

Act on Class Actions

Ryhmäkannelaki

(444/2007)

Section 1 — *Scope of application*

- (1) 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 business as a class action. However, this Act does not apply to a civil case concerning the conduct of an issuer of securities or the offeror in a takeover bid or mandatory bid, as referred to in the Securities Markets Act (495/1989; *arvopaperimarkkinalaki*).
- (2) For the purposes of this Act, *class action* is defined as an action brought by the plaintiff on the behalf of the class defined in the action, with the objective that the judgment to be delivered in the case become binding also on the class members.
- (3) In addition to the provisions of this Act, the hearing of a class action shall in other respects be governed by the provisions on civil procedure, in so far as appropriate.

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 in it and the proof offered in it; and
- (3) the class has been defined with adequate precision.

Section 3 — *Competent court*

Class actions shall be heard by the District Courts of Turku, Vaasa, Kuopio, Helsinki, Lahti and Oulu. Among these courts, competence shall lie with the District Court located in the same Court of Appeal jurisdiction as the District Court where the defendant would be liable to respond were a claim covered by the class action presented as a separate case.

Section 4 — *Standing*

The Consumer Ombudsman, as the plaintiff, shall have exclusive standing to bring a class action and to exercise the right of a party to the case to be heard in court.

Section 5 — *Filing of a class action*

- (1) The application for a summons in a class action shall contain the following information:
 - (1) the class to which the action pertains;
 - (2) the known claims;
 - (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, as known to the plaintiff, that are relevant to the hearing of the claims of given class members only;
 - (6) in so far as possible, the evidence that the plaintiff intends to offer in support of the action, as well as the facts that the plaintiff intends to prove with each item of evidence;

- (7) a claim for the compensation of legal costs, if the plaintiff deems this necessary; and
- (8) the basis for the competence of the court.

Section 6 — *Notice of the commencement of a class action*

- (1) Unless the action is ruled inadmissible or dismissed in accordance with chapter 5, section 6, of the Code of Judicial Procedure (*oikeudenkäymiskaari*), the court shall without delay and before issuing a summons give the parties a postal or electronic notice of the commencement of the class action and of the judge in charge of the preparation of the case. 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.
- (2) The plaintiff shall without delay give the known class members a notice of the filing of the case. The notice may be postal or electronic. If the notice cannot be given in either manner to all class members as defined, an announcement of the class action may be published in one or several newspapers or in some other appropriate manner. The plaintiff shall give the notice also to the defendant.

Section 7 — *Contents of the notice*

- (1) The notice given by the plaintiff shall contain the following information:
 - (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 has been brought;
 - (3) the contact information of the plaintiff; and
 - (4) information about how to accede to the class and about the time limit set for class accessions.
- (2) In addition, the notice shall contain basic information on the class action as a form of procedure, the status of class members in the proceedings, settlement, the legal effects of a judgment delivered on the basis of a class action, the right of appeal, and the liability for legal costs.

Section 8 — *Class membership*

- (1) A class member as defined, who has delivered, within the time limit, a written and signed letter of accession to the class shall belong to the class.
- (2) If a class member, as defined, delivers a letter of accession after the expiry of the time limit, but before the supplemented application for a summons has been submitted to the court, the plaintiff may for a special reason accept him or her as a class member.

Section 9 — *Supplemented application for a summons*

The plaintiff shall prepare 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*

- (1) The court shall without delay issue the summons once it receives the supplemented application for a summons.
- (2) 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 shall be governed by the provisions in chapter 5, sections 10–12, of the Code of Judicial Procedure, in so far as appropriate.

Section 11 — *Status of class members*

A class member shall be held equivalent to a party to the case in the application of provisions in the Code of Judicial Procedure on the relinquishment of the subject-matter of the dispute, the disqualification of judges, the effects of the pendency of proceedings, the joinder of actions and the hearing of parties. A class member shall enter his or her plea of 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 shall not participate in the proceedings as an intervener.

Section 12 — *Expansion of the action*

- (1) During the preparation of the case, the plaintiff may expand the action to cover also new class members by amending the definition of the class, if this does not cause significant delay in 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, in so far as appropriate.
- (2) The provisions in chapter 14, section 2, of the Code of Judicial Procedure apply to the alteration of the claims of the plaintiff.

Section 13 — *Restriction of the action*

- (1) If the plaintiff withdraws the action in respect of the claims of a given class member before the supplemented application for a summons has been submitted to the District Court, the court shall strike the case from its docket for the respective part.
- (2) 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 covers the claim of a given class member, the court shall set a time limit within which the class member may notify the court that he or she wishes to pursue his or her case as a party in separate proceedings.
- (3) If a class member notifies that he or she wishes to pursue the case as a party, the court shall sever his or her claims in order for them 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 a 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 a claim referred to above, the court shall strike the case from its docket for the respective part.

Section 14 — *Hearing by sub-class*

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

Section 15 — *Resignation from the class*

- (1) Before the case is moved on to the main hearing, a class member may resign from the class by notifying the court of the same in writing or in person at the court registry. In this event, the case shall be struck from the docket in respect of the resigning class member.
- (2) Once the case has been moved on to the main hearing, a class member may resign from the class as referred to in paragraph (1) only with the consent of the defendant. Also in this event, the case shall be struck from the docket in respect of the resigning class member. Once the case rests for a decision, resignation from the class shall no longer be permitted.

Section 16 — *Legal effects of the judgment*

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

Section 17 — *Legal costs*

- (1) The provisions of chapter 21 of the Code of Judicial Procedure apply to legal costs.
- (2) A class member shall not be liable for legal costs. However, a class member shall be liable to the defendant for the costs arising from his or her conduct referred to in chapter 21, section 5, of the Code of Judicial Procedure.
- (3) If the claim of a class member has been severed to be heard in separate proceedings, he or she shall be liable as a party for the legal costs arising after the severance.

Section 18 — *Appeal*

- (1) The parties have the right to appeal against a decision issued on the basis of a class action, as provided in the Code of Judicial Procedure.
- (2) A decision dismissing a procedural plea concerning the preconditions for a class action shall be separately subject to appeal, unless the court, in order to avoid undue delay or for some other special reason, orders that the decision be subject to appeal only in conjunction with the judgment or other final order on the main issue.
- (3) If the plaintiff does not appeal a decision issued on the basis of a class action, a class member shall have the right to appeal in respect of his or her 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, appeal shall be governed by the provisions of the Code of Judicial Procedure.

Section 19 — *Entry into force*

This Act shall enter into force on 1 October 2007.