

RADIO AND TELEVISION DIFFUSION

SERVICES

(Tariffs "DDS" & "DDSR")

Effective from 1 January, 2016.

1. SCOPE OF TARIFF

This tariff applies to Broadcasters' communication to the public of musical works and sound recordings. For the purposes of this tariff "Diffusion Service" shall mean any telecommunication service of transmissions consisting of sounds, images, sounds and images, signs or signals, which take place over wires, wireless or other paths provided by material substance and intended for reception by specific members of the public.

2. GENERAL CONDITIONS AND DEFINITIONS

2.1 This TARIFF applies only to the transmission of programmes in a diffusion service covered by a license from UPRS, obtained before diffusion commenced. Any diffusion of programmes not so covered will be assessed at double this tariff. UPRS is not bound to offer a license under this tariff in respect of any diffusion services for which application was not made in advance.

2.2 The LICENSE FEES for any diffusion service, irrespective of whether it transmits radio or television programmes, or pre-recorded programmes, are calculated by reference to: -

The Gross Annual Revenue received by the operation of the diffusion service from: -

2.2.1 Subscribers to such service; and

2.2.2 persons or companies whose advertisements are carried in the diffusion service, subject to a minimum fee per receiving apparatus.

2.3 For clarity UPRS confirms that the total license fees due under this Tariff are arrived at by adding the charges for musical works and sound recordings together.

2.4 UPRS reserves the right to make such variations in this tariff as it considers appropriate when licensing services which, in its opinion, do not fall within the scope of this tariff.

3. TARIFF RATES (RADIOS)

| | | Musical Works | Sound Recordings |
|-----|---|--------------------------|-----------------------------|
| 3.1 | LICENSE FEE as a percentage of Gross Revenue defined in 2.2. above for 2015 | 1.5% | 0.75% |
| 3.2 | LICENSE FEE as a percentage of Gross Revenue defined in 2.2. above for 2016 | 1.75% | 0.875% |

| | | | |
|-----------|---|------------------|----|
| 3.3 | LICENSE FEE as a percentage of Gross Revenue defined in 2.2. above for 2017 | 2.0% | 1% |
| Subject:- | | | |
| 3.4 | MINIMUM FEE per receiving apparatus per annum | 3,000,000 | |

4. TARIFF RATES (TELEVISION)

| | | Shs. Per Minute | |
|-----|---|-----------------------------------|------------------|
| | | Musical Works | Sound Recordings |
| 4.1 | LICENSE FEE as a percentage of Gross Revenue defined in 2.2. above for 2015 | Shs.70 | Shs.35 |
| 4.2 | LICENSE FEE as a percentage of Gross Revenue defined in 2.2. above for 2016 | Shs.60 | Shs. 30 |
| 4.3 | LICENSE FEE as a percentage of Gross Revenue defined in 2.2. above for 2017 | Shs.50 | Shs.25 |
| 4.4 | MINIMUM FEE PAYABLE | Shs. 3,500,000 = per annum | |

5. TARIFF ADJUSTMENT

The foregoing minimum rates of charge are related to the Official Consumer Price Index as published by the Uganda Bureau of Statistics as for the year 2015. They are subject to a surcharge or discount of 1% in respect of every increase or decrease of 1 complete point in the weighted average figure of the aforementioned Index. Such surcharge or discount shall take effect from the sixth day of the anniversary month next following the second month in which the relevant index figure is published.

6. VALUE ADDED TAX

Every Licensee under this tariff will pay to UPRS, in addition to the license fee due under the tariff, a sum in respect of Value Added Tax calculated at the relevant statutory rate on the annual license fee payable and UPRS shall provide a Tax Invoice in relation to the fee payable, to the Licensee.