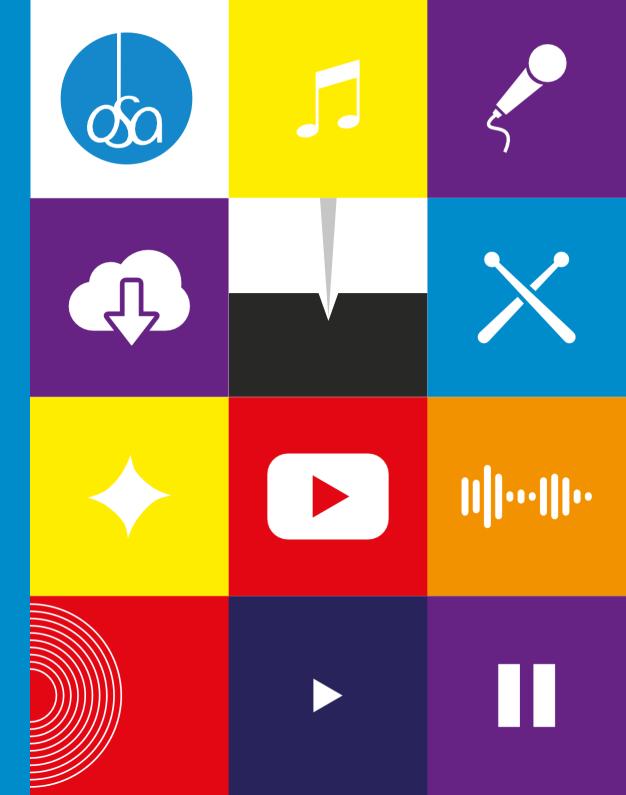
OSA TARIFF OF ROYALTIES

FOR INTERNET USE

valid from 01/01/2024



I. STREAMING

1.1 Streaming of musical works /AUDIO/

The royalties for **music streaming services** are set at 14% of the gross revenues generated by the service exclusive of VAT, but at least:

- CZK 17,14 per month per subscriber in the case of a subscription-based service (the so-called subscription services), or
- CZK 716.94 for the first 16 000 plays in a month, and CZK 0.043 for each additional play in a given month in the case of non-subscription services.

In case of free music streaming service, it is possible to determine the royalties alternatively as flat monthly royalties in the amount of:

- CZK 1262.78 per each 10 minutes of musical footage made available in a given month
- CZK 420.91 per started 10 minutes of the total footage of all other works made available in a given month (e.g. spoken works with music components)
- CZK 70.13 per started 10 minutes of the total footage of all works made available in a given month, where the music is only within the scope of advertising
 or up to 9% of the total footage.

In cases where streaming of **audio books and podcasts**, the royalties are reduced according to the ratio of the music component to the total footage of the audio book or podcast.

In the case of **B2B services** where the user **makes works available to entrepreneurs for subsequent use by the entrepreneur** in the form of public operation in its establishments (or individual parts of its establishments), the royalties are set at:

- 10% of the gross revenues generated by the non-linear B2B streaming service exclusive of VAT (i.e. use on request where the entrepreneur is able to
 influence the order of the works played and the time of playing the works in its establishment), but at least CZK 68.23 per establishment (or a separate
 section of establishment) per month
- 4.7% of the gross revenues generated by the linear B2B streaming service exclusive of VAT (i.e. use in the case where the entrepreneur is unable to influence the order of the works played or the time of playing the works in its establishment) or the service of delivery on a music medium, but at least CZK 40.93 per establishment (or a separate section of establishment) per month.

1.2 Streaming of audiovisual works /VIDEO/

The royalties for **video streaming services** are set as a percentage of the gross revenues generated by the service (especially from advertising, subscriptions) exclusive of VAT, with the minimum monthly royalties as per the table below:

		Minimum royalties	Minimum royalties for non-subscription services (per play)		
Service type according to content	Royalties	for subscription services (per subscriber)	Service for a fee (AVWs over 75 min)	Service for a fee (AVWs up to	Free services
Musical AVWs (video clips, concerts)	6.50%	CZK 8.57	CZK 3.14	CZK 1.88	CZK 0.094
Other AVWs (movies, series)	2.50%	CZK 2.83	CZK 1.68	CZK 1.00	CZK 0.0395
Music only within the scope of advertising (news or sports portals), i.e. up to 9% of the total AVW footage	0.19%	CZK 0.417	CZK 0.189	CZK 0.117	CZK 0.0044

In the case of free video streaming service, it is possible to determine the royalties alternatively as flat monthly royalties in the amount of:

- CZK 1262.78 per started 10 minutes of the total footage of all musical AVWs made available in a given month
- CZK 420.91 per started 10 minutes of the total footage of all other AVWs made available in a given month
- CZK 70.13 per started 10 minutes of the total footage of all AVWs made available in a given month where music is only within the scope of advertising
 or up to 9% of the total footage.

In case of live streaming, the minimum royalties amount to CZK 716.27 for plays 1 to 100, and CZK 3.60 for each additional play.

In cases where the **subscription also includes other services (bundles)** and the price attributable to AVW streaming cannot be determined, the royalties correspond to the minimum royalty rates applicable to the subscription services.

In cases where the site operator makes available, for direct or indirect commercial benefit, **embedded hyperlinks** to musical works or AVWs for which the copyright for such use has not been settled by the operator of the linked site, the monthly royalty rate amounts to CZK 420.91 per so-called embedded hyperlink.

II. DOWNLOAD

2.1 Downloading musical works/AUDIO/

In cases where **download** of permanent copies of individual musical works for personal use of end users is enabled **for a fee**, the royalties are set at 9% of the final price for the customer exclusive of VAT per download, but at least:



Content type (final prices exclusive of VAT)	Minimum royalties	
Songs		
Song with a final price higher than CZK 25	CZK 2.56	
Song with a final price of CZK 25 or less	CZK 1.93	
Song with a final price of CZK 18 or less	CZK 1.66	
Song with a final price of CZK 15 or less	CZK 1.54	
Song with a final price of CZK 13 or less	CZK 1.15	
Albums		
Album with a final price higher than CZK 250	CZK 21.98	
Album with a final price of 250 or less	CZK 19.40	
Album with a final price of 200 or less	CZK 15.51	
Album with a final price of 150 or less	CZK 12.92	
Album with a final price of 125 or less	CZK 7.75	
Album with a final price of 100 or less	CZK 6.19	
Album with a final price of 70 or less	CZK 5.15	
Album with a final price of 50 or less	CZK 3.86	
Single (containing no more than 3 songs)	CZK 3.86	

In cases where **download** of permanent copies of individual musical works for personal use of end users is enabled **free of charge**, the royalties per download are as follows:

Content type	Royalties	
Songs		
Song offered as part of an advertising campaign or for the purpose of at least indirect economic benefit	CZK 2.13	
Other free downloads of songs	CZK 1.27	
Albums		
Album offered as part of an advertising campaign or for the purpose of at least indirect economic benefit	CZK 21.46	
Other free downloads of albums	CZK 4.27	
Single (containing no more than 3 songs)		
Single offered as part of an advertising campaign or for the purpose of at least indirect economic benefit	CZK 4.27	
Other free downloads of singles	CZK 2.56	

In cases where download of **audio books and podcasts** is enabled, the royalties are reduced according to the ratio of the footage of the musical works to the total footage of the audio book. In case of downloading only partial chapters, the royalties correspond to a fixed amount of CZK 0.26 per chapter download.

In cases where download of **ringtones** with musical works is enabled (especially for mobile phones and other multimedia devices), the royalties are set at 9% of the final price for the customer exclusive of VAT, but at least CZK 2.83 per access (download or activation).

2.2 Downloading audiovisual works /VIDEO/

In cases where **download** of AVWs is enabled, the royalties are set as a percentage of the final price for the customer exclusive of VAT per download, with the minimum monthly royalties as specified in the table below:

AVW type	Royalties	Minimum royalties		
		AVWs up to 75 min	AVWs over 75 min	
Music (videos, concerts etc.)	6,50%	CZK 5.80	CZK 10.90	
Others (films, series, shows etc.)	2,50%	CZK 3.13	CZK 5.85	

In cases where download is offered **free of charge**, the royalties correspond to the values of the minimum royalties.

In cases where download of **applications, games and other programs** (hereinafter referred to as "applications") containing a music component is enabled, the royalties correspond to the rate of 3.50% of the price of the application exclusive of VAT per download, but at least to:

- CZK 0.26 per download of an application with footage of musical works of up to 20 minutes

- CZK 1.12 per download of an application with footage of musical works of over 20 minutes

III. FINAL PROVISIONS

- 3.1 This tariff sets outs 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 granting a license to use musical works of authors and other right-holders whose rights OSA manages (hereinafter referred to as "OSA repertoire") pursuant to Section 18(2) of Act No. 121/2000 Sb., the Copyright Act, as amended (hereinafter referred to as "Copyright Act"), when used on the Internet.
- 3.2 In the case of any use via the Internet network that is not expressly referred to in this tariff, the rates closest in nature to the use concerned shall apply by analogy.
- 3.3 Royalties higher that those set out in this tariff may be arranged in agreement with the relevant user.
- 3.4 The rates of royalties are stated exclusive of VAT which shall be added at the standard rate according to general legislation.
- 3.5 The minimum royalties shall be considered the minimum value of the OSA repertoire, regardless of the scope of use of the OSA repertoire.
- 3.6 From 1 January 2025, the rates of royalties and minimum royalties expressed in nominal amounts in CZK (i.e. not as a percentage rate) shall be increased annually from the beginning of the year by the inflation rate of the previous 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, as published by the Czech Statistical Office every calendar year for the previous calendar year. After publication of the inflation rate according to the previous sentence, the royalty rates valid for the given year shall be also increased in the tariff for the next year. The rates thus increased shall be rounded down to two, or in justified cases to three or four decimal places and subsequently published in an increased form for 2025.
- 3.7 The rates of royalties are set for each commenced calendar month of use unless otherwise stated.
- 3.8 If the user does not comply with his/her obligation under Section 98c of the Copyright Act and fails to cooperate with OSA in the determination of facts decisive for the calculation of royalties, and these facts cannot be ascertained from generally accessible sources, the royalties are set at CZK 420.91 per each 10 minutes of the total footage of all AVWs or musical works made available in a given month.
- 3.9 A musical work according to this tariff shall mean any musical work and any verbal work used in connection with a musical work.
- 3.10 A user according to this tariff shall mean any entity that makes the works from the OSA repertoire available via the Internet and, at the same time, uses the works within the meaning of the Copyright Act.
- 3.11 An **AVW** according to this tariff shall mean any audio-visual work, other audio-visual recording or similar content combining video and audio components, containing at least one musical work from the OSA repertoire or its part.
- 3.12 In the case of AVW streaming services the content of which is largely produced by the service operator itself and the nature of which corresponds to television broadcasting, the percentage rate of royalties applicable to television broadcasters may be applied.
- 3.13 This tariff shall replace any previous tariffs which set the rates of royalties for granting licenses to use the works as specified in this tariff.
- 3.14 This tariff shall come into force and take effect on 1 January 2024.

OSA – Ochranný svaz autorský pro práva k dílům hudebním, z. s. Čs. armády 786/20 160 56 Prague 6 Czech republic

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