

- RIPE NCC Clearing House
 - Tax free financial reserve
 - No tax if annually surplus (deficit) is added to CLH
 - Maximum of 3 times the annual service fee
- Clearing House procedure stipulates how redistribution from the CLH takes place

- Existing Clearing House reserve tax-free
 - 2014 is the last year the surplus can be added tax-free
 - Capital gains can be accumulated tax-free
- Surplus (deficit) will be taxable, two options
 1. Redistribute the surplus (deficit), zero surplus
 2. Surplus / deficit is taxable
- Annual GM decision on surplus (deficit)
- Redistribution takes place in the following year
- To solve mismatch between fees and expenses, redistribution will take place

- At the autumn General Meeting the RIPE NCC indicates that they expect a surplus of 1 million
- GM approves a re-distribution of this surplus to the members
- All members on 31 December 2015 will receive a redistribution
- Redistribution per member =
$$\text{Surplus} * \text{Member Contribution} / \text{Total Contribution}$$
- Amount payable for 2016 will be: Service fee -/-
Redistribution per member

- Finalise agreement with tax authorities (EB) - done
- New Standard Service Agreement (GM) - vote
- New Clearing House procedure (EB) - December
- Annual agenda topic in GM to decide on surplus - from 2015 onwards



Current provision (Article 7 SSA)

Article 7 - Clearing House

7.1 In any given year the financial surplus or deficit of the RIPE NCC is accounted for in a separate reserve of the RIPE NCC called the Clearing House.

7.2 The Clearing House may equal a maximum of three times the total amount of the RIPE NCC service fees in the relevant financial year. If and when the previously mentioned maximum is exceeded, the RIPE NCC Clearing House Procedure is executed, in the year following the relevant financial year.

7.3 The Clearing House procedure stipulates that the excess amount shall be returned to the Members in proportion to the level of the service fees paid in the relevant financial year and the two previous years. This excess amount shall be credited to the Member on the service fee of the year following the year that the Clearing House procedure has taken place.

7.4 Only the Members that have fulfilled the service fee payment for the relevant financial year take part in the Clearing House procedure.

7.5 In the event the RIPE NCC Standard Service Agreement is terminated in the financial year referred to in Article 7.2, the Member will not participate in the Clearing House procedure

Proposed change (Article 7 SSA)

Article 7 - Clearing House

7.1 The Clearing House is a tax-free financial reserve that provides for the financial stability of the RIPE NCC.

7.2 The General Meeting will each year decide on whether the RIPE NCC's financial result will be added or deducted to or from the Clearing House reserve or will be redistributed among the Members. The General Meeting may also decide to redistribute a one-off amount from the Clearing House to the Members.

7.3 The RIPE NCC Clearing House procedure [link] stipulates the details of a potential redistribution as referred to in Art 7.2. A Member's share of a potential redistribution shall be credited to the Member on the service fee of the year following the year that the General Meeting has decided on the redistribution.

7.4 The Member may participate in the Clearing House procedure, provided that it has fulfilled the service fee payment in accordance with Art. 5 for the relevant year referred to in Art 7.2.

7.5 In the event the RIPE NCC Standard Service Agreement is terminated in the year referred to in Article 7.2, the Member will not participate in the Clearing House procedure