

## **Translation from Finnish**

**Legally binding only in Finnish and Swedish**

**Ministry of Justice, Finland**

### **Act on Class Actions**

*(444/2007; amendments up to 1103/2022 included)*

By decision of Parliament, the following is enacted:

#### **Section 1**

##### **Scope of application**

This Act applies, within the limits of the competence of the Consumer Ombudsman, to the hearing of a civil case between a consumer and a trader as a class action. (1103/2022)

This Act also applies to the hearing of claims referred to in Directive (EU) 2020/1828 of the European Parliament and of the Council on representative actions for the protection of the collective interests of consumers and repealing Directive 2009/22/EC, hereinafter the *Representative Actions Directive*, as a class action. However, this Act does not apply to the hearing of claims concerning injunctive measures referred to in the Representative Actions Directive. (1103/2022)

*Class action* means as an action brought by a plaintiff on behalf of a class defined in the action, with the objective that the judgment to be issued in the case also becomes binding on the class members.

In addition to the provisions of this Act, the hearing of a class action is governed by the provisions on the civil procedure, as appropriate.

##### **Section 1a (1103/2022)**

##### **Right to bring an action in another state belonging to the European Economic Area**

This Act also lays down provisions on the right of a qualified entity referred to in section 4a to bring a representative action for a redress measure referred to in the Representative Actions Directive in another state belonging to the European Economic Area.

## **Section 2**

### **Preconditions for a class action**

A case may be heard as a class action, if:

- 1) several persons have claims against the same defendant, based on the same or similar circumstances;
- 2) the hearing of the case as a class action is expedient in view of the size of the class, the subject matter of the claims presented and the evidence presented; and
- 3) the class has been defined with adequate precision.

### **Section 2a (1103/2022)**

#### **Class action funding**

An external provider of funding to a class action must not be a competitor of the defendant in the class action or be dependent on the defendant. The funding provider must not influence the decisions made by the plaintiff in the context of the hearing of the class action in a manner that is detrimental to the collective interests of consumers.

If there are reasonable grounds to suspect that a provider of funding to a class action is a competitor of the defendant in the class action or dependent on the defendant, or that the funding provider attempts to inappropriately influence the plaintiff in the manner referred to in subsection 1, the plaintiff shall be requested to provide the court with an account of the funding of the action and of any corrective measures within a prescribed time limit. At the same time, the plaintiff shall be informed that the action may be ruled inadmissible if the plaintiff does not comply with the request. The court shall rule the action inadmissible if it turns out that funding has been arranged in violation of subsection 1 and the plaintiff has not rectified the situation or if the plaintiff fails to provide an account of the funding of the action.

### **Section 3 (863/2017)**

#### **Competent court**

The competent district court for hearing class actions is the Helsinki District Court, the judicial district of which covers the whole of Finland.

### **Section 4 (1103/2022)**

#### **Right of action**

A qualified entity referred to in section 4a brings a class action as the plaintiff and exercises the right to be heard as a party to the matter.

### **Section 4a (1103/2022)**

#### **Qualified entity**

Qualified entities referred to in this Act are:

- 1) the Consumer Ombudsman in matters falling within their supervisory powers;
- 2) in matters falling within its statutory purpose, an organisation promoting the collective interests of consumers designated by the Ministry of Justice as a qualified entity for the purposes of class actions referred to in this Act;
- 3) in matters falling within its statutory purpose, a qualified entity designated in another state belonging to the European Economic Area for the purposes of cross-border representative actions referred to in the Representative Actions Directive that has been entered in the list referred to in Article 5(1) of the Representative Actions Directive.

### **Section 4b (1103/2022)**

#### **Qualified entity for cross-border representative actions**

In a matter falling within their supervisory powers, the Consumer Ombudsman may, on behalf of a group of consumers, bring a representative action for a redress measure referred to in Article 9(1) of the Representative Actions Directive in another state belonging to the European Economic Area

in accordance with the legislation of that state, if a practice of a trader has infringed the group's rights in Finland.

In a matter falling within its statutory purpose, an organisation promoting the collective interests of consumers, designated by the Ministry of Justice as a qualified entity for the purposes of cross-border representative actions, may, on behalf of a group of consumers, bring a representative action referred to in subsection 1 in another state belonging to the European Economic Area in accordance with the legislation of that state.

The Ministry of Justice shall communicate to the European Commission the name of the authority referred to in subsection 1 and its duties for the purpose of compiling the list referred to in Article 5(1) of the Representative Actions Directive. Provisions on communicating information about the organisations referred to in subsection 2 are laid down in the Act on the Designation of Organisations Promoting the Collective Interests of Consumers as Qualified Entities (1102/2022).

#### **Section 4c (1103/2022)**

##### **Designation of an organisation as a qualified entity**

Provisions on the designation of an organisation as a qualified entity and on the criteria for designation are laid down in the Act on the Designation of Organisations Promoting the Collective Interests of Consumers as Qualified Entities.

#### **Section 5**

##### **Filing of a class action**

The application for a summons in a class action shall contain the following information:

- 1) the class which the action concerns;
- 2) the claims known;
- 3) the circumstances on which the claims are based;
- 4) the basis on which the case should be heard as a class action;

5) the circumstances known to the plaintiff that are relevant to the hearing of the claims of given class members only;

6) as far as possible, the evidence that the plaintiff intends to present and what the plaintiff intends to prove with each piece of evidence;

7) the claim for the compensation of legal costs, if the plaintiff deems this necessary; and

8) the basis for the jurisdiction of the court.

The application for a summons shall also contain the information referred to in chapter 5, section 2, subsection 2 of the Code of Judicial Procedure. The application for a summons shall be signed by the plaintiff or, if the plaintiff has not drawn it up, by the person who has drawn up the application. The person who has drawn up the application shall also mention their occupation and place of residence.

## **Section 6**

### **Notice of the commencement of a class action**

Unless the action is ruled inadmissible or dismissed in accordance with chapter 5, section 6 of the Code of Judicial Procedure, the court shall, without delay and before issuing a summons, notify the parties to the case of the commencement of a class action and of the judge in charge of the preparation of the case by post or electronically. In addition, the court shall set a time limit for class accessions. For a special reason, the court may grant an extension to this time limit.

The plaintiff shall, without delay, notify the known class members of the pendency of the case. The notice shall be delivered by post or electronically. If the notice cannot be delivered in either manner to all persons who, by definition, are class members, a notice of the class action may be published in one or several newspapers or in some other appropriate manner. The plaintiff shall also deliver the notice to the defendant.

## **Section 7**

### **Contents of the notice**

The notice delivered by the plaintiff shall include:

- 1) a brief description of the case and the claims to be presented;
- 2) a description of the class on behalf of which the action was brought;
- 3) the plaintiff's contact information; and
- 4) information about how to accede to the class, about the time limit set for class accession and about any registration fee.

(1103/2022)

In addition, the notice shall contain basic information on the class action as a form of procedure, the status of a class member in the judicial proceedings, settlement, the legal effects of a judgment issued in a class action, the right to request a review, and the liability for legal costs.

## **Section 8**

### **Class membership**

A person who, by definition, is a member of the class and has submitted a written and signed notice of their willingness to participate in the class action within the set time limit belongs to the class. If the action was brought by an organisation designated as a qualified entity, the plaintiff may require those participating in the class action to pay a reasonable registration fee.

(1103/2022)

If a person who, by definition, is a member of the class submits a notice of their willingness to participate in the class action after the expiry of the time limit but before the supplemented application for a summons has been submitted to the court, the plaintiff may, on special grounds, accept the person as a class member.

## **Section 9**

### **Supplemented application for a summons**

The plaintiff shall draw up a supplemented application for a summons indicating the names and addresses of the class members, the particulars of their claims and, if necessary, supplemented grounds for the claims. The application for a summons shall be submitted to the court within one

month of the time limit set for class accessions. For a special reason, the court may grant an extension to this time limit.

## **Section 10**

### **Summons**

The court shall issue a summons without delay once it has received the supplemented application for a summons.

In the summons, the defendant shall be exhorted to respond to the action in writing. In other respects, the issue of the summons and the response are governed by the provisions of chapter 5, sections 10–12 of the Code of Judicial Procedure, as appropriate.

## **Section 11**

### **Status of class members**

A class member is considered to have the same status as a party in applying the provisions of the Code of Judicial Procedure on the transfer of the right to the object of the dispute, the disqualification of judges, the effects of the pendency of proceedings, the joining of actions and the hearing of parties. A class member shall enter their plea for the disqualification of a judge as soon as possible after having been informed of the judges participating in the hearing of the case. A class member may not participate in the proceedings as an intervener.

## **Section 12**

### **Expansion of the action**

During the preparation of the case, the plaintiff may expand the action to also cover new class members by amending the definition of the class, if this does not cause significant delay to the hearing of the case or unreasonable inconvenience to the defendant. The information referred to in section 5 shall be provided in respect of the new class members, as appropriate.

The provisions of chapter 14, section 2 of the Code of Judicial Procedure apply to the amendment of the claims of the plaintiff.

## **Section 13**

### **Restriction of the action**

If the plaintiff withdraws the action in respect of the claim of a given class member before the supplemented application for a summons has been submitted to the district court, the court shall remove the action from the docket for this part.

If, after the submission of the supplemented application for a summons to the district court, the plaintiff restricts the action so that it no longer concerns the claim of a given class member, the court shall set a time limit within which the class member may notify the court of their willingness to pursue their case as a party in separate proceedings.

If a class member notifies the court of their willingness to pursue the case as a party, the court shall sever their claim in order for it to be heard in separate proceedings and decide how the proceedings are to continue. At the request of the class member, the court may transfer the severed case to be heard by another competent court, if this is expedient in view of the hearing of the case. If the proceedings are not to be continued in respect of the claim referred to above, the court shall remove the case from the docket for this part.

## **Section 14**

### **Hearing by sub-class**

The court may order that the claims concerning given class members or given issues only be heard separately by sub-class, if this promotes the expedient hearing of the case.

## **Section 15**

### **Resignation from the class**

Before a case is transferred to the main hearing, a class member may resign from the class by notifying the court or its office of this in writing. In this event, the action shall be removed from the docket in respect of the resigning class member.

Once the case has been transferred to the main hearing, a class member may only resign from the class in the manner referred to in subsection 1 if the defendant consents to this. Even in this



event, the action shall be removed from the docket in respect of the resigning class member. Once the case rests for decision, it is no longer possible to resign from the class.

### **Section 15a (1103/2022)**

#### **Informing class members of a judgment or another decision**

The plaintiff shall inform the class members of the judgment and any other decisions issued by the court.

At the request of the plaintiff, the court may oblige the defendant to provide the class members with the information referred to in subsection 1.

### **Section 16**

#### **Legal effects of the judgment**

The decision of the court is binding on the class members whom the court has in the decision designated as such.

### **Section 17**

#### **Legal costs**

The provisions of chapter 21 of the Code of Judicial Procedure apply to legal costs.

A class member is not liable for legal costs. However, a class member is liable to compensate the defendant for the costs arising from the class member's conduct referred to in chapter 21, section 5 of the Code of Judicial Procedure.

If the claim of a class member has been severed to be heard in separate proceedings, the class member is, in the capacity of a party, liable for the legal costs arising after the severance.

### **Section 18**

#### **Request for a review**

The parties have the right to request a judicial review, by appeal, of a decision issued in a class action as provided in the Code of Judicial Procedure.

A review of a decision by which a plea of inadmissibility concerning the preconditions for a class action has been dismissed may be requested separately, unless the court, to prevent undue delay or for some other special reason, orders that a review of the decision may only be requested in conjunction with requesting a review of the judgment or another final decision on the principal matter.

If the plaintiff does not request a review of the decision issued in a class action, a class member has the right to request a review in respect of their claim within 14 days of the end of the appeal period or the respective counter-appeal period. A class member need not declare an intent to appeal. In other respects, the provisions of the Code of Judicial Procedure apply to a request for a review.

### **Section 18a (1103/2022)**

#### **Information on class actions**

The plaintiff shall, on their website, provide information about any class actions they have planned and brought, the status of the class actions, and the conclusion and outcome of the hearings.

### **Section 19**

#### **Entry into force**

This Act enters into force on 1 October 2007.