

Ochranná asociace zvukařů – autorů, z.s.

Copyright association of sound engineers

Národní 973/41, 110 00 Prague 1

ID No. 26630192, Tax ID No. CZ 26630192

www.oaza.eu



Annual Report for the year of 2024



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OPENING WORDS

Dear colleagues, dear authors,

I am happy and grateful to share the events of the last year in our organization – my first year as the directress. It was a year full of challenges, changes and inspiring moments which has pushed us all forward.

Since the first day, I sensed the endeavours and determination which was shown by our team. Together, we faced important decisions, developed new projects and searched for ways to fulfil our mission even better. Thanks to these efforts, we managed to implement many great things – starting in the licencing sector, making progress in strengthening the cooperation with foreign partners and successfully overcoming the challenges related to the applications submitted to the Ministry of Culture.

One of the key topics that affects our work is Artificial Intelligence. The AI has become not only a tool which assists us in making our processes more efficient, but also a source of innovation and new opportunities. However, the use and implementation of new technologies introduces new issues and responsibilities, in particular. Therefore, we consider it to be essential to find a balance between the technological progress and the human approach, between efficiency and ethics.

Our application for the extension of our authorization submitted to the Ministry of Culture represented a huge challenge for us. Unfortunately, the proceedings which was initiated in the middle of September of 2023 was not successfully finalized by the end of 2024 despite our best efforts. Furthermore, we faced the issue of misdemeanour proceedings which represented another challenge that tested our ability to respond to difficult situations with professionalism and composure. Thanks to our responsible approach, cooperation and thorough knowledge of legislation, we were able to handle the entire proceedings without endangering our stability or long-term goals. The proceedings required not only meticulous preparation and thorough argumentation, but also patience and perseverance. I am happy to inform you now that we were granted the authorization for which we were waiting for a rather long time, although the decision has not yet come into force and effect.

At the turn of 2024 and 2025, the news reporters have informed everyone regarding the decision of a dispute between OSA z.s. and Vodafone. The Supreme Court has confirmed that the copyright remuneration for smartphones is justified, which confirmed the opinion of the OSA (Protective Author Association) which has been fighting for fair author remuneration on a long-term basis. This decision represents a significant success not only for OSA, but for all the copyright holders, including the sound engineers themselves. Therefore, the matter shall be once again addressed by the first court instance. However, the decision further resulted in negative consequences, namely the efforts of the Czech Pirate Party to undermine the rights of authors and other creators to their fair remuneration which represents the logical opposite to the statutory exception for making copies for someone's personal needs.

Special thanks go to the cooperating law firm without which the OAZA's activities would not be possible. Further, I would like to thank the office staff of OAZA for their diligence and unending support.

I would hereby like to conclude these opening words with a report on the success in the licensing area, where we managed to acquire the increase in collection by 4.6 %.

In conclusion, I shall borrow the words of the former OAZA Chairman, Professor Jaroš, and only repeat what cannot be expressed in any other way: "We would like to thank our authors for the trust they put in us, and we are proud to be part of a team which takes care of their interests."

Let our cooperation have the best SOUND!

Thank you!

Tereza Landová

BASIC INFORMATION

Financial Statements in accordance with the Accounting Act and the Cash Flow Statement

The Financial Statements are annexed to this document as Annex No. 1 of the OAZA Annual Report for 2024.

Report on the activities during the accounting period

As mentioned in the opening words, the most significant task is to successfully finalize the administrative proceedings which are pending at the Ministry of Culture.

The first one is related to the application of OAZA requesting the extension of our current authorization by another right, i.e. the right to perform management of rights in the regime of mandatory collective administration when it comes to transmission in a manner different from cable transmission, i.e. completely within the meaning of Section 97d, par. 1 letter c). Given the fact that the transmission as whole has been included in the regime of mandatory collective administration since the amendment in 2017, the only two possible decisions of the Ministry of Culture were that either OAZA is granted the authorization (in accordance with the transitive provisions) or to grant the authorization for the future.

Instead, the Ministry of Culture initiated proceedings for an alleged misdemeanour supposedly committed by the administrator during the previous years of (at least) 2019-2022, and by initiating these new proceedings, the Ministry of Culture suspended the previous application as a preliminary issue.

The OAZA collective administrator voiced its disapproval of this approach, both by filing an appeal and a complaint for procedural delays, and finally also by filing a lawsuit in the matter of procedural delays. This lawsuit was found to be justified and OAZA won this dispute in front of the Municipal Court at the beginning of 2025. As a result, the Ministry of Culture decided in the matter of granting the authorization in favour of OAZA on 21 March 2025. The decision on granting the authorization has not yet come into effect as of the day of the General Assembly.

In the second (misdemeanour) matter, OAZA contacted the Public Defender of Rights and further ordered an expert opinion on the issue of transmission technologies. OAZA also requested the inclusion of several pieces of evidence which OAZA believes are in its favour and shall not be omitted.

At the turn of the years, OAZA discussed together with the Committee and the Supervisory Board the option of filing a lawsuit against satellite operators which use the works of sound engineers in the Czech Republic in the form of transmission and also additional services related to transmission. Although OAZA has not yet been successful in negotiating agreements for the use in the form of transmission, we have at least reached an agreement to conclude licencing agreements for additional services for the period of one year. The part not yet successfully agreed upon (the use in the form of transmission) is currently enforced in the form of filing a lawsuit and mediation proceedings are conducted with the users.

Finally, OAZA's negotiations with the representatives associating the majority of radio broadcasters (Association of Private Broadcast Operators = APSV) were successful. We have concluded an agreement on

cooperation with this association. Further, OAZA negotiates with the Association of Independent Radio Stations (ANROS) which represents low numbers of little regional broadcasters, for the purposes of concluding a collective agreement and covering this market. The negotiations with the Czech Radio has been put on hold due to the new media legislation being discussed which should increase the radio fees. The negotiations shall be resumed in the second half of 2025.

At the same time, OAZA negotiated with the biggest radio internet broadcaster named RADIA CZ with which we were able to conclude an agreement as well. In 2025, negotiations with other broadcasters shall continue.

In 2019, OAZA concluded a long-term agreement with the operators of received transmission which were associated in groups forming the members of the Czech Chamber of Commerce, specifically in the fields of IT and telecommunication. In this relation, we were able to conclude licensing agreements also with the rest of the market. These agreements were effective to the year of 2023. The new manner of cooperation was negotiated in August of 2023, and a new agreement for a five-year period was then concluded as well, and is thus valid up to the end of 2028. This agreement was amended in 2024 in a manner that prevents the loss of collection for the transmission as a result of the long administrative proceedings at the Ministry of Culture.

With effect starting on 1 January 2018, INTERGRAM, or rather OSA z.s. has been authorized to collect remuneration coming from public productions. This includes the collection of remuneration for the use in the form of providing radio and television broadcasting (Section 23 of the Copyright Act) and of performing operation from the record (Section 20 of the Copyright Act). This collection is conducted through a Single Collection Point which was granted to OSA z.s. as authorization by all collective administrators in the Czech Republic (INTERGRAM, OOA-S, DILIA and OAZA).

The SCP further does not apply to the operation in the form of the so-called in-store to which the license is provided via INTERGRAM.

The establishment of the SCP was requested by the broad user public for a rather long time, as it ensures the transparency of collecting remuneration and most importantly provides a guarantee for the users that the copyrights would be resolved in the form of a single agreement and by performing a single payment. As a result, the administrative processes decreased, and the market is now covered in a better manner. This cooperation has proven to be very effective for a long time already.

The overhead deduction which is paid by OAZA for the above-specified cooperation amounts to 11 % in the case of standard licencing income and 15 % in the case of collective agreements which is considered to be administratively more demanding.

These include the following collective agreements:

- Association of Hotels and Restaurants in the Czech Republic, ID No.: 00549436
- Association of Providers of Social Services in the Czech Republic, ID No.: 60445831
- Association of Professional Ice Hockey Clubs, ID No.: 60456892
- Czech Fitness Chamber, ID No.: 22766383
- Czech Olympic Committee, ID No.: 48546607
- Micro-Region of Svitavsko, ID No.: 70892261
- Association of Medical Spas in the Czech Republic, ID No.: 47724455 (accommodation areas)
- Association of Medical Spas in the Czech Republic, ID No.: 47724455 (public areas)
- Association of Local Governments in the Czech Republic, ID No.: 75130165

Tariff Tables of the administrator:

The collective administrator has compiled the Tariff Lists for 2024 which corresponded to the proposed version. Any modifications only had a specifying character, while the structure and amounts of tariffs were only increased by the index of consumer prices (inflation). The inflation for 2023 amounted to 10.7 %.

The drafts of the Tariff Lists for 2025 were published within the required statutory period, i.e. by 31 August 2024. The compiled drafts have been submitted to the Ministry of Culture of the Czech Republic together with their reasoning, published on the OAZA's website and delivered to legal entities which have presented themselves as representatives of significant numbers of users. The remuneration for 2025 is increased by the official index of consumer prices again.

The most significant change in the drafts is the implementation of remuneration in the field of transmission for those users which do not wish to conclude a licensing agreement for secondary broadcasting, but they offer the protected items on request as part of their additional services. Further, as a precautionary measure, the wording of the draft (in 2024) includes the unfinished proceedings to have the authorization granted.

In relation to publishing the drafts of tariffs of the OAZA collective administrator, the negotiations with representatives of the user public, both associations and individuals, are initiated. These negotiations are initiated for the purposes of reaching and agreement regarding the tariffs, or concluding collective licensing agreements, i.e. the agreements between the collective administrator and a legal entity associating users, or directly concluding licensing agreements with users of protected works.

As for the drafts of the Tariff Lists for 2025, OAZA received 10 objections. Half of them were submitted by operators of broadcasting, or rather associations associating or representing them. These objections have not yet been resolved and OAZA initiated proceedings in front of a registered mediator. The rest of the objections are related to television or radio broadcasting and OAZA considers these to be discussed.

Report on representation in other countries for 2024

The collective administration of proprietary copyright of sound engineers was largely overlooked worldwide in the past.

It was only back in 2016 when OAZA commenced cooperation with foreign collective administrators. As of 31 December 2023, OAZA has concluded 32 reciprocal contracts. Since 2022, OAZA is a full member of the International Confederation of Societies of Authors and Composers (CISAC). This confederation represents more than 4 million authors and composers from all around the world from all over the world and from all kinds of artistic areas: music, audiovisual, theatre, literature and fine arts. CISAC associates 227 collective administrators in more than 116 countries.

In 2024, OAZA concluded four bilateral agreements, specifically with ARMAUTHOR (audio and audiovisual for the territory of Armenia), DHFA (audiovisual for the territory of Croatia), NASCAM (audio for the territory of Namibia) and SDADV (audio and audiovisual for the territory of Andorra).

In 2023, three bilateral agreements were concluded, specifically with SIIP (audio and audiovisual for the territory of Uzbekistan), COSBOTS (audio and audiovisual for the territory of Botswana) and GCA (audio for the territory of Georgia).

Based on the recommendation of CISAC, the reciprocal agreement with a Georgian collective administrator GERA was cancelled in 2023. Instead, OAZA concluded a bilateral agreement with GCA. However, in 2024, the development in Georgia led to the authorization to perform collective administration was taken away from GCA and transferred to IPOA with which the members of CISAC have not yet initiated any cooperation. OAZA has decided to wait for the position of long-term members of CISAC in order that the reputation of the organization is not endangered in relation to the current political changes in the given region.

In 2024, OAZA repeatedly sought to commence cooperation with the American collective administrator named SOUNDEXCHANGE. In the USA, the sound engineers have been considered to be rights holders since 2018 and the remuneration is paid to them upon being approved by the managing artist in the form of transferring part of their remuneration, yet this approval is revocable. Therefore, any reciprocal agreement seems to be impossible due to different business models.

Since 2022, OAZA negotiates the commencement of cooperation with a Brazilian collective administrator named ASSIM in the field of audio. In 2024, the mandate agreement was promised for the representation of the OAZA repertoire. In 2024, a cooperation was initiated with a Lesotho collective administrator named LESCOAA and a bilateral agreement should be signed in 2025. The negotiations with the Singapore organization named Music Rights Singapore Public Limited proceeded in the similar manner.

On a long-time basis, OAZA supports cooperation with North-European collective administrators, especially KOPIOSTO (Finland), COPYDAN (Denmark), NORWACO (Norway). The last country with which OAZA has not yet concluded a reciprocal agreement is Sweden, specifically with a collective administrator named COPYSWEDE. Therefore, OAZA contacted a Swedish agency named Swedish Copyright Office and Consultants, and initiated intermediation negotiations through this agency.

In 2024, OAZA established a connection with a British collective audiovisual administrator named AVLA. The negotiations shall proceed in 2025.

OAZA has compiled a draft of a bilateral agreement with an Australian collective administrator named ASDACS which represents the screenwriters. Based on the administrator's comments, it would establish a connection on the basis of right holders to the works of sound engineers. In spring of 2025, the final wording of the agreement should be discussed by the statutory bodies of ASDACS.

Further negotiations proceeded with a Uruguay administrator AGADU which was granted the authorization for the collective administration of copyright of authors in the field of audiovisual. The cooperation is now only limited to the matter of exchanging information.

OAZA used its contacts with the International Association of Organizations of Sound engineers (MAOMZA), International Confederation of Audiovisual Authors (AVACI) in Latin America, Latin American Federation of Associations of Audiovisual Authors (FESAAL), all of these cooperations are on the basis of exchanging information at this moment. In this relation, we were able to voice our opinions to several topics, such as AVSYS – an operational system representing a revolution in the administration of copyright of authors of audio-visual works.

At the turn of years 2023 and 2024, an Association of Independent Movie Directors and Screenwriters named AGD was created in Ecuador. The directors and screenwriters endeavour to follow the path of the producers associated in the Ecuador Corporation of Audiovisual Promoters (COPAE) or the audiovisual creators organized in the Ecuador Association of Movie Technicians (ATEC). This initiative shall be important for OAZA for the purposes of promoting new authorial categories, such as sound engineers.

In 2024, OAZA proceeded in its cooperation with ZAFA, a Slovak organization named Združenie autorov filmu a audia = Association of Authors of Movie and Audio Recordings. ZAFA represents authorial professions of directors of photography, costume designers, movie editors, movie architects. The sound engineers in the field of auditive and audiovisual creative activities are represented on the agency management basis. OAZA supports the activities of ZAFA in Slovakia very much, since Slovak television and music channels have been using Czech movies and recordings significantly for a long period of time, but our authors are not recognized for this use and do not receive any remuneration. ZAFA is has been granted the authorization to perform collective administration in 2025 and it is huge achievement for Czech sound engineers in order to receive remuneration for the use of their works in Slovakia once ZAFA is authorized to start collecting. More specified outlines of cooperation regarding all author's professions associated in ZAFA shall be addressed in 2025.

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In 2024, OAZA participated in the WIPO (World Intellectual Property Organization) which presented at its meeting in Geneva a draft of its intended study debating the impact of global legislative frameworks on rights and remuneration of audiovisual creators. It would focus on effective legal regimen on a world-wide scale and determine the solution which would secure a just remuneration for audio-visual authors.

During the year of 2024, OAZA participated in the European Committee of CISAC which took place in Athens in April and which addressed strategic projects of CISAC, such as Artificial Intelligence and creating copies for someone's own needs. CISAC also participated in several forums and initiatives within the United Nations, UNESCO and WIPO. Further topics were, for example, the CIS-NET database and its future, and allocation of the ISWC codes.

Further, OAZA took part in the General Assemblies of CISAC in Soul (South Korea) in May with several panels with creators from all over the world, including its CEO Gadi Oron.

In October, a meeting of an Audiovisual Committee of CISAC (CTDVL) took place in Sao Paolo (Brazil). At this meeting, OAZA executed a joint presentation with OOA-S (Czech Republic) and ZAPA (Poland) in the topic of "Other Audiovisual Authorial Categories". Moreover, this meeting also addressed the topics of just remuneration for audio-visual creators, the development of replacement remuneration in Finland, licensing opportunities in the field of podcasts, and once again the topic of Artificial Intelligence.

On a long-time basis, OAZA meets the requirements of CISAC for audiovisual database named IDA managed by a Swiss CMO named SUISA and a French CMO named SACD, and the authorial database of regulations named IPI managed by SACD. These further include regular monthly meetings and related updates.

List of reciprocal agreements:

COUNTRY	NAME OF THE CMO
Albania	ALBAUTOR
Andorra	SDADV
Angola	SADIA
Armenia	ARMAUTHOR
Azerbaijan	AZDG
Barbados	COSCAP
Belize	BSCAP

Botswana	COSBOTS
Croatia	DHFA
Denmark	COPYDAN
East Caribbean	ECCO I
East Caribbean-Commonwealth	ECCO II
Finland	KOPIOSTO
Greece	ISOCRATIS
Japan	CPRA/Geidankyo
Kazakhstan	KAZAK
Kongo-Brazzaville	BCDA
Liechtenstein	SUSSIMAGE II
Moldova	ANCO
Norway	NORWACO
Peru	APDAYC
Poland	ZAPA
Rwanda	RSAU
South Africa	CAPASSO
South Korea	DGK
Switzerland	SUSSIMAGE I
Trinidad and Tobago	COTT
Ukraine	ARMA-Ukraine
Ukraine	UARA
Uzbekistan	SIIP
Zimbabwe	ZIMURA

Other activities of OAZA

In 2024, the CMO has been actively negotiating with the National Fund of Cinematography (newly the National Fund of Audiovisual) which provides the broadcasters with licenses to audio-visual works which were created in the Barrandov Movie Studio and the Zlín Movie Studio between 1965-1991. Even though the fund manages proprietary rights, it continues to ignore the author group of sound engineers when distributing the remuneration. Once again in 2024, OAZA was unsuccessful in reaching a compromise solution, and we have to inform you, the authors, of this fact. OAZA is in possession of information regarding the proprietary appreciation of the movies managed by the National Fund of Audio-Vision, and due to these unsuccessful negotiations, we see it as our obligation to contact the authors to contact the SFA regarding their copyright directly and individually.

During the year of 2024, all business fields experienced probably a complete return to the pre-covid levels. However, it has become an old and new phenomenon in the field of public productions of infiltration of works for which the license is being granted via independent administrators of rights or libraries, despite the absenting exclusion of effects of collective administration. The public productions for which licenses are granted in this regime then directly compete with collective administration and they may thus weaken the numbers of collection. With the onset and quick development of generative artificial intelligence, the situation has become very serious.

Since 2021, OAZA also performs collection via replacement remuneration, which is in fact based on the devices enabling copying for personal needs and on memory disks. The OAZA's share regarding the replacement remuneration amounts to 1.8 %. However, OAZA would appreciate an update of a decree which addresses the percentage and parameters of replacement remuneration, since it was last updated in 2008, and it can thus not effectively apply to current technological potential of devices.

As the representative of the agents of the creative industry, OAZA became a proper member of the Chamber of Commerce of the Czech Republic in 2021. The representatives of OAZA are regularly being informed regarding the events in the chamber and they are entitled to participate in interesting meetings taking place in the Chamber. In 2024, OAZA took an active part in the seminar on the topic of Artificial Intelligence and a subsequent workshop.

The representatives of OAZA are also members of a prestigious association named ALAI. ALAI Czech Republic is the Czech national organization of this international scholar association for the exploration of issues of copyright, Association Littéraire et Artistique Internationale (International Association of Literature and Art). With its headquarters in Paris, it associates authors, artists and professionals interested in copyright. ALAI was established in 1878. Among its goals since the beginning, it aimed at basic international harmonization of copyright which was successfully achieved thanks to the adoption of the Berne Convention in 1886 in the preparation of which ALAI hugely participated. Even today, the topics of international copyright law and international exchange of cultural properties represent the main fields of interest of this international organization. ALAI is a constant observer at the World Intellectual Property Organization (WIPO), holds a status of a consultant with the UN organization for education, science and culture (UNESCO) and cooperates with the European Commission closely.¹

ALAI regularly informs its members regarding the events in the field of copyright and related issues. In 2024, a series of seminars on the topic of artificial intelligence which experienced significant development in 2023.

Information regarding the cases of license refusal under Section 98 par. 1 of the Copyright Act

During the accounting period of 2024, there were no cases of license refusals under Section 98 par. 1 of the CA.

Description of the legal form and the management system of the collective administrator

The protective association of sound engineers – authors (Ochranná asociace zvukařů – autorů, z.s. = OAZA) had been established in 2003 as a professional organization associating sound engineers on the principle of voluntary membership. Since the beginnings of its activities, OAZA had focused on the protection of rights of this professional group, provided information on the rights and obligations of sound engineers, initiated cooperation with other protective organizations in the Czech Republic.

The most important task of OAZA was to compile an application to be submitted to the Ministry of Culture of the Czech Republic on the basis of which the professional group of sound engineers would officially be

¹ <https://www.alai.cz/index.php?o>

recognized as an author creative profession, i.e. to manage to arrive at the accordance between the factual situation and the legal situation. This long-term activity has led to a successful defence of the rights of sound engineer at the Municipal Court in Prague in 2005, when it was recognized by a court authority that the sound engineers create arts of works based on meeting the requirements for copyrighted works. As a result of the court's decision under ref. No.: 10145/2003, the Ministry of Culture of the Czech Republic had granted to OAZA under Section 98 AZ on 15 November 2006 the authorization to perform collective administration of rights of people and entities to whom property rights to copyrighted works created by sound engineers belong. The given authorization came into effect on 20 November 2006 and since then, OAZA have been acting as the collective administrator of property copyright of sound engineers.

Since the beginning of its activities in the field of collective administration of property rights of sound engineers, the CMO intended and still intends to perform all the rights which had been granted to it by the authorization. The realization of the majority of such rights required rather long preparations, specifically legal and economic analyses and surveys of the actual market, obtaining a strong base of represented right holders and works which are used in this field. At the beginning, it was necessary to initiate the collective administration in the field of mandatory and quasi-mandatory collective administration in order that the represented right holders realized that the collective administration represents an effective and meaningful measure. The commencement of the execution of the so-called voluntary collective administration required not only a strong base of Czech contractually represented holders of rights, but also the conclusion of relevant reciprocal agreements with foreign CMOs in order that OAZA was able to act on behalf of both domestic and foreign right holders while negotiating author remunerations and concluding agreements. Due to administrative proceedings conducted by the Ministry of Culture of the Czech Republic which lasted for several years and which led to authoritative interventions against the OAZA Tariff Tables, the process of acquiring new represented right holders and particularly negotiating with other CMOs and obtaining foreign cooperation became significantly and artificially slower. The collective administration of property copyrights of sound engineers had been very overlooked also in the past all over the world; therefore, the sound engineers abroad are only receiving protection of their rights, just as it has been happening in the Czech Republic, in a very gradual manner. Only since 2016, the OAZA initiated a cooperation with foreign CMOs. The increasing prestige of sound engineers worldwide may also be proven by the fact that OAZA had become an full member of the CISAC organization, the International Confederation of Societies of Authors and Composers, which represents more than 4 million creators from all over the world and artistic repertoires: music, audio-vision, theatre, literature and fine art.

Statutes

The fundamental and main mission of OAZA is to perform publicly beneficial activities while protecting and administrating the rights of sound engineers – authors as a protective author organization – a collective administrator in accordance with Act No. 121/2000 Coll., on copyright, on rights related to copyright and on the changes of certain acts (hereinafter the Copyright Act), as amended by subsequent legislation, related acts and international copyright treaties as well as other international treaties by which the Czech Republic is bound.

However, OAZA is performing also other purposes of its activities, mainly the informational and educational activities, motivation and support of young and talented people in the field of sound creation and other related fields, cooperation with professional organizations and associations of authors, scientific and expert institutions, colleges and universities, and other cultural institutions and workers in the field of culture, organizing professional courses, trainings and other educational events including lecturing activities, activities of informational and news agencies, activities of social support for authors and other right holders.

As the main subject of its activities, the OAZA ensures and performs the protection and administration of copyrights on the basis of an authorization to perform collective administration granted by the Ministry of Culture of the Czech Republic, doing so continuously, in its own name, at its own responsibility and within the extent of agreements on representation during the performance of copyright, concluded with authors or inheritors of copyrights, or other holders or acquirors of these rights.

The OAZA is entitled to protect the rights of represented authors and holders of copyrights even outside the territory of the Czech Republic, especially on the basis of bilateral contracts concluded with foreign partner organizations, ensuring mutual reciprocity during their execution. The OAZA is entitled to operate at the territory of the Czech Republic and of other countries, especially the member states of the European Union or countries forming the European Economic Area, without any limitation.

In 2024, an organizational change in the association occurred. Since the General Assembly which took place on 16 May 2024, the Board of Directors was replaced by the Statutory Director. A new collective body named Committee was established. The Supervisory Board remains to be a supervisory body.

Bodies of the association

The bodies of the registered association of OAZA consist of the General Assembly, the Statutory Director, the Supervisory Board and the Committee. The working bodies of the organization which had been established in accordance with internal regulations of the association are expert commissions in particular.

The General Assembly is the highest body of OAZA. It decides on all essential matters relating to the activities of the CMO. The General Assembly meets at least once a year. The General Assembly may not be held in the form of partial meetings. The powers of the General Assembly may not be exercised by a meeting of delegates. The General Assembly is convened by the Statutory Director of OAZA, at least 4 weeks in advance by delivering an invitation to the members of the CMO or in another demonstrable manner informing them of the General Assembly. He or she will always do so if at least 2/5 of the members request it. In such a case, the General Assembly must meet no later than within 60 days. If the Statutory Director fails to do so, the Supervisory Board shall convene the General Assembly. The General Assembly has a quorum if an absolute majority of the members meet at the specified time. A resolution is adopted if an absolute majority of those present vote in favor of it.

The Statutory Director shall act on behalf of the CMO as its statutory body. He/She adopts decisions and resolutions in the matters which are not expressly entrusted in the General Assembly, or in the matters and fields which the General Assembly entrusted in or ordered to perform to the Statutory Director.

The Supervisory Board consists of at least three members and represents a supervisory and arbitral body of the association (within the meaning of Sections 262 and 265 of Act No. 89/2012 Coll., Civil Code, as amended). The members of the Supervisory Board are elected by the General Assembly and the term of their office lasts five years. The membership in the Supervisory Board excludes the possibility to be a member of the Committee. The details regarding the election of the members of the Supervisory Board shall be specified by the Rules of Procedure.

During the calendar period of 2024, the bodies of the OAZA association had the following members:

By the decision of the General Assembly dated 16 May 2024, the Statutes were changed. Since the day after this day, the bodies of the registered association named OAZA are the General Assembly, the Statutory Director and the Supervisory Board.

Furthermore, the year of 2024 was an election year, and the individual bodies/positions were filled as follows:

Up to 15 May 2024	Since 16 May 2024
Board of Directors	Statutory Director
prof. Ing. Karel Jaroš, Chairman	Bc. Tereza Landová, MBA
Jiří Štěpánek, member	Supervisory Board
Robert Jína, member	Robert Jína, Chairman
Supervisory Board	Jiří Štěpánek, member
MgA. Ladislav Greiner, Chairman	Ing. Martin Babický, member
Mgr. Ivana Šimáková, 2 nd Deputy Chairman	Committee
MgA. Michal Pekárek, 1 st Deputy Chairman	prof. Ing. Karel Jaroš, Chairman
Copyright Committee	MgA. Michal Pekárek, 1 st Deputy Chairman
Ing. Ivo Špalj, Chairman of the Committee	MgA. Ladislav Greiner, 2 nd Deputy Chairman
Mgr. Vladimír Skall, member	Copyright Committee
MgA. Michal Pekárek, member	Ing. Ivo Špalj, Chairman of the Committee
Robert Jína, member	Mgr. Vladimír Skall, member
Jiří Štěpánek, member	MgA. Michal Pekárek, member
	Robert Jína, member
	Jiří Štěpánek, member

Represented rights holders

The right to ask the protective organization for representation belongs to every rights holder to works created by the sound engineers, i.e. the person which holds property copyright or the performance of property rights to a work under the Copyright Act, or is exclusively entitled to perform the rights collectively administered for the duration of a contract for the entire period of the property rights and at least for the territory of the Czech Republic with the right to provide a sub-license. As of 31 December 2024, OAZA had represented 697 sound engineers in total on the basis of contracts.

The OAZA concludes with the rights holders an Agreement on Representation of Property Copyrights which handles the contractual relationship between the collective administrator and the rights holder. In accordance with the Copyright Act, the collective administration is performed also for the right holders which had not concluded such a contract.

The represented holder of rights is obliged to notify the collective administrator without undue delay of the creation of every work, or of a newly acquired right to such a work, namely via a special document issued by OAZA and titled "Notification regarding a work" in which the holder shall provide all the required details truthfully which are necessary for the performance of the collective administration. The notification regarding of the work may also be performed in an electronic form. The right holders shall perform the notification without undue delay after acquiring the rights. If there is such a need, the holder of the rights is obliged to prove its authorship or to be meeting the statutory requirements for being in possession of the status of the holder of copyrights (e.g. inheritors or employers).

The holder of the rights is entitled to receive billings and payments of remuneration and potential income resulting from an unjust enrichment being handed over. OAZA enables the right holders to inspect the correctness of the amount which had been paid to him/her/it in the form of remuneration or an income resulted from an unjust enrichment. The holder of the rights is obliged to notify OAZA without undue delay all and any changes of personal details and banking information. These details are confidential and OAZA is not entitled to use them in conflict with the purpose for which they were provided. The holder of the rights is entitled to access the Annual Report on the activities and economic activities of OAZA.

Authorization to perform the collective administration

In accordance with the decision of the Ministry of Culture of the Czech Republic dated 15 November 2006, the OAZA performs the collective administration of the following rights within the extent specified in the given decision (in the legal form as of the day when the decision came into force):

Rights administered collectively on a mandatory basis:

- right to remuneration for the creation of a copy of the work for private copy on the basis of an audio or audio-visual recording by transferring its content by using a device to an empty carrier of such a record under Section 96 par. 1 letter a) point 3 of the Copyright Act; this authorization only includes the distribution of remuneration which had been collected by the OSA collective administrator (Protective Association of Authors for the rights to works of music),
- right to an adequate remuneration for the lease of an original or a copy of the work recorded in the audio or audio-visual form under Section 96 par. 1 letter b) of the Copyright Act; this authorization only includes the distribution of remuneration which had been collected by the OSA collective administrator (Protective Association of Authors for the rights to works of music based on the granted authorization),
- right to use cable transmission of works under Section 97d par. 1 letter c) of the Copyright Act.

In relation to the amendment of the Copyright Act which took effect in 2017, OAZA applied for an extension of its authorisation to perform the rights under Section 22 of the Copyright Act in 2023, i.e. for the performance of received transmission even by non-cable technologies. OAZA took this step on the basis of the request by the user public which requires licensing authorization also for other than cable technologies. The Ministry of Culture has not yet reached its decision in this matter and suspended the administrative proceedings for reasons which OAZA finds to be unlawful and contradicted them by submitting an appeal with the Minister of Culture. OAZA shall inform the represented right holders in this matter by sending regular newsletters.

Rights administered collectively on a voluntary basis:

- right to make copies of the works under Section 12 par. 4 letter a) and Section 13 of the Copyright Act,
- right to spread the original or a copy of the work under Section 12 par. 4 letter b) and Section 14 of the Copyright Act,
- right to make the work accessible to the public in the manner that anyone can access it at a place and time of its own decision, especially through a computer or similar network under Section 12 par. 4 letter f) and Section 18 par. 2 of the Copyright Act,
- right to non-theatrical performance of the work in a live form or through its record and the right to transmit the performance of the work under Section 12 par. 4 letter f) point 1 and Sections 19 and 20 of the Copyright Act,
- right to broadcast the work via radio or television under Section 12 par. 4 letter f) point 2 and Section 21 of the Copyright Act,
- right to operation radio or television broadcasting the work under Section 12 par. 4 letter f) point 4 and Section 23 of the Copyright Act.

Distributional Rules

The key document which specifies the rules for distributing the collected income of the collective administrator are the Distributional Rules which is adopted and approved by the General Assembly of the OAZA. When distributing and paying out the income from the performance of rights and the income resulting from investments of such income (collectively called the income), the collective administrator shall only consider those holders of rights, whose rights to the same protected items or the same types of works are collectively administered on the basis of a contract or who had applied for registration with the collective administrator, while the collective administrator shall not consider the works which had not yet been published. If the collective administrator had collected remuneration for right holders which are known to the collective administrator, but are not included in the list of right holders registered with it, then it shall invite them to get registered.

The collective administrator shall distribute and pay out the remunerations in accordance with the Distributional Rules within nine months after the end of the accounting period during which these remunerations were collected, with the exception of a situation when this period could not be met by the collective administrator due to objective reasons. If any remuneration cannot be distributed or paid out within the nine months for the reason of the collective administrator being unable to determine or find such holders of rights, then these remunerations shall be kept separately and used in accordance of rules specified by the General Assembly.

Within three months after the distribution and payment of the remunerations, the collective administrator shall provide access in an adequate manner for the holders of rights for whom/which the collective administrator performs the collective administration, and to the collective administrator for whom/which the rights are being administered on the basis of an agreement, to information regarding the works for which one or more right holders were not identified. The collective administrator shall adopt all measures necessary to determine or find the holders of rights. No later than within one year after the period under this paragraph, the collective administrator shall publish in an appropriate manner available information regarding the holder of the rights who/which had not been determined or found. If the collective administrator was unable to

distribute the remuneration even within three years after the end of the accounting period during which the income had been collected, due to the fact that the right holders were not determined or found, then the General Assembly shall decide regarding the use of such income.

The right holders which are not contractually represented by the OAZA and had not applied for registration shall be paid by the OAZA through the reserve fund in the form of a share calculated from the collected remuneration for rights which were mandatorily collectively administered for the period of 3 years going back from the year when the holder of the rights had requested so, and his/her/its share in the collected remuneration had actually emerged, while such holder also concluded an agreement on representation or submitted a subsequent application for registration and provided the OAZA via its official form with the proper notification of his/her/its works which were used, including their use; the collective administration pays the remuneration based on the current amount of the point value based on the Distribution Rules.

In accordance with the Copyright Act, the collective administrator is entitled to request reimbursement of effectively incurred expenses. The amount of such expenses is every year presented by the Board of Directors to the General Assembly and is also included in the Annual Report.

Information regarding all entities in which the collective administrator holds a property interest or which the collective administrator directly or indirectly, completely or partially controls

During the accounting period of 2024, the collective administrator did not hold any property interest in any third party, and did not directly or indirectly, completely or partially control any third party.

Information regarding the total amount of remuneration paid to people who perform supervisory functions and people who manage the collective administrator, and regarding any other benefits which were provided to them during the previous year²

The Board of Directors received remuneration for functions/wages in the total amount of:	CZK 183 740
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² The amounts are listed including all provided benefits.

The Supervisory Board received remuneration for functions/wages in the total amount of:	CZK 235 575
The Statutory Director received wages in the total amount of:	CZK 410 842
The Committee received remuneration for functions/wages in the total amount of:	CZK 229 908

FINANCIAL INFORMATION

Information on the total amount of income arising from the performance of the rights based on the category of the administered rights and the manner of using it, including information regarding investing the income from the performance of rights and regarding the use of such income

The total income of OAZA for 2024 amounted to CZK 43.2 million:

Public productions: operation of broadcasting (Section 23) and operation from a recording (Section 20)	CZK 31 617 thousand
Replacement remuneration (Section 25)	CZK 1 951 thousand
Operation of received television and radio broadcasting (Section 22) and one's own broadcasting (Section 21)	CZK 9 587 thousand
TOTAL	CZK 43 155 thousand

INCOME FROM ABROAD	CZK 95 thousand
TOTAL INCOME FOR THE YEAR OF 2024	CZK 43 250 thousand

In 2024, the OAZA collective administrator was able to recover the amount of unjust enrichment of CZK 11,700. The income arising from the unjust enrichment was added to the income from public production.

For the first time, OAZA invested the undistributed financial means in the funds in a time-limited account in 2024. Although the interest quickly decreased from the original 5% to 2.4%, the interests still amounted to CZK 1.5 million. These means are distributed in an aliquot manner and added to the collection of individual rights, and they shall be subject to distribution in 2025.

Information on the amount of expenses for the administration of rights and other services provided by the collective administrator to the right holders:

Operational and financial expenses with their distribution based on the categories of administered rights and if these are indirect expenses which cannot be included in one or more categories, then also with explanations of a method used to include these indirect expenses

Expenses of OAZA in the calendar year of 2024:

ITEM	in thousands of CZK
BANK FEES	8.19
TRAVEL FEES	153.89
SMALL PURCHASES AND OFFICE EQUIPMENT	44.78
WAGE EXPENSES	2,036.89
DEPRECIATION	0.00
OTHER	8.53
FINES AND PENALTIES	0.15
LEGAL SERVICES, IT SERVICES, FOREIGN AGENDA, ADMINISTRATION OF THE CATALOGUE, RENT	8,147.83
REPRE	33.85
MEAL COUPONS AND ADDITIONAL RETIREMENT INSURANCE	126.42
STATUTORY INSURANCE	679.57
MEMBERSHIP FEES	119.01
EXCHANGE RATE LOSSES	32.98
TOTAL EXPENSES	11,392.10

In 2024, the OAZA office's expenses for the performance of administration by nearly 15.5 % in comparison to the previous year. The increase of expenses has been mainly a result of higher expenses in relation to legal representation and one-time expenses for expert opinions and researches.

Despite the increased expenses, we were able to maintain the deduction to 26.4 %.

The expenses were equally deduced from the income from each administered right. OAZA accounted all expenses as indirect and they were distributed by the ratio towards the amount of individual rights.

Operational and financial expenses related to other services than the administration of rights, but including the deductions for the purposes of paying for expenses arising from the provision of social, cultural and educational services

In 2024, OAZA did not account any operational and financial expenses for the purposes of paying the expenses for the provision of social, cultural and educational services.

Sources used to pay the expenses arising from the administration of rights

For the administration of rights, the total expenses in the amount of CZK 11.4 million were used.

Deductions from the income arising from the performance of rights with specification of categories of administered rights, the manner of use and the purpose of such deduction

During the accounting year of 2024, OAZA deduced from the income arising from the performance of rights for the purposes of transferring financial means to the Cultural and Social Funds in the amount of 5 % of the income amount intended for distribution.

Percentage amount of expenses for the administration of rights and other services provided by the collective administrator to the right holders in comparison to the percentage amount of income from the performance of rights in the given accounting period, based on the individual categories of administered rights and in the case when the expenses are indirect, which cannot be related to one or more categories, then the explanation of the method used to allot these indirect expenses

During the accounting year of 2024, the collective administrator had incurred expenses for the administration of rights in comparison to the income arising from the performance of rights in the total percentage amount of 26.4 %.

Financial information regarding the amounts belonging to the holders of rights

The total amount allotted to the right holders with the distribution based on the categories of administered rights and manners of use

During the accounting year of 2024, OAZA had allotted to the right holders the amount from the collections of performing the rights under Sections 21, 22, 23 and 25 of the Copyright Act in the total amount of income of CZK 21.395 million. From this amount, CZK 1.83 million has not yet been distributed due to the fact of ongoing notary proceedings or searching for the holders of rights.

In addition to the specified amount, CZK 361 thousand was distributed on the basis of substantial complaints, namely from the created Reserve Fund.

During the accounting year of 2024, OAZA had distributed among the represented right holders the amount of CZK 1.7 million from the Reserve Funds.

As a precautionary measure and due to the unpredictability of steps of the Ministry of Culture, the Supervisory Board recommended to the office of OAZA in 2024 to temporarily allocate the remaining means in the Reserve Funds (see the minutes from the General Assembly on 16 May 2024). As a result, the Reserve Funds were not used for distribution except for the justified complaints and other return claims regarding the distribution of remaining means in the Reserve Funds among the holders of copyright. As soon as it is for certain that OAZA cannot receive any return penalties due to the administrative proceeding, these funds shall be distributed at the closest possible accounting date.

The frequency of payments with distribution based on the categories of administered rights and manners of use

During the accounting year of 2024, OAZA had distributed author remunerations twice and it had met the requirements of the statutory period of no later than on 30 September 2024. All the objections which were found to be justified were paid by 31 December 2024.

The total allotted amount which was not yet distributed to the holders of rights, with distribution based on the administered rights and manners of use and specification of the accounting period during which these amounts were collected

Arising from the income from 2021, the amount still remaining undistributed to the right holders equals CZK 1.19 million, and from the income from 2022, the amount still remaining undistributed to the right holders equals CZK 2.01 million, and from the income from 2023, the amount still remaining undistributed to the right holders equals CZK 1.83 million.

The reasons for delay if the collective administrator failed to distribute and pay to the right holders within the period specified in Section 99c par. 2 of the Copyright Act

During the accounting year of 2024, the OAZA performed the distribution and payments within statutory periods, i.e. 30 September 2024. Only in cases of justified objections were the amounts paid by 31 December 2024.

The total amount of non-distributable amounts together with the clarification of the use of these amounts

The OAZA collective administrator had created and its General Assembly approved of the rules for the use of income arising from the performance of rights and the income coming from investments through the income arising from the performance of rights which cannot be paid within the period under Section 99c par. 2 of the Copyright Act due to the fact that the right holders could not be determined and found. These amounts of income are kept by the collective administrator separately within its bookkeeping. In 2024, such income amounted to CZK 1.8 million coming from the income from 2023. In accordance with Section 99c par. 3-5 of the Copyright Act, the collective administrator performs activities to identify holders of rights.

Information regarding the relations with other collective administrators

The amounts received by other collective administrators and the amounts paid to other collective administrators with the specification of individual categories of rights and collective administrators

On the basis of the authorization agreement, OAZA had received from the INTERGRAM collective administrator for 2024 the amount of **CZK 30.5 million**, namely in the form of income from the performance of rights of operating the television and radio broadcasting and operating from a recording.

OAZA had received from the OSA collective administrator the amount of **CZK 1.9 million**, namely in the form of income for the operation of mandatorily collectively administered rights for the creation of a copy for personal use on the basis of an audio or audio-visual recording by transferring the content by a device to an empty carrier of such a recording.

On the basis of reciprocal agreements, OAZA received the amount of **CZK 95 thousand** in 2024 from the following foreign collective administrators:

COLLECTIVE ADMINISTRATOR	INCOME
CPRA/GEIDANKYO, Japan	CZK 10 628
SUISSIMAGE, Switzerland and Liechtenstein	CZK 33 779
SFP ZAPA, Poland	CZK 49 965
ISOCRATIS, Greece	CZK 875

Towards foreign collective administrators, OAZA has paid remuneration in the amount of **CZK 67 thousand**.

COLLECTIVE ADMINISTRATOR	INCOME
CPRA/GEIDANKYO, Japan	CZK 8 500
SUISSIMAGE, Switzerland and Liechtenstein	CZK 20 270
SFP ZAPA, Poland	CZK 37 356
ISOCRATIS, Greece	CZK 700

The reimbursement of expenses for the administration of rights and other deductions from the income arising from the performance of rights payable towards other collective administrators with the specification of individual categories of rights and collective administrators

OAZA had paid to the INTERGRAM collective administrator as the reimbursement of expenses for the administration of rights the amount of CZK 4.13 million and to the OSA collective administrator the amount of CZK 209 thousand. The deduction in accordance with the Distribution Rules is deduced from the income from foreign collective administrators.

The amounts distributed directly to the right holders received from other collective administrators with the specification of individual categories of rights and collective administrators

No other collective administrator had distributed remuneration to the right holders represented by the OAZA collective administrator.

FURTHER INFORMATION (Special rights regarding the use of amounts deduced for the purposes of provided social, cultural and educational services)

The amount deduced for the purposes of paying expenses arising from the provision of social, cultural and educational services during the given accounting period and the specification of individual purposes, and individual categories of administered rights for each purpose

In 2024, OAZA had deduced 5 % from the income amount intended for distribution for the purposes of paying expenses for the provision of social, cultural and educational services. From these amounts for the purposes of paying expenses arising from the provision of social, cultural and educational services, OAZA did not perform any further deductions.

Information on the use of such amounts with the distribution based on the purpose for which they were used

In 2024, the General Assembly of the collective administrator approved the deduction in the amount of 5 % from the income amount to place in the Social and Cultural Fund of OAZA. Upon the approval by the Supervisory Board, the amount of CZK 1270 thousand was drawn from the Social and Cultural Fund.

OAZA supported the Symphony Orchestra of the Capital City of Prague (FOK – film-opera-concerto), in cooperation with an association named Fites appraised the life-long contribution of Mr. Luboš Zajíč by granting the award of František Filipovský to him, provided a donation to the creation of a magazine named Synchron, supported the activities of the Association of Sound Workers, provided a donation to the rescue of historical organ in Jabkenice, supported the charity project for the execution of a theatre performance by students of the Jedlička Institute and schools named Noc na Karlštejně (The Night at the Karlštejn Castle), financially participated in a charity event for the support of a project named FUCK CANCER protecting the rights of cancer patients, and within the announced flood-related assistance, OAZA provided financial donations to masters of sound to rebuild their studios or if they got into difficult living situation due to the

devastating flood. OAZA is a proud partner of all these events and is grateful for the opportunity to provide assistance when it is needed the most. Furthermore, OAZA is a proud partner of the National Museum to which OAZA donates for the activities of a sound laboratory created with the Czech Music Museum located in the Karmelitská Street.

In Prague on 15 May 2025

Bc. Tereza Landová, MBA

Directress of OAZA