

GOVERNANCE SUB-COMMITTEE

OBJECTIVES

It has been proposed that the Facilitator establish a governance capability, as foreshadowed in the ACCC 6 June 2014 APRA determination, by creating a sub-committee of the Consultative Committee that will address relevant governance aspects of the Consultative Committee's work.

The governance sub-committee will be a sub-group, and meet the criterion outlined by the ACCC, potentially meeting more often than the Consultative Committee.

SUGGESTED WAY FORWARD

The ACCC 6 June 2014 APRA determination ensures that the Facilitator is empowered to establish and maintain sub-committees of the Consultative Committee where the Facilitator considers it appropriate to do so.

Following the Consultative Committee's discussion of this topic on 29 August 2016, it is proposed that the following Consultative Committee members, along with the Facilitator, constitute the GSC:

- Artist larger royalty
- Artist smaller royalty
- Licensee larger
- Licensee smaller
- APRA AMCOS observer

DRAFT TERMS OF REFERENCE FOR THE GOVERNANCE SUB-COMMITTEE (GSC)

1. Purpose

The GSC's primary purpose is to provide support by overseeing and monitoring the dispute resolution system, how decisions are made



RESOLUTION PATHWAYS

fair. independent. transparent.

within the system and how effectively and efficiently the system discharges its function.

2. Responsibilities

The GSC's responsibilities are:

2.1 Risk Management

- Ensure there is a common understanding of the key risks within the dispute resolution system.

2.2 Compliance with ACCC Authorisation

- Ensure that the ACCC guidelines are met
- Oversee the review of the dispute resolution system's framework and processes
- Consider the findings of any reviews carried out
- Evaluate the effectiveness of the dispute resolution facilitator
- Monitor budgets and priorities

3. Membership

- GSC members shall have skills and experience, which may include legal, communications, management, an understanding of the industry as appropriate to the GSC's role and responsibilities.
- The GSC Chair shall be elected from and by the GSC members but cannot be the Facilitator.

4. Meetings

The Governance Sub-Committee will meet at least twice per year.

The Chair shall call meetings as required or if requested to do so by any GSC member, the Consultative Committee, the facilitator, APRA-AMCOS or the ACCC.

The GSC may invite other persons to attend meetings and provide information as necessary.



For meeting purposes, a quorum exists if 4 GSC members are present.

For voting purposes, the GSC Chair has a second, casting, vote.

5. Consultative Committee Succession

The GSC will, in a structured manner and taking a multi-year view, regularly assess the overall skills, experience, independence and knowledge required to competently discharge Consultative Committee's responsibilities, having regard to the Consultative Committee's roles and objectives, and report the outcome of that assessment to the Consultative Committee.

Having regard to the assessment, the GSC will implement a succession planning process for the identification of suitable candidates for appointment to the Consultative Committee. This process will focus on the short, medium and long term.

The GSC will make recommendations to the Consultative Committee on candidates it considers appropriate for appointment.

6. Ethical Practices, Confidentiality and Independence

GSC members are to:

- Exercise objectivity and probity in the discharge of their duties and responsibilities
- Act in a proper and prudent manner in the use of information acquired in the course of their duties and responsibilities
- Ensure that they do not place themselves in situations which could lead to, or be perceived to, give rise to a conflict of interest
- Disclose to the Consultative Committee any matter which could compromise, or be seen to compromise, the performance of their duties on the Committee or give rise to a perception of a conflict of interest.



7. Secretary

The GSC will appoint a person to act as Secretary to the Committee.

8. Performance Evaluation

The GSC will undertake a self-evaluation of its performance each year having regard to the principles and requirements of its terms of reference and the overall objective of the GSC's work.

