

TERMS OF AGREEMENT – COPYING A PHONOGRAM TO BE A PART OF A VISUAL RECORDING

Definitions

A **phonogram** refers to a recording, audio file or other audio recording or a part thereof published for commercial purposes.

Licenses to be granted

Gramex – The Collective Management Organisation for Recorded Music in Finland, shall grant the customer, on behalf of the copyright holders it represents, a license to copy phonograms specified in the Agreement confirmation to part of a visual recording that is solely used for performance to live audience. The license shall concern use in Finland for an unlimited period.

The license shall cover the use of the phonogram as background music for the visual recording, not as theme music.

The license shall not cover the use of the phonogram in advertisements or visual recordings or works of art similar to advertisements.

In principle, the license shall not cover visual recordings that focus on a particular artist, group, artists or groups. The use of phonograms in such visual recordings is subject to a separate approval by Gramex.

The license shall not authorize copying phonograms or broadcasting visual recordings produced on the basis of the license in a manner or context that breaches the moral rights defined in the Finnish Copyright Act. The license shall not cover the use of the phonograms in political, religious or pornographic visual recordings or the use of the visual recordings in such contexts.

General terms and conditions

The license shall enter into force when Gramex has sent the Agreement confirmation and the customer has paid the remuneration under this Agreement. The remuneration shall be increased by 20% if the it is not paid before the use of the produced visual recording.

The license shall not cover retransmission.

Phonograms must be copied from a legal source.

Modifying the phonogram without a separate consent from the copyright holder is not permitted.

Remuneration

The remuneration shall be determined in accordance with Gramex's fee schedule valid at the time. Value added tax under valid legislation shall be added to the prices. Penalty interest shall be collected for late payments in accordance with applicable laws.

Gramex may adjust the prices annually taking into consideration general changes in the income and cost level.

Providing copyright holder information

The following information on the copied phonograms must be provided on the visual recording:

- the name of the phonogram;
- performer of the phonogram; and
- producer of the phonogram.

Responsibilities of Gramex and the customer

Gramex shall be responsible for the claims for compensation that concern the use of the phonograms referred to in this Agreement and that are targeted against the customer by the artists and phonogram producers.

The customer shall be responsible for ensuring that the phonograms are not used in contravention of this Agreement or the Copyright Act.

Transferring the Agreement

The customer shall have no right to transfer this Agreement or obligations or rights under it to third parties without the written consent of Gramex.

Auditing the operations

Gramex or a party authorized by Gramex shall have the right to verify conformity with the Agreement and the legality of the use of phonograms under this Agreement as well as the accuracy of information affecting the accumulation of the remuneration.

Confidentiality of the information collected from the customer

Gramex undertakes to keep the trade and professional secrets concerning the customer's business confidential and to process personal data in accordance with data protection legislation. Privacy statements are available on Gramex's website.

Customers regarded as consumers

Customers regarded as consumers shall have the right to cancel the Agreement by notifying Gramex in writing within fourteen (14) days of concluding the Agreement. However, the cancellation right shall not be valid after the customer has started the use of phonograms as set out in this Agreement.

For other parts, these terms and conditions shall be directly applicable as they are to Operators regarded as consumers, unless otherwise provided in the Consumer Protection Act.

Validity of the Terms of Agreement

These Terms of Agreement are valid from 21 April 2021.

Applicable law and dispute resolution

This Agreement shall be interpreted according to Finnish law, with the exception of regulations on the conflict of laws.

The parties shall aim to settle possible disputes arising from this Agreement primarily through negotiations. If a resolution cannot be achieved through negotiations, the dispute shall be submitted to the District Court of Helsinki or, if the dispute falls within the competence of the Market Court, to the Market Court.

In cases of inconsistencies between the language versions of these Terms of Agreement, the Finnish version shall prevail.