

ROYALTY DISTRIBUTION RULES



**Ochranná organizace autorská - Sdružení autorů děl výtvarného umění, architektury a obrazové složky audiovizuálních děl, z.s.
(OOAS - Copyright protection organization - Association of authors of works of art, architecture and authors of visual components of audiovisual works)**

COLLECTIVE RIGHTS MANAGER

according to Act no.121/2000 Sb., on copyright and rights related to copyright and on the amendment to certain acts

(Copyright Act)

adopted by the members of OOA-S according to Art.. VII (1) (d) of the Constitution of the OOA-S Association

on General meeting dated 12 December 2006 in accordance with the Constitution of OOA-S Association and the Copyright Act

as amended on:

13.5.2008, 24.5.2011, 4.6.2013, 14.6.2016, 11.5.2017 and 29.5.2018

Preamble

Registered association OOA-S adopted this Royalty distribution rules containing the way of distribution and rules for payment of collected royalties, excluding arbitrary procedure for their distribution and taking into consideration the principle of supporting the culturally significant works.

BOOK ONE

GENERAL PROVISIONS

Article I

Basic provisions

- (1) On the basis of the decision¹ of the Ministry of Culture of the Czech Republic, the citizens association - Copyright protection organization - Association of authors of work of art, architecture and authors of visual components of audiovisual works (hereafter only “**the collective rights manager**” or “**OOA-S**”) was according to the Section 96 et seq. granted the permission to perform the collective management of the rights of the persons, to whom the economic copyright pertain for the **works of art**, such as paintings, graphic works or sculptures, for the **photographic works** and **works expressed by a process analogous to photography, work of applied art, audiovisual works of art** such as the works of the directors of photography, stage designers and costume designers, and **architectonic works**, including **urban works** (hereafter only “**works**”). OOA-S has the status of the collective rights manager also according to Section 106 (7) of the Copyright Act². The framework list of works, collectively managed by OOA-S is provided for in Annex 1 of these Royalty distribution rules.
- (2) With regard to the granted permission (see footnotes no.1 and 2) OOA-S classifies the authors, the works of whom OOA-S collectively manages, into three basic professions (closer classification into the individual author professions is comprised in the Annex no.1 to these Royalty distribution rules):

I. Audiovisual authors (filmmakers - cinematographers, stage designers, costume designers, editors etc.)

II. Classical artists (painters, architects, photographers etc.)

III. Authors of the graphical interface of the computer programs (artistic authors of the graphical interface of the computer programs, artistic authors of the computer games and similar visualization during displaying computer programs).

- (3) **Collective rights management** is³ the full management of the economic copyrights or rights related to copyright of the rightholders to their works made public or offered to be made public, to artistic performances, audio and audiovisual recordings exercised for their joint benefit. The rightholder is a person who is entitled to hold:
- a) economic copyright or economic right related to copyright,
 - b) a statutory authorization to exercise economic rights to a work,
 - c) a contractual exclusive authorization to exercise a collectively managed right for the entire duration of the economic rights and combined with the right to grant sublicences, at least for the territory of the Czech Republic.

¹ Decision dated 5.8.2009, ref.no.: MK-S 2797/2009 OAP, and the decision of the Ministry of Culture of the Czech Republic dated 27.10.2006, ref.no. 10334/2006, as amended by its correction dated 8.11.2006, ref.no. 10334/2006, and decision dated 31.10.2006, ref.no. 8881/2006

² on the basis of the decision of the Ministry of Culture of the Czech Republic dated 9.7.1997, ref.no.: 5534/97

³ Copyright Act , Section 95, (1), (2), (3).

- (4) **Royalty distribution rules** provides for the basic rules for distribution and payment of the remuneration from the exercise of rights, proceeds from the investment of the remuneration from the exercise of rights and proceeds from surrendered unjust enrichment (hereafter only “remuneration”) to the holders of the economic copyright (hereafter only “**represented rightholder**”), in connection with the use of items of protection collectively managed by OOA-S and also managed by all the partners in the Czech Republic and abroad, with whom OOA-S has concluded the agreement on representation in the exercise of rights, collectively managed thereby. The collective rights manager is obliged, under his own name and on behalf of the represented rightholders to claim damages; the application of the royalty distribution rules on the billing of the proceeds from the damages among the rightholders is excluded.
- (5) The amount and individual tariffs of the royalties is prescribed by the Remuneration tariff of OOA-S and by the individual agreements, concluded with the users of the works or persons obliged to pay special remuneration, or, if applicable, by the mutual agreements with the foreign partner associations or directly by the Copyright Act or its implementing regulation⁴.

Article II Rightholders

- (1) Every holder of the rights to the items of protection that fall within the scope of OOA-S has the right to request the protective association to represent him; thus the right to be represented has every person who is entitled to hold the economic copyright, or the authorisation pursuant to the Copyright Act to exercise the economic rights to a work or the contractual exclusive authorisation to exercise a collectively managed right for the entire duration of the economic rights and combined with the right to grant sublicences, at least for the territory of the Czech Republic.
- (2) Regarding the representation, OOA-S enters into the “**Economic copyright representation agreement**”, which establishes the contractual relationship between the collective rights manager and the rightholder.
- (3) With regard to the provisions of the Copyright Act, the collective management is performed also in relation to the rightholders who have not entered into the agreement according to par.2. In such cases, the relevant provisions of the Royalty distribution rules apply accordingly also on “the rightholders not contractually represented” and must be construed within this meaning.
- (4) The represented rightholder is obliged to notify the collective rights manager without undue delay about each created work, or if applicable, about a newly acquired right to this work. The notification must be provided on a special form issued by OOA-S named as “Ohláška děl” (notification of works), in which the rightholder is obliged to state truthfully all the required information that is necessary for the exercise of the collective management. The notification of the work can also be sent by electronic means. The rightholders shall send this notification without undue delay after acquiring the rights. If needed, the rightholder is obliged to prove his/her authorship, or, if applicable, the fulfillment of the statutory requirements for granting the status of the rightholder (such as the inheritors or employers according to Section 58 of the Copyright Act).
- (5) If there is more than one author towards one item of protection (such as co-authorship), the rights may be exercised only through one common representative, who shall be entitled to this item of protection towards OOA-S. His/her authorization to represent shall be proved by a written power of attorney.
- (6) The rightholder is entitled to the billing and payment of the remuneration and proceeds from surrendered unjust enrichment, if applicable.
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- (7) OOA-S must enable the rightholder to inspect the correctness of the amount paid out to him as remuneration or as the proceeds from the surrender of unjust enrichment, if any.
- (8) The rightholder is obliged to notify the OOA-S without undue delay any changes in personal data or bank account information. This data is confidential and OOA-S must not use them contrary to the purpose for which they were provided.
- (9) The rightholder has the right to access the Annual report on activities and economic management of OOA-S.

Article III

Scope of the representation

- (1) According to the decision of the Ministry of Culture of the Czech Republic mentioned above in footnotes 1 and 2, OOA-S exercises the collective management of the following rights in the scope stated in these decisions (according to the legal state as of the date of the decision becoming final).
- (2) Rights subject to compulsory collective rights management
 - a) **right to remuneration** for making a reproduction for personal use on the basis of audiovisual fixation or other than audio or audiovisual fixation by the transfer of its content by means of a technical device to blank record carrier of such fixation according to Section 97d (1)(a)(3) of the Copyright Act and Section 25 (1)(a) and (b) of the Copyright Act,
 - b) **right to remuneration** for making a reproduction for personal use on the basis of graphical expression by its transfer by means of a technical device for making printed reproductions on any other carrier material, also through a third party, according to the Section 97d (1)(a)(4) of the Copyright Act and Section 25 (1)(c) of the Copyright Act
 - c) **right to remuneration** for lending of the original or reproduction of a published work according to Section 97d (1)(a)(6) of the Copyright Act,
 - d) **right to equitable remuneration** for the rental of the original or a reproduction of work fixed in an audiovisual fixation according to Section 97d (1)(b) of the Copyright Act,
 - e) **right to use of works by cable retransmission** according to Section 97d (1)(c) of the Copyright Act, Section 12 (4)(f)(3) and Section 22 (2) of the Copyright Act.
- (3) Rights subject to the regime of expanded collective management
 - a) **right of performing the broadcast of the work** according to Section 12 (4)(f)(4) and Section 23 of the Copyright Act,
 - b) **right to lend the original or the copy of the work** according to Section 12 (4)(d) and Section 16 of the Copyright Act,
- (4) Rights subject to voluntary collective rights management
 - a) **right to broadcast the work by television** according to Section 12 (4)(f)(2) and Section 21 of the Copyright Act,
 - b) **right to exhibit the original or the copy of a work** according to Section 12 (4)(e) and Section 17 of the Copyright Act,
 - c) **right to reproduce the work** according to Section 12 (4)(a) and Section 13 of the Copyright Act,

d) **right to rent the original or the copy of the work** according to Section 12 (4)(c) and Section 15 of the Copyright Act.

- (5) The economic copyright of the rightholders are collectively managed by OOA-S
- a) in case of rights according to par.2 as statutory representations, where it is not important whether the rightholder entered into an agreement with the collective rights manager, or
 - b) in case of right according to par.3 on the basis of a representation agreement for the mentioned rights.

BOOK TWO

RULES ON MANAGEMENT OF THE REMUNERATIONS OF THE COLLECTIVE RIGHTS MANAGER

Article IV

Basic principles of the royalty distribution rules of the collective rights manager

- (1) This royalty distribution rules shall be applied for distribution of royalties collected by OOA-S. For the distribution of royalties collected by the foreign collective rights managers, it is necessary to apply the legal regulation established by the mutual agreements.
- (2) When distributing and paying out the remuneration from the exercise of rights and proceeds from the investment of the remuneration from the exercise of rights, the collective rights manager shall take into consideration only such rightholders whose rights in respect of the same protected items, or as the case may be, of the same types of works, are managed by him collectively on a contractual basis, or who are registered for that purpose in his register, while he does not take into consideration the works which have not been published by far. If the collective rights manager has collected the royalties for the rightholders who he is acquainted with but are not registered in his register of rightholders, he shall call upon them to subscribe to the register.
- (3) Collective right manager distributes and pays out the remuneration in accordance with these Royalty distribution rules at the latest within 9 months from the end of the accounting period in which the royalties were collected, unless objective reasons would hinder him from the compliance with the time limit. Where the remuneration is not possible to distribute or pay out within the time limit according to this paragraph due to the fact that the rightholders could not be determined or found, he shall keep this remuneration separately in the accountancy and it must be handled according to the rules set by the General Meeting.
- (4) Collective rights manager shall within three months after the distribution and payment of the remuneration according to paragraph 3 make the information on works, for which one or more rightholders were not determined or found, available by appropriate means to the rightholders for whom he performs the collective management and to the collective rights manager for whom he manages the rights on a contractual basis. Collective rights manager shall take all measures necessary to determine or to find the rightholders pursuant to the previous sentence. Within one year at the latest since the time limit according to this paragraph, the collective rights manager shall publish in an appropriate way the available information about the rightholder who was not determined or found. If the collective rights manager has not been able to distribute the remuneration even within three years since the end of the accounting period in which the royalties were collected, due to the fact that the rightholders were not determined or found, the General Meeting shall decide how to use such remuneration.
- (5) For the purpose of these Royalty distribution rules, the management of the income from the

exercise of rights (hereafter only “collected royalties”) is divided into the three following stages:

- a) financial statement,
- b) distribution
- c) payment.

- (6) Regarding the stage of the **financial statement**, each rightholder is included thereto and thus he is entitled to the “share on the collected royalties”, unless other provisions of the Royalty distribution rules provides for otherwise, if
- a) the author’s works, also those previously created, were properly notified by the rightholder at the latest by 31 May following the calendar year in which the royalties were collected⁵, and at the same time these works were used during the year, in which the royalties were collected, or if the collective rights manager clearly found and determined the author’s work, which was used in a way according to the Article III, and the relevant rightholder with a corresponding record in the register maintained by the collective rights manager,
 - b) user of the work paid the collective rights manager the corresponding royalty,
 - c) in case of the foreign rightholders, the mutual agreement with the foreign collective rights manager ensures basically the same performance for the domestic rightholders.
- (7) Regarding the stage of **distribution**, only such rightholder is included, who is entitled to the share in the collected royalties and the rightholder has, within the statutory time limits anticipated by these Royalty distribution rules, concluded with the collective rights manager the representation agreement or has at least subscribed to the register of the collective rights manager. If the rightholder does not declare the relevant will (conclude the agreement or subscribe to the register) towards the collective rights manager within the specified time limits, his share in the collected royalties will be further managed according to the provisions of these Royalty distribution rules.
- (8) Regarding the stage of **payment**, only such rightholder is included, who is included into the stage of distribution and who notifies the collective rights manager of his correct banking information or requests the remuneration in the relevant amount to be paid to him in cash in the office of the collective rights manager. If the rightholder does not declare the relevant will (notifies the collective rights manager of his correct banking information or requests the remuneration in the relevant amount to be paid to him in cash) towards the collective rights manager within the specified time limits, his share in the collected royalties will be further managed according to the provisions of these Royalty distribution rules.
- (9) OOA-S is obliged to pay the share in the collected royalties from the exercise of rights that are subject to compulsory collective management to the rightholders who are neither contractually represented by OOA-S nor have not subscribed to the register, for the period of 3 years retroactively from the year when the rightholder requested it, and
- a) he is entitled to the share in the collected royalties,
 - b) entered into the representation agreement or submitted an additional application to the register, and
 - c) on the OOA-S form properly notified the works, that have been used, including their use, and the collective rights manager pays out the remuneration according to the current amount of the value of a point arising from the Royalty distribution rules.

.: MK-S 2797/2009 OAP, decision of Ministry of Culture of the Czech Republic dated 27.10.2006, ref.no. 10334/2006, as amended by its correction dated 8.11.2006, ref.no. 10334/2006, and decision dated 31

Remuneration and proceeds from the surrendered unjust enrichment, if any, shall be added to the collected remuneration from the other rights.

- (10) Collected royalties are recorded separately according to the mode of the use of the work and accuracy of identification of the use of the author's work.
- (11) Where the collective rights manager have collected the royalties for the use of the works of the rightholder beyond the scope of the collectively managed rights, such collected royalties are registered separately from the royalties collected within the collective management and their payment is carried out according to the rules concluded contractually between the collective rights manager and the rightholder.
- (12) After the expiry of the limitation period prescribed by the legal regulation⁶, the remuneration and proceeds from the surrendered unjust enrichment, if any, are stored in the Reserve fund.
- (13) Pursuant to the Copyright Act, the collective rights manager is entitled to request the reimbursement of purposeful expenses. The amount of costs and its specification for individual use shall be approved annually by the OOA-S Committee on the basis of the annual financial statement certified by the auditor, which is subsequently confirmed and approved by the General Meeting of the OOA-S.
- (14) Royalties collected from the identified sources are distributed and paid out directly to the rightholders with regard to the established supporting documents according to the Article V (2), i.e. the collected royalty for the specifically used works is paid to the rightholder according to the paragraph 8 of this Article. The rightholder may choose to be paid in a two-month cycle or seven-month cycle.
- (15) The accounting period for the payment of royalties collected from non-identified sources is the past calendar year; the statement of a non-identified collection is executed within the first semester of the following year, unless it is decided on a different deadline for the statement.
- (16) Pursuant to the Act on value added tax, before distributing the remuneration among the authors, the collective rights manager is obliged to increase the purposeful expenses for VAT in its statutory amount and he shall charge such expenses to the rightholders.

Article V

Supporting documents to the financial statement

- (1) The supporting document for the financial statement is the collection collected on the basis of contractual relations with the users, persons required to pay special remuneration, foreign collective rights managers.
- (2) The supporting document for the financial statement is the distribution database which includes the rules of point awarding system (see Articles IX to XI) depending on the frequency of the use of works and containing, in particular, the data from the following documents:
 - a) economic copyright representation agreements,
 - b) notification of the works,
 - c) notification of the use of work notified by the rightholder or the user,
 - d) register of the use of works maintained by the collective rights manager,
 - e) mutual agreements with the foreign collective rights managers,

.10.2006., [ref.no.](#) 8881/2006

⁶ pursuant to the decision of Ministry of Culture of the Czech Republic dated 9.7.1997,

- f) other corresponding documents maintained by the collective rights manager in the relevant registers.
- (3) The register of the use of works is maintained for the purpose of exclusion of the arbitrary procedure during the distribution of the collected royalties and contains data that are necessary to exercise the collective management (such as name and surname, or name, registered office and company number of the holder of the right to the item of protection, and specification of the use), and also the point awarding for the corresponding mode of use.

Article VI

Reserve fund

- (1) The reserve fund is established from the collected royalties and proceeds from the surrendered unjust enrichment, if applicable. The Reserve fund is not established from the identified sources.
- (2) The amount of the parts of the Reserve fund is set by the General Meeting with regard to the specific use and based on the needs, taking into account the statutory requirements and needs that are connected to the exercise of the collective management.
- (3) Funds from the Reserve fund may be used if there is any extraordinary situation or circumstances justifyin such use, and if used to cover extraordinary expenses, in particular, to satisfy the non-barred claims of the authors, who are not contractually represented, and legitimate complaints. These claims and complaints are settled so that the claims from the complaints are paid first and subsequently the other claims are paid.
- (4) The funds paid to the Reserve fund are intended in particular to pay the non-barred claims and claims arisen from the legitimate complaints. The amount of the contribution and its specification for individual use is set by the General Meeting of OOA-S. The Committee of OOA-S decides on the account balance after the expiry of the general statutory limitation, taking into consideration that it may be used to support the culturally significant works, the development and support of culture and artistic community; in case of use of the account balance on the support of the culturally significant works, culture and artistic community, the decision of the Committee is subject to the approval by the Supervisory Board.

Article VII

Collection and management of the funds

- (1) Collected royalties and proceeds from the surrendered unjust enrichment are for the purpose of the Roaylty distribution rules called “collection”. Management and billing of the collection are executed separately in section A/ and B/ according to the level of identification of the rightholder and on the basis of the users environment in which the item of protection was used. The collection arising from the exercise of the collective management is divided into:

Section A/ - Identified sources

It is a collection from sources in cases where it is clear who is the rightholder and for which work the collection was collected (direct identifiability).

A.1. Television broadcasting of works audiovisually used⁷ [Article III (3) (a)]

A.2. Lending the works with the exception of graphical user interface of the computer programs and lending the works outside of the libraries [Article III (3) (c)]

A.3. Exhibiting the works [Article III (3) (d)]

A.4. Reproducing the works [Article III (3) (e)]

A.5. Rental of the works with the exception of graphical interface of the computer programs according to B.8 and with the exception of audio visual fixation of the video rental store

[Article III (3) (f)]

Section B/ - Non-identified collection

These are the sources of collection from which it is not possible to directly identify who is the rightholder and for which work was the collection collected.

B.1. Cable retransmission of the works [Article III (2)(e)]

B.2. Performing the television broadcast of the work [Article III (3)(b)]

B.3. Remuneration from blank record carriers [Article III (2) (a)]

B.4. Collection of royalties from rental in the video rental stores [Article III (2) (d)]

B.5. Remuneration from reprography [Article III (2) (b)]

B.6. Television broadcasting of classical artists works [Article III (3) (a)]

B.7. Remuneration for lending the works in libraries [Article III (3) (c)]

B.8. Remuneration for rental or other public dissemination of graphical interface of computer programs

(2) In the collection fund, the remunerations collected in Section A and the remunerations collected in Section B are managed separately, i.e. with regard to the possibility of identification of the author and user environment in which the work was used.

(3) After the deduction of the expenses used for the exercise of the collective management and means intended to stay in the Reserve fund, the Collection fund is ready to be distributed.

Article VIII

Distribution of the Collection fund

(1) The identified sources are paid out directly to the specific rightholder. For distribution of remuneration collected within Section B/ - the non-identified collection, the following rules shall be applied:

(2) The non-identified collection is unified according to the nature of the user environment and the relationship of rights according to the following scheme:

I. Audiovisual collection

a) Collection from audiovisual **use**

B.1. Cable retransmission of works

B.2. Performing the television broadcast of the works

b) Collection from rights to the audiovisual **remuneration**

B.3. Blank record carriers

B.4. Rental in the video rental stores

II. Collection for classical artists

- B.5. Remuneration for reprography
- B.6. Television broadcasting of classical artists works
- B.7. Remuneration for lending the works in libraries

III. Collection for artistic authors of graphical interface of computer programs

- B.8. Remuneration for rental of graphical interface of computer programs
- B.9. Remuneration for use of the graphical interface of computer programs during public dissemination with the exception of the right according to B.8

Article IX

Distribution of audiovisual collection

(1) The collection from audiovisual uses is distributed according to the following rules:

a) type of author's work

<i>type of works</i>	<i>profession</i>	<i>percentual share in the collection</i>
A. 3D works ⁸		
<i>Works audiovisually used</i>		
	a) cinematography	84% 30,5%
	b) production designer, stage designer	21,5%
	c) art director	3%
	d) costume designer	20,5%
	e) editor	24,5%
	<i>Works of classical artists</i> ⁹	1%
B. Animated works ¹⁰		
	a) cinematography	14% 10%
	b) art director	80%
	c) editor	10%
C. Graphical interface of computer programs		1% ¹¹
Artistic authors of graphical computer interfaces		100%

coefficient for individual types of works (coef. D)

Section 95, par. 1., 2., 3.

⁸ It is not necessary that

the rightholder notifies the works repeatedly. For the purpose of distribution of remuneration it is satisfactory if the works were duly notified and supplemented for newly created works.

Act no. 89/2012 Sb., Civil Code, as amended, Section 629 et seq.

⁹ i.e. apart from so called classical artists

includes all non-animated author's works

¹⁰ This concerns special

cases where the classical painters works are not used in audiovisual works, but at the same they are broadcasted (see Section 97e of the Copyright Act), it is not necessary to set the shares in such cases, because for the payment it is satisfactory to have the information on collected points of each individual work.

¹¹ includes animated work, including 3D films, puppet animation and similar

i. audiovisual work (cinematographic, TV work, theatre play), fixations or broadcasting of other works with audiovisual nature (drama), audiovisual documentary work, mini-series up to 4 episodes	1
ii. series - max 24 episodes	0,7
iii. series with the indefinite number of episodes (soap opera, sitcom)	0,25
iv. documentary series	0,6
v. programme produced pursuant to a licence	0,00
vi. programme produced pursuant to a licence – with author's contribution	0,1
vii. publicistic programme	0,25
viii. video clips – max. 5 times a day	0,25
ix. minor audiovisual works (commercial, trailer, theme song, jingle, programme idents)	
max 5 works a day	0,1

b) **coefficient for the scope of the work (coef. R)** of the above mentioned types of works

i. work up to 1 min	0,3
ii. work up to 20 min	0,3
iii. work above 20 min up to 49 min	0,6
iv. work above 50 min	1

c) **coefficient of the share (coef. P)**, according to which the co-authorship is determined by fraction or percentage

d) the financial statement of the remuneration is executed separately both for 3D works (A), and animated works (B), and in individual author professions (letter a) above) according to the following rules:

1. the point value of the use of the work is determined (**B**) according to the following formula:

$$\mathbf{B} = \mathbf{coef. D} * \mathbf{coef. R} * \mathbf{coef. P}$$

2. the overall number of the points of the rightholder of all of his notified works is determined (**cpB**),

3. the overall number of collected points of all the rightholders of the author profession is determined (**cpB_NP**),

4. the value of a point towards the overall collection is set according to the formula

$$\mathbf{hB} = \mathbf{Collection} / \mathbf{cpB_NP}$$

5. the overall remuneration of the rightholder is determined (**O**) according to the formula **O = hB * cpB**

(2) **Collection from rights to audiovisual remuneration** is distributed

a) according to the **type of the author work** pursuant to par. 1 (a) above,

minor audiovisual works, such as jingles, idents and commercials, are excluded from the distribution,

b) and further according to the following rules:

1. the point value of the notifications is determined

A. Blank record carriers

number of points for individual notifications (**B**) of the rightholders works shall be added to the overall summary of all the points of the rightholder (**cpB**) in audiovisual use according to par. 1 above both for 3D works [(A) = (A.1.) + (A.2.)], and animated works (B), according to these rules:

<i>A.1. Blank record carriers</i>	<i>point value</i>
i. audiovisual use of work discovered 2 years ago at the latest	1
ii. audiovisual use of work discovered 3 to 5 years ago	0,4
iii. audiovisual use of work discovered 6 to 9 years ago	0,2
iv. audiovisual use of work discovered more than 10 years ago	0,1

<i>A.2. Rental in video rental stores</i>	<i>point value</i>
i. audiovisual fixation released 2 years ago at the latest	10
ii. audiovisual fixation released 3 to 5 years ago	6
iii. audiovisual fixation released 6 to 9 years ago	4
iv. audiovisual fixation released more than 10 years ago	2

B. Rental in video rental stores

the rightholder obtains the following points (**B**) for each notification of released work

	<i>point value</i>
i. audiovisual fixation released 2 years ago at the latest	10
ii. audiovisual fixation released 3 to 5 years ago	6
iii. audiovisual fixation released 6 to 9 years ago	4
iv. audiovisual fixation released more than 10 years ago	2

- the overall number of points of the rightholder in the collection of rights to audiovisual remuneration from the sections (A.1. + A.2.) or B according to point 1. above (**cpB_ADV**) is determined,
- the overall number of collected points (**cpB_ADV_NP**) of all rightholders in the mentioned sections (A.1. + A.2.) and B is determined,
- the value of the point towards the overall collection of given remuneration (blank record carriers or rental of audiovisual fixations) (Collection) of the artistic profession is set according to the formula $\mathbf{hB_ADV} = \mathbf{Collection} / \mathbf{cpB_ADV_NP}$
- the overall remuneration of the rightholder (**O_ADV**) in collection from the rights for audiovisual remuneration is determined according to the formula: $\mathbf{O_ADV} = \mathbf{hB_ADV} * \mathbf{cpB_ADV}$

Article X

Distribution of collection to classical artists

- Collected **royalties from reprography** are distributed according to the following rules.
- The share, determined by the General Meeting for the purpose of satisfaction of additional notifications, shall be withheld in the collection for the period of 3 years. Such withheld sum shall be transferred to the Reserve fund.
- Remaining collection without the withheld share shall be distributed among entitled rightholders according to the submitted notifications of the released works and their point awarding.
- Additional distribution of the withheld share shall be executed in the third year after withholding, according to the determined supporting documents for financial statement and an awarding point key, which was applicable in the first year after withholding.
- Potential rest after the distribution of withheld sum shall be distributed among all entitled persons based on all the submitted notifications.

- (6) The following rules shall apply for the distribution of remuneration for the rightholders:
- a) the point value is determined on the basis of the number of works notified by the rightholder on the form “Ohláška díla” (notification of work) and information about the mode of their use; regarding the newspaper and magazines, the use of works both in the editorial section and the commercial and advertising section shall be notified, whereas the number of works used in the commercial and advertising section is multiplied by the coefficient **0,05**,
 - b) regarding the represented rightholders the notification may be replaced by the supporting documents of OOA-S, discovered during the exercise of individually managed rights,
 - c) the value of books is assessed within three years, following after each edition; regarding each book and author, the real number of published works is assessed,
 - d) the value of other printed matter is assessed only within the year of publication,
 - e) the collected royalties shall be distributed in the following way:
 1. the overall number of points (**cpB_R**) of the rightholder in the collection from reprography is determined by the addition of all the points for the notifications of works, multiplied by the coefficient according to the letter a) above (0,05), if applicable, according to the par.7 below,
 2. the overall number of collected points (**cpB_R_NP**) of all rightholders in the given collection is determined,
 3. the value of a point towards the overall collection of royalties from reprography (Collection) is set according to the formula **hB_R = Collection / cpB_R_NP**
 4. the overall remuneration of the rightholder (**O_R**) in the collection of royalties from reprography is determined according to the formula **O_R = hB_R* cpB_R**

(7) The following coefficients are used for the distribution of remuneration according to this Article:

<i>type of work</i>	<i>point awarding</i>
<input type="checkbox"/> textbook	3
<input type="checkbox"/> children and juvenile books	4
<input type="checkbox"/> professional and scientific literature, pictorial part of the magazines, art books, popular science books, artistic reproductions, exhibition catalogues and wall calendars, CD covers	6,5
<input type="checkbox"/> foreign language books	0,1
<input type="checkbox"/> other books	1
<input type="checkbox"/> magazines	0,5
<input type="checkbox"/> newspaper, reporters	0,2
<input type="checkbox"/> other works published in print (postcards, posters, leaflets, graphics, company flyers and catalogues)	0,2

(8) Collected **royalties from TV broadcasting of the classical artist work** are distributed according to the above mentioned rules, where the value of the collection equals 4% of Collection from the audiovisual use according to the Article IX (1) of these Rules.

Article XI

Distribution of collection to classical artists

Royalties **collected from lending of published works** are distributed according to the following rules.

(2) The share, determined by the General Meeting for the purpose of satisfaction of additional notifications, shall be withheld in the collection for the period of 3 years. Such withheld sum shall be transferred to the Reserve fund. The General Meeting shall subsequently determine the percentage from the collected royalties that shall be transferred to the collection from reprography and distributed in accordance with Article X of these Royalty distribution rules; the percentage amount shall not exceed 40% from the exercise of the right to remuneration from the lending of published works.

(3) The remaining collection without the withheld share shall be distributed among entitled rightholders according to the submitted notifications of the published works and their point awarding.

(4) Additional distribution of the withheld share shall be executed in the third year after withholding, according to the determined supporting documents for financial statement and an awarding point key, which was applicable in the first year after withholding.

(5) Potential rest after the distribution of withheld sum shall be distributed among all entitled persons based on all the submitted notifications.

(6) The following rules shall apply for the distribution of remuneration for the rightholders:

- a) the point value is determined on the basis of the number of works notified by the rightholder on the form "Ohláška díla" (notification of work) and information about the mode of their use,
- b) regarding the represented rightholders the notification may be replaced by the supporting documents of OOA-S, discovered during the exercise of individually managed rights,,
- c) regarding each book and author, the real number of published works is assessed; only the last edition of the book is taken into consideration,
- a) the collection shall be distributed in the following way:
 1. the points for notifications (**B**) are determined according to the following formula: $B = BO * coef. rV$; the values of point awarding (**BO**) and coefficient of the year of publication (**coef. rV**) are determined in par.7 below,
 2. the overall number of points (**cpB_P**) of the rightholder in the collection from lending of the published works is determined,
 3. overall number of collected points (**cpB_P_NP**) of all the rightholders in the given collection is determined,
 4. value of a point towards the overall collection of remuneration for lending the published works (Collection) is set according to the formula $hb_P = Inkaso / cpB_P_NP$
 5. overall remuneration of a rightholder (**O_P**) in the collection of royalties from reprography is determined according to the formula $O_P = hb_P * cpB_P$

(7) For the distribution of royalties from the collection from lending the published works, the following point awarding (**BO**) and coefficients shall be used, by multiplication of which the point value of a specific title will be determined:

e) type of work	point awarding (BO)
<i>type of work</i>	
i. textbook	3
ii. children and juvenile books	4
iii. professional and scientific literature, pictorial part of the magazines, art books, popular science books, artistic reproductions, exhibition catalogues and wall calendars, CD covers	6,5

iv. foreign language books		0,1
v. other books	1	
vi. other works published in print and included in the lending service		0,2

f) coefficient of the year of publication (**coef. rV**)

- | | | |
|--|-----|-----------------|
| 1. the value of books is assessed according to these coefficients | | <i>koef. rV</i> |
| <input type="checkbox"/> up to and including the 3rd year after the publication | | 1 |
| <input type="checkbox"/> 4 – 10 years after the publication | | 0,8 |
| <input type="checkbox"/> 11 – 20 years after the publication | | 0,6 |
| <input type="checkbox"/> 21 – 40 years after the publication | 0,3 | |
| <input type="checkbox"/> above 40 years after the publication | | 0,1 |
| 2. the value of other works published in print and included into the lending service is assessed by the following coefficients | | <i>koef. rV</i> |
| <input type="checkbox"/> up to and including the 2nd year after the publication | 1 | |
| <input type="checkbox"/> 3 – 5 year after the publication | 0,7 | |
| <input type="checkbox"/> 5 – 10 year after the publication | 0,3 | |
| <input type="checkbox"/> above 11 years after the publication | 0,1 | |

Article XII.

Distribution of collection to the artistic authors of graphical interface of computer programs

(1) The royalties collected for the artistic authors of graphical interface of computer programs are divided into two areas of use:

B.8. Remuneration for rental of graphical interface of computer programs

B.9. Remuneration for use of graphical interface of computer programs during public dissemination with the exception of the right according to B.8

(2) For the distribution of remuneration from the collection pertaining to the artistic authors of graphical interface of computer programs, the following point awarding key shall be used, composed of the point awarding (**BO**) and coefficient of the year the work was released (**coef. rZ**), by multiplication of which the point value (**BH**) of a specific work shall be obtained:

- | | | |
|---|-----------------|-------------------------|
| a) type of work | | <i>point value (BO)</i> |
| i. graphical interface of computer game | | 5 |
| ii. other graphical interface of computer program | 2 | |
| iii. minor works | | 1 |
| b) coefficient of the work release year (coef. rZ) | <i>coef. rZ</i> | |
| <input type="checkbox"/> up to and including the 2nd year after the release | 1 | |
| <input type="checkbox"/> 3 – 7 years after the release (including the 3rd year) | 0,6 | |
| <input type="checkbox"/> 8 years and more after the release | 0,2 | |

(3) The share, determined by the General Meeting for the purpose of satisfaction of additional notifications, shall be withheld in the collection pertaining to the artistic authors of graphical

interface of computer programs for the period of 3 years. Such withheld sum shall be transferred to the Reserve fund.

- (4) The remaining collection without the withheld share shall be distributed among the entitled rightholders according to the submitted notifications of the released works and their point awarding (BO).
- (5) Additional distribution of the withheld share shall be executed in the third year after withholding, according to the determined supporting documents for financial statement and an awarding point key, which was applicable in the first year after withholding, unless the OOA-S Committee, after the consent of the Supervisory body of OOA-S, determines a different point awarding key due to a large number of additional notifications.
- (6) Potential rest after the distribution of withheld sum shall be distributed among all the entitled persons based on all the submitted notifications.
- (7) The following rules are applied for the distribution of remuneration to the rightholders:
 - a. the point value (BH) is determined on the basis of the number of works notified by the rightholder on the form “Ohláška díla” (notification of work) and information about the mode of their use in the individual areas of use B.8 and B.9 (see par.1),
 - b. regarding the represented rightholders the notification may be replaced by the supporting documents of OOA-S, discovered during the exercise of individually managed rights,
 - c. in the area of B.9, 5% of the share from the audiovisual collection (Article IX (a)(1)) shall be added to the collected royalties; the resulting collection pertaining to the artistic authors of graphical interface of computer programs shall be distributed in the following way:
 1. the overall number of points (**cpB_R**) of the rightholders is determined by the addition of all the points for the work notifications,
 2. overall number of collected points (**cpB_R_NP**) of all the rightholders is determined,
 3. the value of a point towards the overall collection is set according to the formula **hB_R = Inkaso / cpB_R_NP**
 4. the overall remuneration of the rightholder (**O_R**) in collection is determined according to the formula **O_R = hB_R* cpB_R**

Article XIII. Complaints

- (1) The represented rightholder is entitled to raise objections against the distribution of royalties within three months from the financial statement. The objections shall be raised by serving thereof to the address of the registered office of the Association or by electronic means, accompanied by the evidence proving the use of works, if applicable.
- (2) In cases of clearly unjustified complaint, OOA-S may charge the costs incurred in connection to the examination of the complaint.
- (3) OOA-S is entitled to assess the veracity of the notifications submitted by the rightholders. The rightholder is obliged to remove the discovered deficiencies, or return the incorrectly paid out sum, if applicable; failure of which will result in unilateral setting off of the sum by OOA-S.
- (4) Provisions regarding the statutory bar of the claim are governed by the generally applicable

legal regulation.

BOOK THREE

FINAL PROVISIONS

Article XIV **Transitional provisions**

- (1) Collection pertaining to the artistic authors of graphical interface of computer programs may be distributed for the first time only after 3 years since the collection, unless Supervisory Board of OOA-S gives consent to the office of OOA-S with the distribution, with respect to the satisfactory amount of discovered information excluding arbitrariness during the distribution of collected royalties.
- (2) Remuneration from the exercise of right according to the Article III (2)(d) (rental in the video rental stores) are not collected by the collecting organization of OSA. The rules on distribution of the royalties will be applied if the collective rights manager ensures the exercise of this right.

Article XV **Final provisions**

- (1) The Annex to the Royalty distribution rules is an exemplary listing of works collectively managed by OOA-S and decisions of the Ministry of Culture of the Czech Republic, that establish the right of OOA-S to exercise the collective rights management.
- (2) Royalty distribution rules become enforceable and effective as of the day of the approval thereof by the General meeting of OOA-S.
- (3) Changes to the Royalty distribution rules may be done only in accordance with the provisions of the Constitution of the citizens association OOA-S. The consolidated version of the Royalty distribution rules is announced and published by the director of OOA-S.

In Prague on 29 May 2018

Persons responsible for the authenticity of the Royalty distribution rules and the wording thereof

Eva Štěpánková
Director of OOA-S

Josef Vrana
Chair of OOA-S

Detailed classification of author professions according to the field of activity

I. Audiovisual authors

II. Classical artists

III. Authors of graphical interface of computer programs:

II	AK	Aquarelists	II	KŠ	Metal - Jewel
II	AR	Architects (construction architect, landscape designer etc.)	II	KŮ	Artists working with leather
II	DE	Industrial designers	II	KV	Artistic book-binders
I	FI	other filmmakers than KM,SC,TO	II	MA	Painters
II	FO	Artistic photographers (classical)	II	ME	Medal makers
II	FT	Photographic authors (works expressed by a process analogous to photography)	II	OD	Clothing
II	GD	Graphic designers (used)	II	ŘE	Artisan craftsmen
II	GL	Glyptics	I	SC	Stage designers (stage, audiovision)
II	GR	Graphic artists	II	SK	Glassmakers
II	HR	Toy, puppet, hand puppet	II	SO	Sculptors
II	IL	Illustrator	I	ST	Editors
II	IN	Interior designers	I	TO	Textile – Clothing (costume artists, designers)
II	KA	Caricaturists	II	TX	TeXtil
II	KE	Ceramists	II	UU	Authors of applied arts without specification
II	KL	Calligraphy	II	UR	Urbanists
I	KM	Cinematographers	I	VI	Authors of videoprograms, videoart
II	KO	Conceptualists	I	VR	Virtual Reality
II	KR	Drawing	II	VÝ	Exhibition authors (organizers)
III	PH	Artistic authors of computer games and similar visualization during displaying computer programs	III	GP	Artistic authors of graphical interface of computer programs

artistic graphical interface of computer programs, it does not concern the use of computer programs as such, but in cases where such interface accomplishes the elements of an author's work, it is about the use of these works, not the computer programs