the distribution regulation, revenues from users who did not provide a list of the protected objects/works they exploited are distributed to the members and beneficiaries as follows: 50% of the amounts to be distributed are shared depending on the proportion that each member/benefited person of the Organization participates in the discography traffic in Greece (market share). The market share relates to the calendar year (1st January to 31st December) of the distribution and is deduced in the first quarter of next year. The market share is issued by the recognized auditing firm which has received the relevant mandate from the Organization's BoD.³ As the export of each member's percentage share

³ The remaining 50% is shared according to the proportion that the beneficiary's repertoire participates in the total sound recordings that were transmitted or presented to the public by all the radio and/or all the web radios and/or all TV stations that were recorded in the distribution year by the media inspector service or any other enterprise selected by the Society's BoD.

in the turnover of all the members is necessary for the calculation of the revenue assigned to the member and its pricing in the organization, which pricing is the basis for the determination of the votes it has that member to the general meeting, the following shall apply: The revenue accruing to the member, which does not provide within the time limit to the auditors of art. 40, par. 6 of the present, the information required for the export of the highest percentage participation, can not be calculated and invoiced, thus not taking into account the calculation of its votes. If a member is entitled to income only from that source, i.e. users who did not provide a list of the protected objects/works they have exploited, it is assumed that it has ten (10) votes out of that income, i.e. 50% calculated on the basis of market share, at the general meeting.

7. In exceptional cases, the preparation and signing of minutes by all members of the Organization is equivalent to a decision of the General Meeting, even in case where there has been no meeting or meeting invitation.
8. The produced before courts, other Authorities, or else copies or extracts of these minutes, are certified by the Chairman of the Board or the Vice-Chairman *and* the General Secretary thereof.

Article 35

Quorum - Majority

1. The General Meeting is in quorum and convenes validly on the subjects of the agenda when are present two-thirds (2/3) of the total number of members, representing two thirds (2/3) of the aggregate amounts, with which the partners invoiced the Organization in the last two (2) consecutive years preceding that in which the General Meeting takes place. If the membership has a duration smaller than two years, account shall be taken of the amount invoiced during the shorter than two years preceding the one held by the General Meeting.
2. In case where this quorum is not reached, the General Meeting meets again within ten (10) full days from the date of the canceled meeting. At this meeting, the repeated Meeting is deemed to have quorum and convenes validly on the issues of the initial agenda when are attending members representing the one half (1/2) of the total number of members, representing one half (1/2) of the aggregate amount, with which the members invoiced the Organization in the last two (2) consecutive years preceding that in which the General Meeting takes place. If the membership has a duration smaller than two years, account shall be taken of the amount invoiced during the shorter than two years period preceding the one during which the General Meeting takes place
3. In case where this quorum is not reached, the General Meeting meets again within ten (10) full days from the date of the 1st repeated meeting. At this meeting, the repeat Meeting is deemed to have quorum and convenes validly on the issues of the initial agenda, regardless of the number of attending members and the percentage participation in the sum total of the amounts by which they invoiced the Organization.
4. Until the list of persons entitled to attend the General Meeting of partners of the Organization is checked and certified and is duly prepared, it is chaired temporarily by the Chairman of the Board, thus not unable to attend, by the Vice Chairman, appointing one Secretary. After its establishment, the General Meeting elects the Chairman and one Secretary from the attending partners. Election shall be by secret ballot unless, unanimously, the General Meeting decides otherwise. The Chairman elected by the above manner, directs the

work of the General Meeting, on which minutes are kept by the Secretary in a separate file, and signed by the Chairman and the Secretary.

5. The minutes of each Meeting shall include and the list of persons entitled to participate in this partners of the Organization, the votes and any representatives.
6. After request of a member or member representative, recorded in the minutes is a summary of the opinion formulated at the Meeting.
7. Pursuant to the provision in Art. 9 par. 5 subpar. c'. L. 4481/2017 (=amounts collected or due) each member has as many votes as there are ten times the units of percent participation in the sum of the amounts with which the members invoiced the Organization in the last two (2) consecutive years preceding that in which the General Meeting takes place. If the membership period is shorter than two years, its votes shall be equal to 10 times the percentage of its membership in the sum of the amounts invoiced by the organization to its members in the year preceding that which takes place at the general meeting. In no case shall the number of votes of the member be less than ten (10).
8. Decisions of the meetings are taken by an absolute majority of votes present or represented in them, counting the votes, as referred to in paragraph 7 of this article.
9. **Constitutive General Meeting:**
 - 9.1. Without prejudice to Art. 9 par. 3, case 3.5, for amending these articles of incorporation, the General Meeting is in quorum when are attending at least the three-fourths (3/4) of the total number of members, representing three-fourths (3/4) of the aggregate amounts, with which the partners invoiced the organization in the last two (2) consecutive years preceding that in which the General Meeting takes place. If the membership has a duration smaller than two years, account shall be taken of the amount invoiced during the shorter than two years period preceding the one during which the General Meeting takes place Decisions of the meetings are taken by an absolute majority of three-fourths (3/4) of votes present or represented, counting the votes, as referred to in paragraph 7 of this article.
 - 9.2. In case where this quorum is not reached, the General Meeting meets again within ten (10) full days from the date of the canceled meeting. At this meeting, the repeated Meeting is deemed to have quorum and convenes validly on the issues of the initial agenda when are attending members representing the two thirds (2/3) of the total number of members, representing two thirds (2/3) of the aggregate amount, with which the partners invoiced the Organization in the last two (2) consecutive years preceding that in which the General Meeting takes place. If the membership has a duration smaller than two years, account shall be taken of the amount invoiced during the shorter than two years period preceding the one during which the General Meeting takes place Decisions of the meetings shall be taken by an absolute majority of two thirds (2/3) of votes present or represented in them, counting the votes, as referred to in paragraph 7 of this article.
10. The provisions on the quorum and majority of this article shall be interpreted in conjunction with the provisions of Article 34 par. 6 hereof.

B. SUPERVISORY BOARD

Article 36

1. Each organization have in place a supervisory board, for monitoring the activities and the performance of the duties of the individuals or legal entities managing the business of the organization. The supervisory board has three members and is elected by the general meeting of the members with a three-year term. By way of exception, the term of office of the first supervisory board shall end at 30th May 2020.
2. Subject to the obstacles introduced by Art. 4 par. 2 (b) and Art. 10 par. 7 of Law 4481/2017, nomination for the position of Director shall be submitted by the person who is a regular member of the Organization or part of the Board, or, de jure or de facto member of the Organization's management. Each member of the Organization shall be entitled to appoint as candidate only one (1) individual.
3. Each member of the supervisory board of the organization shall make an annual individual statement on conflicts of interest, containing the information referred to in article 29, par. 3 hereof. Failure to submit the statement in due time or making an incorrect declaration shall entail the person's automatic removal from office.
4. **[a.] Member individual:** If a Director ceases for any reason to be a member of the Organization, he/she shall automatically cease to be a Director. His place, and for the remaining term, is occupied by the first runner up in the last election of the Supervisory Board by the General Meeting. **[b.] Member legal entity:** If a Director ceases for any reason to attend the Board of Directors or, de jure or de facto, the Management of a member of the Organization, where he participated at the time of his election to the Supervisory Board of the Organization, automatically declines the status of Director, at which point the member of the Organization, from which the fallen director originates, indicates in writing and within a prescriptive and final deadline of ten (10) working days another individual to replace said member, for the remaining term of office of the Organization's Supervisory Board. If the above deadline expires without a decision, the position of said member is occupied by the first runner up in the last election of the Supervisory Board by the General Meeting. The same method is used to replace the second or third etc., if any, fallen Director. Similarly, a Director is replaced, who declines necessarily if the legal entity - member of the Organization, which nominated him as a candidate ceases for any reason to be member of the Organization. The same applies in the event of a director's disqualification due to the occurrence of the obstacles of par. 2 of this article, as well as in the event of death of the Director, or entry into any form of guardianship.
5. The Supervisory Board shall be constituted as a body immediately after its election by the General Meeting. During the first meeting, the Chairman, Vice Chairman and General Secretary are elected. The same person may be elected as General Secretary or Vice Chairman.
6. Each Director has one (1) vote. In addition, each Director may only represent one (1) absent Director and vote for him, as long as specifically authorized by ordinary mail, facsimile (fax) or email. In no case shall any Director represent more than one Directors. Any Director, who does not speak the Greek language, may attend meetings of the Supervisory Board, with an interpreter of his choice.
7. The over one (1) consecutive semester, without justifiable reason, absence of a Director from the Supervisory Board meetings is tantamount to resignation, which is deemed as final, as and when the Supervisory Board decides on this. The justified or not absence is at the sole discretion of the Supervisory Board. The position of the Director who resigned, and for the remaining term of the Supervisory Board, is occupied by the first runner up in the

last election of the Supervisory Board by the General Meeting. The representation of the director shall never be considered as absence.

8. The Chairman, absent or unable to attend, is replaced by the Vice Chairman. In the absence or incapacity of the Vice-Chairman, the Chairman is replaced by the General Secretary or the eldest Director.
9. The Supervisory Board shall meet at the registered office of the Organization as follows:
 - 9.1. Regularly:** Four times a year (4), i.e. per quarter, at a day and time defined by the Chairman and following an invitation to Directors sent by email five (5) working days before the meeting. The invitation must include briefly and clearly, the subjects of the agenda. In case of failure to observe the above procedure, decisions are validly taken, as long as present or represented are all members of the Supervisory Board and none of them objects to decision making.
 - 9.2. Extraordinarily:** Whenever the Chairman finds it necessary to convene or if requested by at least two (2) Directors. This application must, on penalty of inadmissibility, be in writing and indicate the subjects on the agenda. In this case, the Chairman is obliged to convene the Supervisory Board within ten (10) working days at the latest. For the process and content of the invitation, and decision making directly shall apply all that apply for the regular meeting of the Supervisory Board [above under 9.1.].
10. The Supervisory Board is in quorum and validly meets if at least three (3) are attending in person. The decisions of the Supervisory Board are taken by absolute majority of the present or represented Directors. The discussions and decisions of the Board of Directors are proved by the minutes, which are entered in the file kept for this purpose. The minutes are signed by the Chairman, the Secretary and the attending Directors. No Director is entitled to refuse to sign the minutes of the meeting in which he participated. Such Director may, however, request the inclusion in the minutes of his opinion, as long as it disagrees with the decision taken.
11. Copies or extracts of the minutes, which are to be presented before a Court or other Authority are certified by the Chairman or Vice Chairman and the General Secretary.
12. The powers of the Supervisory Board are as follows:
 - a) to monitor the activities and the performance of the duties of the members of the board of directors, the director-general or the directors, if any, and of the persons to whom such duties and responsibilities have been delegated.
 - b) to monitor the implementation of the decisions of the general meeting of members and, in particular of the duties listed in points (c) to (f) of article 9 par. (2), 4481/2017.
 - c) The compliance with the Articles of Incorporation and with any provisions of Art. 1 to 54 L. 4481/2017 that apply to the organization.
 - d) To exercise the powers granted to it by the general meeting of the members, pursuant to Art. 33, par. 2 hereof.
13. For the exercise of its responsibilities, the Supervisory Board may request the persons referred to in subparagraph a) of par. 12 of this Article any information, data, books or documents of the collecting society necessary for the fulfillment of the purposes of par. 12 of this article.
14. The supervisory board shall report on the exercise of its powers to the annual general meeting of members at least once a year.

15. If the Board of Directors establishes an infringement, and if the General Meeting fails to address within a reasonable time of the matter, the Supervisory Board may use the procedure provided for in Art. 43 and 46 to 47 or 51 of L. 4481/2017.
16. For the exercise of all its powers, the Supervisory Board may authorize independent auditors or accountants or legal advisers, selected at its own discretion, at cost amounting to up to 3% of the annual management fees, where appropriate, incurred by the organization, provided that the obligation of confidentiality is complied with and that there is no conflict of interest.

C.- BOARD OF DIRECTORS

Article 37

1. The Organization is managed by a seven member Board of Directors, composed of natural persons, elected by the General Meeting for a term of three (3) years.
2. Subject to the obstacles introduced by Art. 4 par. 2 (b) of L. 4481/2017, nomination for the position of Director shall be submitted by the person who is a regular member of the Organization or part of the Board, or, de jure or de facto member of the Organization's management. Each member of the Organization shall be entitled to appoint as candidate only one (1) individual.
3. **[a.] Member individual:** If a Director ceases for any reason to be a member of the Organization, he/she shall automatically cease to be a Director. His place, and for the remaining term, is occupied by the first runner up in the last election of the Board of Directors by the General Meeting. **[b.] Member legal entity:** If a Director ceases for any reason to attend the Board of Directors or, de jure or de facto, the Management of a member of the Organization, where he participated at the time of his election to the Board of the Organization, automatically declines the status of Director, at which point the regular member of the Organization, from which the fallen director originates, indicates in writing and within a prescriptive and final deadline of ten (10) working days another individual to replace said member, for the remaining term of office of the Organization's Board of Directors. If the above deadline expires without a decision, the position of said member is occupied by the first runner up in the last election of the Board of Directors by the General Meeting. The same method is used to replace the second or third etc., if any, fallen Director. Similarly, a Director is replaced, who declines necessarily if the legal entity - member of the Organization, which nominated him as a candidate ceases for any reason to be member of the Organization. The same applies in the event of a director's disqualification due to the occurrence of the obstacles of par. 2 of this article, as well as in the event of death of the Director, or entry into any form of guardianship.

Article 38

1. The Board is constituted as a body immediately after its election by the General Meeting or from the provided below, in this paragraph, reclassification. During the first meeting, the Chairman, Vice Chairman and General Secretary and Treasurer are elected. The term of the above is one (1) year from their election. The same person may be elected as General Secretary or Vice Chairman and Treasurer. If in the year for which the above Board was elected, there is replacement, as described above in art. 37 hereof, of a Director who held the position of Chairman, Vice Chairman, Secretary or Treasurer, the election is repeated between all directors to fill the vacated seat or seats. The term of office of the new Board shall expire

one (1) year after its constitution, unless, meanwhile, a new Board of Directors is elected by the General Meeting, as above, under the provisions of Art. 37 par. 1 hereof.

2. Each Director has one (1) vote. In addition, each Director may only represent one (1) absent Director and vote for him, as long as specifically authorized by ordinary mail, facsimile (fax) or email. In the same way, a Director may be represented on the Board by a third person, non-Director. In no case shall any Director or third person represent more than one Directors. Any Director, who does not speak the Greek language, may attend meetings of the Board, with an interpreter of his choice.
3. The over one (1) consecutive semester, without justifiable reason, absence of a Director from the Board meetings is tantamount to resignation, which is deemed as final, as and when the Board of Directors decides on this. The justified or not absence is at the sole discretion of the Board. The position of the Director who resigned, and for the remaining term, is occupied by the first runner up in the last election of the Board of Directors by the General Meeting. The representation of the director shall never be considered as absence.
4. The Chairman, absent or unable to attend, is replaced by the Vice Chairman. In the absence or incapacity of the Vice-Chairman, the Chairman is replaced in order by the General Secretary or the eldest Director.
5. The Board shall convene and meet at the registered office of the Organization or elsewhere in Attica as decided by the Board of Directors and as follows:
 - 5.1 Regularly:** Once per calendar month, at a day and time defined by the Chairman and following an invitation to Directors sent by email five (5) working days before the meeting. The invitation must include briefly and clearly, the subjects of the agenda. In case of the failure to observe the above procedure, decisions are validly taken, as long as present or represented are all members of the Board and none of them objects to decision making.
 - 5.2 Extraordinarily:** Whenever the Chairman finds it necessary to convene or if requested by at least two (2) Directors or the General Director. This application must, on penalty of inadmissibility, be in writing and indicate the subjects on the agenda. In this case, the Chairman is obliged to convene the Board of Directors within ten (10) working days at the latest. For the process and content of the invitation, and decision making directly shall apply all that apply for the regular meeting of the Board [above under 5.1.].
6. The Board may meet by teleconference. The invitation must clearly indicate if the relevant meeting will be held by teleconference. The teleconference takes place on the Internet using a computer and use of instant messaging applications, e.g. Windows Live Messenger, Yahoo Messenger. The Chairman of the Board, or his deputy, shall, during the teleconference, have selected the option "maintenance of discussions history" on the application used. The invitation must include a reference to the method of how the teleconference shall take place.
7. In exceptional cases, the preparation and signing of minutes by all Board members or their representatives is equivalent to a decision of the board, even in case where there has been no meeting or meeting invitation.

Article 39

1. The Board of Directors is in quorum and validly convenes, if present or represented thereat are at least four (4) directors, of whom three (3) must necessarily be present in person.

2. The decisions of the Board are taken by absolute majority of the present or represented Directors.
3. The discussions and decisions of the Board are proved by the minutes, which are entered in the file kept for this purpose. The minutes are signed by the Chairman, the Secretary and the attending Directors.
4. No Director is entitled to refuse to sign the minutes of the meeting in which he participated. Such Director may, however, request the inclusion in the minutes of his opinion, as long as it disagrees with the decision taken.
5. Copies or extracts of the minutes, which are to be presented before a Court or other Authority are certified by the Chairman or Vice Chairman and the General Secretary.

Article 40

1. The Board is authorized to decide on all matters concerning the business activity of the Organization, the management of its property and the general pursuit of the objectives of the Organization. Generally, it shall take decisions on any matter except those within the competence of the General Meeting and the Supervisory Board, in accordance with these articles of incorporation.
2. The Board of Directors represents the Organization before the Courts and any other Authority. It may delegate by decision to one or more of its members (committees) or third persons non- members, to represent the Organization generally or only for certain acts. It shall also determine the respective signatures required whereby the Organization is bound.
3. The Board hires and dismisses the staff of the Organization, which, among others, may also include, one (1) General Director and, where applicable, one (1) Chief Financial Officer, determining, by decision, their responsibilities.
4. The Board is authorized to decide the amount of each subscription fee of members/persons benefited by the Organization and any respective annual contribution, depending on the expenditure made during the year then ended and the projected costs for the next year.
5. The Board of Directors is also competent to set the terms of the relevant Distribution Regulation of collected rights, which is submitted for approval to the general meeting of members.
6. The Board is empowered to delegate, once a year, to a recognized firm of auditors, the calculation of the percentage of each member or/and benefited person in their overall turnover, based on information submitted to it.

CHAPTER F

DISSOLUTION & LIQUIDATION OF THE ORGANIZATION - EXIT AND EXCLUSION OF MEMBER (=PARTNER)

Article 41

1. The Organization is dissolved with the expiry of the initial or by extension, duration thereof.
2. **Exit of partner:**
 - 2.1. The dissolution and putting into liquidation of a legal entity, partner of the Organization, the placing of a member under compulsory management, the declaration of bankruptcy, the placement any pre-bankruptcy or monitoring procedure of the

Bankruptcy Code or other relevant legislation, the death of an individual, the placement under guardianship or administration, do not bring about the dissolution of the company, but the automatic exit of the member from the Organization.

- 2.2.** Similarly, the exit of a member causes cessation of application to said person of one of the conditions laid down in Article 9 hereof. Referring to the condition of the exercise of *active* sound recordings production or sound and image undertaking, shall apply, with respect to the exit of member, the following: Exit is caused by the:
[a.] non-production and marketing to the public in any way (analog or digital) of ten (10) recordings, or **[b.]** non-management / exploitation of recordings, directory and / or new, domestic or foreign repertoire, for two (2) consecutive years.
 - 2.3.** The member leaves once the actual events establishing it occur. The exit is established by decision of the Board, which is declaratory and not constitutive.
- 3.** The exit of a member results in the automatic and immediate dissolution of the award contract, as long as within one (1) month from the exit the member, or, where appropriate, the persons who have the administration or management of his assets, or his universal successors, do not apply for his / their acceptance as benefited person. In order to be accepted as benefited persons, the provisions of Art. 10 hereof, shall apply. If he does not become benefited person, the licenses granted or the contracts drawn up prior to the termination of the award contract shall continue to be valid until the expiry of their term. If there are amounts owed to his for operations carried out before the termination of the award contract, the beneficiary retains its rights under Art. 18, 19, 25, 27 and 42 of Law 4481/2017. The abolition of the managerial authority shall not apply to rights that are subject to compulsory collective management.
- 4.** Subject to the application of Art. 267 of Law 4072/2012, the Organization shall be dissolved if, at the time when the events causing the exit of partner occur, it has only two partners.
- 5.** The dissolution of the Organization by court decision for significant cause, under Art. 259 par. 1(d) of Law 4072/2012 is expressly excluded.
- 6. Dissolution of the organization by termination is excluded.**
 - 6.1.** So any termination shall never bring about its dissolution, it implies, however, the automatic forced exit of the complaining member from the company (participation termination) and the automatic dissolution of the award contract. There can be no claim of exiting member to be paid the value of the shareholding, since the company is not profitable.
 - 6.2.** A member who was forced to exit in accordance with sub-paragraph 6.1 above may apply for it to become a benefited person. In this case, Art. 10 hereof, shall apply. If he does not become benefited person, the licenses granted or the contracts drawn up prior to the termination of the award contract shall continue to be valid until the expiry of their term. If there are amounts owed to his for operations carried out before the termination of the award contract, the beneficiary retains its rights under Art. 18, 19, 25, 27 and 42 of Law 4481/2017. The abolition of the managerial authority shall not apply to rights that are subject to compulsory collective management.
- 7.** A member (=partner) is permitted to be excluded from the organization only for a good reason, applying the provisions of Art. 263 and 264 of Law 4072/2012. Absolutely good reason is any activity of a member, directed against the objectives of the Organization. In case of exclusion, there can be no excluded partner's claim to payment of the value of the

shareholding, since the company is not profitable. The exclusion of the partner brings about the automatic termination of the award contract. The above excluded member may apply to become a benefited person. In order to be accepted as benefited person, the provisions of Art. 10 hereof, shall apply. If he does not become benefited person, the licenses granted or the contracts drawn up prior to the termination of the award contract shall continue to be valid until the expiry of their term. If there are amounts owed to his for operations carried out before the termination of the award contract, the beneficiary retains its rights under Art. 18, 19, 25, 27 and 42 of Law 4481/2017. The abolition of the managerial authority shall not apply to rights that are subject to compulsory collective management.

8. Implementation of Art. 262 of Law 4072/2012 between the partners, or between benefited persons and partners is expressly excluded.
9. In the event of its dissolution, the Organization shall be liquidated and deemed existing solely for this purpose. Three (3) members of the Board of Directors are elected by the General Meeting as liquidators.
10. Each member, or benefited person of the Organization is subject in its relations with the Organization, under this and / or the award contract, to Greek laws. Any judicial or extrajudicial notification to member or benefited person, as long as it has not duly notified to the Organization the residential address or address for service in the region of the respective seat of the company will be made to the Secretary of the Court of First Instance of the registered office of the Organization.
11. Any dispute between the Organization on the one hand and members or benefited persons on the other, arising from these articles of incorporation, law, award contract or otherwise, offense, tort, as every good reason in general, is subject to the sole responsibility of the Greek courts of the registered office of the Organization and shall prosecute before the same courts.
12. The partners of the Organization and benefited persons and their successors, special, universal or quasi-universal or their creditors, and any person or group of persons with or without legal personality, in no circumstances can cause sealing of any property of the Organization, or the corporate branch, nor necessarily interfere in the administration and management thereof, which should always be exercised by its institutions.

CHAPTER G

Other provisions

Article 42

Protection of personal data

The processing of personal data carried out within the framework of this law shall be subject to the provisions of law 2472/1997.

Article 43

The capital of the organization of EUR eight thousand eight hundred and four and eleven cents (€ 8,804.11) was paid within thirty (30) days after lawful publication of these articles of incorporation in the company books of the Athens Court of First Instance, whereas each of the then partners - founders, paid the amount specified next to his name. Namely:

s / n	Name	Amount
1.	"MINOS EMI SA".	2,817.13 €
2.	"POLYGRAM RECORDS SA".	1,702.13 €
3.	"WARNER MUSIC GREECE SA".	763.02 €
4.	"COMPANY OF GENERAL PUBLICATIONS SA".	396.18 €
5.	"MUSIC BOX INTERNATIONAL SA CDs and Vinyls".	176.08 €
6.	"SONY MUSIC ENTERTAINMENT (GREECE) SA".	1,379.13 €
7.	"BMG ARIOLA Music SA".	1,173.88 €
8.	"Virgin Limited Liability Company".	396.18 €
