AGEDI

ENTIDAD DE GESTIÓN DE DERECHOS DE PROPIEDAD INTELECTUAL

GENERAL POLICY FOR RISK MANAGEMENT

(2019)

Spanish Law 2/2019 of 1 March that amends the Spanish Revised Intellectual Property Law Text (hereinafter, the TRLPI), entails considerable changes. The changes include new transparency obligations for collective management organisations (CMOs) to their members.

In this regard, Article 160 of the TRLPI, with the heading "General Meeting", highlights that, as part of its role, this body is to agree the general risk management policy.

Although the scope of the management of risks that may affect the CMO is not clearly defined, we have a first list of risk types and the general policies that should be adopted for each of these types.

For this reason, pursuant to such Article, the General Assembly Meeting (GAM) of AGEDI, held on 12 June 2019, agreed the following General Risk Management Policy to be enforced on the CMO thereafter:

1. Risks derived from the management of financial investments. These risks should be minimised in accordance with the contents of the general investments policy agreed by the GAM.
2. Occupational Risks. The CMO will rely on the appropriate external consulting services for occupational risk prevention and will ensure compliance with the requirements set forth in the current laws on this matter. The CMO will also rely on a person who will be in charge of and will coordinate any actions required, making sure that their knowledge and training is up to date and taking any necessary measures to ensure that the CMO conforms to the current laws.
3. Risks arising from the level of cybersecurity. The IT department will regularly check the levels of risk in cybersecurity that may affect the CMO. Every 2 or 3 years, and without prejudice to the regular preventive maintenance steps recommended by an expert company, such company will check the level of protection and the CMO will take the actions they recommend to keep an acceptable level of cybersecurity.
4. Risks arising from the level of protection in disaster recovery. The CMO should hire an expert company to provide an IT and data recovery system in the event of irreversible damages caused by an unexpected disaster. This will enable business continuity and allow the organisation to carry on its usual business and operations with as little disruption as possible for its members.
5. General risks derived from insurance coverage of potential damages to the CMO's office. Such insurance policies should cover, besides the potential damages caused by an accident, the risks derived from the performance of the CMO's executives by means of the appropriate products for the CMO's business and its premises.