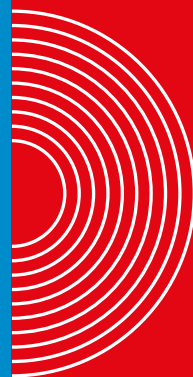
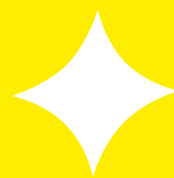
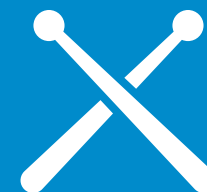
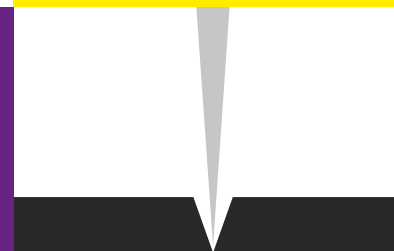


OSA TARIFF  
OF ROYALTIES

# TARIFF OF ROYALTIES FOR BROADCASTING AND BROADCAST TRANSMISSION 2021

valid as of 1/1/2021

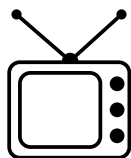


## I. Opening provisions



- 1.1 This tariff sets out the rates of royalties of the collective administrator OSA - Ochranný svaz autorský pro práva k dílům hudebním, z.s. (hereinafter referred to as "OSA") for the provision of a license to use musical works of authors and other right-holders whose rights OSA manages (hereinafter referred to as the "OSA repertoire") as part of use in the form of broadcasting pursuant to Sections 21 and 22 of Act No. 121/2000 Coll., the Copyright Act, as amended (hereinafter referred to as the "Copyright Act").
- 1.2 According to this tariff, a musical work is considered to be a musical work and a verbal work used in connection with a musical work.
- 1.3 Rates of royalties are stated without VAT, which is added to them in the base rate according to general legal regulations.
- 1.4 The minimum royalties are considered to be the minimum value of the OSA repertoire, regardless of the scope of use of the OSA repertoire.
- 1.5 From 1 January 2022, the royalties and minimum royalties for the previous year expressed in nominal amounts in CZK (i.e. not expressed as a percentage rate) will be increased annually by the inflation rate of the previous year from the beginning of the year. In accordance with Section 98f of the Copyright Act, the inflation rate is considered to be the increase in the average annual index of consumer prices of household goods and services as a whole expressed as a percentage change in the average price level for the last 12 months compared to the ratio of the previous 12 months, expressed as a percentage, published by the CZSO every calendar year for the previous year. After the publication of the inflation rate according to the previous sentence, the royalty rates valid for the given year will also be quantified in the tariff for the following year. The rates thus quantified will be rounded down to two decimal places.
- 1.6 Cases not regulated by this or another tariff will be determined by agreement.
- 1.7 Rates of royalties are set for each commenced calendar month of use unless otherwise stated.
- 1.8 This tariff replaces any previous tariffs which set the rates of royalties for the granting of a license to use works as specified in this tariff.
- 1.9 This tariff shall take effect on 1 January 2021.

## II. Television broadcast



- 2.1 Every operator of terrestrial or non-terrestrial (via cable, satellite, IPTV or similar technology) television broadcasting, which makes musical works accessible and is at the same time considered a broadcaster according to Section 21 of the Copyright Act, is considered a **television broadcaster**.
- 2.2 The royalty is determined as a percentage of the broadcaster's gross revenues according to Table A, but at least as a minimum royalty according to Tables B and C.
- 2.3 The royalties listed in Tables B and C apply to broadcasts 24 hours a day. In the event of a shorter transmission time, the said minimum royalties are reduced proportionately.

**Table A: Final amount of royalties according to the gross revenues of the broadcaster**

Share of music in the broadcast	0.01-10.00 %	10.01-30.00 %	30.01-45.00 %	45.01-70.00 %	70.01-80.00 %	80.01-100.00 %
Percentage of royalty	0.19 %	0.78 %	1.35 %	1.95 %	2.74 %	3.50 %

Where the license agreement includes the right to synchronize, the royalty rate will be determined according to the amount of audiovisual works produced by the broadcaster and the music used in them.

**Table B: Calculation of the monthly minimum royalty for one station in the case of terrestrial broadcasting 2021**

Coverage of the population by broadcasting	Share of music in the broadcast					
	0.01-10.00 %	10.01-30.00 %	30.01-45.00 %	45.01-70.00 %	70.01-80.00 %	80.01-100.00 %
86 - 100 %	CZK 16,875.66	CZK 33,639.94	CZK 50,405.28	CZK 67,169.56	CZK 89,486.57	CZK 111,802.52
66 - 85 %	CZK 15,099.72	CZK 30,198.40	CZK 45,298.13	CZK 60,397.86	CZK 80,604.75	CZK 100,699.18
40 - 65 %	CZK 11,768.51	CZK 23,537.03	CZK 35,305.55	CZK 46,962.67	CZK 62,618.32	CZK 78,272.90
20 - 39 %	CZK 10,102.90	CZK 20,206.87	CZK 30,198.40	CZK 40,301.31	CZK 53,736.49	CZK 67,169.56
6 - 19 %	CZK 6,771.69	CZK 13,433.05	CZK 20,206.87	CZK 26,868.24	CZK 35,860.40	CZK 44,742.22
1 - 5 %	CZK 5,107.15	CZK 6,771.69	CZK 10,102.90	CZK 13,433.05	CZK 17,986.42	CZK 22,427.34
up to 1 %	CZK 3,441.54	CZK 4,551.24	CZK 5,107.15	CZK 6,771.69	CZK 8,992.14	CZK 11,212.60

**Table C: Calculation of the monthly minimum royalty in the case of non-terrestrial and combined broadcasting 2021**

In the case of non-terrestrial broadcasting (via cable, satellite, IPTV or similar technology), the minimum monthly royalty is equal to CZK 43,48 for every 1 000 subscriber households and in the case of music channels CZK 64,70 for every 1 000 subscriber households, for each broadcast station of the same broadcaster, but always at least CZK 3 441,54 per month and station.

In the case of a second simultaneously broadcast station of the same broadcaster within one contract, a discount of 10 % of the minimum royalties is provided; in the case of three or more simultaneously broadcast television stations, a discount of 20 % of the minimum royalties is provided.

If the station is broadcast simultaneously terrestrially and in another form, the minimum royalty corresponds to a higher amount calculated in accordance with Table B and Table C.

### III. Radio broadcasting



- 3.1 Every operator of terrestrial or non-terrestrial (via cable, satellite or similar technology) radio broadcasting, which makes musical works accessible and is at the same time considered a broadcaster according to Section 21 of the Copyright Act, is considered a **radio broadcaster**.
- 3.2 **The royalty is set as a percentage of 4.7 % of the broadcaster's gross revenues for each radio station**, but at least as a minimum royalty determined according to Table A according to the number of licenses granted to the broadcaster by the Council for Radio and Television Broadcasting (hereinafter referred to as "RRTV") for one radio station.
- 3.3 A network of radio stations with an identical program structure is also considered a **radio station**, including possible regional program deviations such as advertising or news inputs.
- 3.4 The royalties in the base amount already take into account the share of 0-19 % of spoken word in the broadcast, which may be imposed on the broadcaster by RRTV.
- 3.5 The royalties listed in this tariff apply to broadcasts 24 hours a day. In the event of a shorter transmission time, the said minimum royalties are reduced proportionately.
- 3.6 A **license from RRTV** is any license granted to a radio broadcaster from RRTV for 1 radio station authorizing broadcasting by a transmitter of at least 500 W or less unless it is a license for a transmitter used only to amplify the signal of another transmitter (the so-called cover) for transmitting the same radio station.
- 3.7 The discount for the minimum share of the spoken word in the broadcast set by the RRTV license according to Table B of this tariff can be claimed only if the actual share of the spoken word in the broadcast corresponds to the set range.
- 3.8 In the case of new technologies with a limited listener base (e.g. DAB-T **digital radio broadcasting** or **cable distribution**), it is possible to provide a 50% discount on the minimum royalties listed in Table A. In the case of stations with local coverage using a single transmitter up to 200 W (e.g. municipal radio broadcasts), it is possible to provide a discount from the minimum royalties listed in Table A of 80 %.

**Table A: Minimum amount of monthly royalties according to the number of licenses granted by RRTV for one radio station 2021**

Number of RRTV licenses	Amount of minimum royalty
1 <sup>st</sup> license	CZK 11,102.27
2 <sup>nd</sup> licence	CZK 18,874.39
3 <sup>rd</sup> licence	CZK 23,315.30
4 <sup>th</sup> licence	CZK 31,087.43
5 <sup>th</sup> licence	CZK 38,858.49
6 <sup>th</sup> licence	CZK 46,630.62
7 <sup>th</sup> licence	CZK 52,182.28
8 <sup>th</sup> and further licenses	CZK 55,512.43

The broadcaster is entitled to request, with regard to its gross sales, a minimum royalty higher than would be determined according to this table (see Table C).

**Table B: Discount for the minimum share of the spoken word in the broadcast set by the RRTV license**

The minimum share of the spoken word in a radio station's broadcast	Percentage discount on royalties for a radio station
20-34 %	15 %
35-49 %	30 %
50-69 %	45 %
70-89 %	65 %
90-99 %	85 %

**Table C: Discount for payment of a higher minimum royalty**

Category	Discount
category A	In the event the broadcaster pays a <b>monthly minimum royalty for one radio station</b> of at least CZK 100,000 without VAT as a <b>non-refundable monthly amount</b> , OSA will provide it with a discount of 9 %. In the event the broadcaster pays a minimum monthly royalty for one radio station of at least CZK 200,000 without VAT, OSA will provide a discount of 11 % for such a radio station.
category B	In the case of a broadcaster of <b>several radio stations</b> with a sum of minimum royalties of at least CZK 200,000 per month, OSA will provide the broadcaster with a discount of 6 %.

It is not possible to combine the discounts listed in categories A and B of this table, i.e. the broadcaster must choose only one of the listed categories of discounts.

**Table D: Minimum royalties in the case of Internet radio 2021**

Extent of use of musical works daily	Maximum number of current listeners (from all radio servers)						
	A	B	C	D	E	F	G
	50	50	125	250	500	500+	500+
Minimum monthly royalties (in CZK)							
up to 4 hours	CZK 216.42	CZK 270.52	CZK 542.10	CZK 812.63	CZK 1,083.16	CZK 1,353.69	CZK 195.20
4 - 12 hours	CZK 432.84	CZK 542.10	CZK 1,083.16	CZK 1,625.28	CZK 2,166.34	CZK 2,708.46	CZK 324.62
12 - 24 hours	CZK 866.74	CZK 1,083.16	CZK 2,166.34	CZK 3,249.52	CZK 4,332.69	CZK 5,415.87	CZK 650.32

Category A is only possible for non-commercial broadcasting.

Category G is under one heading for the second and every subsequent station when broadcasting several stations (the so-called multi-license).

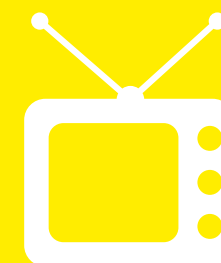
## IV. Broadcast transmission and simulcasting



- 4.1 Any entity that makes musical works accessible pursuant to Section 22 of the Copyright Act by simultaneous, complete and unaltered transmission of a work by radio or television wirelessly or by wire is considered to be the **broadcast transmission operator** if the transmission is performed by a person other than the broadcaster.
- 4.2 The royalty for the transmission of a broadcast is set as a **fixed rate for one connection or household according to Table A**, regardless of the price at which the service is offered to the public, the technology used to transmit the broadcast or the scope of the program offer.
- 4.3 The royalty for the transmission of broadcasting was agreed in accordance with Section 98f of the Copyright Act, was duly discussed with users and agreed by the Chamber of Commerce, so that the rate according to Table A will be increased annually in 2020-2023 by inflation published by the Czech Statistical Office for the previous year.
- 4.4 The license to transmit the broadcast also includes the possibility of additional use in the form of the so-called catch-up TV and NPVR provided that the following conditions are fulfilled:
- the catch-up TV service is provided to customers free of charge,
  - viewing is limited to a maximum of 14 days from the date of broadcast,
  - the license thus granted does not apply to video libraries with non-broadcast content,
  - the license thus granted may not apply to services operated by a company other than the broadcast transmission operator.
- 4.5 In the case that the transmission operator does not provide a retrospective inspection service within the used transmission technology under the conditions of Article 4.4 and at the same time is not offered to clients by the transmission operator through another technology, a discount of CZK 1.00 will be provided from the royalties defined in Table A. In the case that the transmission operator provides a retrospective service (either through the used transmission technology or other technology), which does not meet the conditions of Article 4.4, the operator is obliged to enter into a license agreement with OSA according to the tariff of royalties for use on the Internet.
- 4.6 A **simulcasting operator** is considered to be an entity that carries out a simultaneous, complete, unaltered transmission of radio and television broadcasts via the Internet, and is at the same time a broadcaster of the original terrestrial or non-terrestrial broadcasting. The royalty for an already contractually bound broadcaster with OSA is set at CZK 12 998,09 for the calendar year 2021.

**Table A: Calculation of the monthly royalties for the transmission of broadcasts**

<b>Period of use (calendar year)</b>	<b>Monthly fee for one connection (or household)</b>
2021	CZK 5,67



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