

# **Announcement by Society ARTISJUS Hungarian Bureau for the Protection of Authors' Rights**

## **on the remunerations charged and on the terms and conditions of licensing for the transmission of works of literature and music to the public by broadcasting, by cable or in any other manner, in an coded form, and on the other terms of authorising use (R-TV 22)**

Based on the provisions of Sections 16(1), 26(1)-(7), the first sentence of Section 26(8) and Section 27 of Act LXXVI of 1999 on Copyright (hereinafter referred to as: the Copyright Act) and Sections 146(1) and 59(1) of Act XCIII of 2016 on the Collective Management of Copyrights and Rights Related to Copyrights (hereinafter referred to as: Collective Rights Management Act), for the benefit of authors, composers and lyricists, ARTISJUS hereby determines the remunerations payable for and the terms of licensing, broadcasting and transmission to the public by cable or in any other manner (primary transmission to the public) of already published works (excluding the use of literary works for stage, musical dramas or their scenes or sections, technical works and longer works of literature not written for stage, e.g. novels):

### *Chapter I*

#### *Remunerations payable for broadcasting and other primary transmission of works to the public [excluding making works available on demand as regulated in the second sentence of Section 26(8)] in accordance with Section 27 of the Copyright Act*

##### **1. Terrestrial, satellite broadcasting and broadcasting through direct injection**

Radio and television broadcasting organisations are required to pay the following remunerations for recording already published literary and musical works (the so-called “smaller rights works”) (excluding the use of literary works for stage, musical dramas, or scenes or sections thereof, technical works and longer works of literature not written for stage, e.g. novels), for the purpose of repeated broadcasting [Section 26(6) of the Copyright Act] and broadcasting [the second sentence of Section 26(1) and Sections 26(2), (3) and (4) of the Copyright Act] and broadcasting through direct injection [Section 26(5a) of the Copyright Act]:

- 1% of their budgetary subsidy related to the broadcasting activity, and
- 4% of their revenues related to the broadcasting activity (e.g. revenues from advertising and sponsorship);

but at least HUF 12,500 per channel every month.

##### **2. Cablecasting, webcasting**

Pursuant to Section 26(7) and the first sentence of Section 26(8) of the Copyright Act, the organisation which edits the works specified in Section 1 into a programme item, or a programme, or edits the programme-carrying signals into a single stream which can be perceived by members of the public, or which transmits the works to the public:

2.1 shall pay the remuneration determined in Section 1 if it makes the programme available to the public not by means of broadcasting [Section 26(1)-(6) of the Copyright Act] but by cable (cablecasting);

2.2.1 shall pay the remuneration determined in Section 1, but at least the remuneration below if it does not make the programme available to the public by means of broadcasting [Section 26(1)-(6) of the Copyright Act] or cable, but by any other similar device or in any other similar manner, including the use of an IT or electronic telecommunications network (e.g. independent webcasting):

Number of programmes (channels)	Minimum tariff payable
1-5	HUF 8,400/month
6-12	HUF 10,500/month
13-25	HUF 12,500/month

An additional HUF 500 per month is to be paid as a minimum remuneration for any additional programme (channel) above 25.

2.2.2 Radio and television broadcasting organisations shall pay the remuneration stipulated in Section 2.2.1 if their use described in Section 2.2.1 is realised in such a manner that members of the public can have an influence on the programme, maintaining the perceptibility of the programme as a stream (members of the public can influence the programme for example by being able to stop it, fast forward or rewind it, or determine the content of the programme by setting the genre or the performer as a preference, rating the works that make up the programme or in any other manner: known as interactive or premium webcasting). The remuneration provision set out in this Section does not apply and the provisions of ARTISJUS's tariff schedule with the sign "I" are applicable to cases where the works are made available to the public on demand (use according to the second sentence of Section 26(8) of the Copyright Act), i.e. when the service provides a measure of interactivity to the member of the public that allows the member of the public to select the works one by one or to determine the contents of the programme by themselves by selecting individual works, e.g. by selecting works based on multiple criteria, selecting the starting work, making a selection from a limited number of works or by selecting the works of a specific author or the performance of a specific performer.

### **3. Remuneration payment in proportion to musical airtime**

For licensing the uses described in Sections 1 and 2, as an alternative to paying the remuneration expressed as a certain percentage of their revenues under Sections 1 and 2, radio and television broadcasting organisations may choose to pay remunerations based on the proportion of total daily musical airtime to the total daily airtime, calculated as follows.

3.1 If the daily musical airtime is maximum 15% of the total daily airtime, the remuneration payable is 1% of the budgetary subsidy related to the broadcasting activity, and 2% of other revenues related to the broadcasting activity (e.g. revenues from advertising and sponsorship).

3.2 If the daily musical airtime is minimum 15%, but is maximum 50% of the total daily airtime, the remuneration payable is 1% of the budgetary subsidy related to the broadcasting activity, and 4% of other revenues related to the broadcasting activity (e.g. revenues from advertising and sponsorship).

3.3 If the daily musical airtime is minimum 50%, but is maximum 75% of the total daily airtime, the remuneration payable is 1% of the budgetary subsidy related to the broadcasting activity, and 6% of other revenues related to the broadcasting activity (e.g. revenues from advertising and sponsorship).

3.4 If the daily musical airtime is minimum 75% of the total daily airtime, the remuneration payable is 1% of the budgetary subsidy related to the broadcasting activity, and 8% of other revenues related to the broadcasting activity (e.g. revenues from advertising and sponsorship).

3.5 For the purposes of Section 3, musical airtime means the total time of transmission to the public, within the scope of this Tariff Announcement, of musical works specified in Section 1.1 or certain parts thereof which are presented in a programme item or in another piece of information not regarded as a programme item, broadcasted in a programme, during the total daily airtime of a calendar day of a radio or television broadcasting organisation.

3.6 The radio or television broadcasting organisation may only select this option if it notifies ARTISJUS of its choice within 30 days of the publication of this Tariff Announcement in the Official Gazette. The notice regarding the exercise of this right must contain the planned total daily airtime and the planned daily musical airtime of the radio or television broadcasting organisation. If the radio or television broadcasting organisation selects the option in this section, it will still be required to pay at least the minimum remuneration determined in Section 1 or 2.

3.7 Unless a more frequent control is agreed upon by the parties in the licensing agreement, ARTISJUS will check the data provided in the notice in the first quarter following the entry into force of this Tariff Announcement. Thereafter, it will perform random checks by analysing the programme of the radio or television broadcasting organisation recorded for this purpose on a weekday, a weekend and on a public holiday. ARTISJUS will keep the recording prepared for the purpose of such checks for five years from the end of the given calendar year.

3.8 ARTISJUS shall use these verifications to determine the proportion of the daily musical airtime and the total daily airtime as the arithmetic mean resulting from the analysis of the observed days.

3.9 If the broadcasting organisation so requests, ARTISJUS will grant it access to the result of the verification as well as the calculation method of the proportion of the daily musical airtime and the total daily airtime. If the proportion of the daily musical airtime and the total daily airtime determined as a result of the verification differs from the proportion calculated on the basis of the data provided in the notice of the broadcasting organisation, the proportion of the daily musical airtime and the total daily airtime determined by the verification shall prevail when applying this Tariff Announcement.

3.10.1 If the radio or television broadcasting organisation has fully complied with its obligation to supply programming data for the entire calendar year and the proportion of the daily musical airtime and the total daily airtime determined using the data provided, checked and processed differs from the proportion established by the verification

performed by ARTISJUS to such an extent that it affects the amount of the remuneration payable, the parties will settle accounts with each other.

3.10.2. ARTISJUS may set off any overpayment of the broadcasting organisation against the remuneration payable for the last quarter of the calendar year or for the following calendar year according to the agreement of the parties or, if there is no such agreement, on a pro rata basis. If the broadcasting organisation ceases its broadcasting activity (its use of works) in the following calendar year, ARTISJUS will reimburse amounts overpaid.

3.10.3. The radio or television broadcasting organisation must pay its outstanding remunerations, if any. Unless otherwise agreed by the parties, such payment is due together with the remuneration payable for the last quarter of the calendar year.

#### **4. Simulcasting**

4.1 Pursuant to Section 26(7) of the Copyright Act, for transmitting the works determined in Section 1 to the public using an IT network or an electronic telecommunications network simultaneously with broadcasting (“simulcasting”), in addition to the remuneration payable according to Section 1, 2.1 or 3, the radio or television broadcasting organisation must also pay 5% of the same if the transmission to the public is performed by the broadcasting organisation, under a name which is determined by it and which is the same as the name of the broadcasted programme, or under a name (designation) used for the transmission to the public described in this section, provided that members of the public pay no consideration for this service.

4.2 If the broadcasting organisation pays a remuneration according to the ARTISJUS Tariff Announcement with a sign “I”, valid at the given time, for the use of its own programme items according to the second sentence of Section 26(8) of the Copyright Act, and, at the same time, also performs simulcasting use, it shall also pay 4% of such remuneration for the simulcasting use in addition to the remuneration payable based on Section 1, 2.1 or 3.

4.3 This section is not applicable to retransmission performed by another organisation.

## ***Chapter II***

### ***General terms and conditions of the Tariff Announcement***

1.1 Pursuant to Section 26 of the Copyright Act, for the purposes of this Tariff Announcement, radio and/or television broadcasting organisations shall mean organisations

- which transmit their own programmes to the public by means of terrestrial or satellite broadcasting, by cable or in any other manner, or
- record and source their own programme, and make the broadcasting signal available to an organisation (organisation reaching the public, e.g. cable operator or broadcasting organisation) other than the radio or television broadcasting organisation, through direct injection,

irrespective of the method of transmission or broadcasting.

1.2 For the purposes of this Tariff Announcement, radio and/or television broadcasting organisation shall mean the Media Service Promotion and Asset Management Fund (Section 136 of Act CLXXXV of 2010 on Media Services and Mass Media).

1.3 This Tariff Announcement shall not be applied to uses and acts of use governed by the ARTISJUS “Cable-II” tariff established pursuant to Section 26(3), (4) and (5a) of the Copyright Act, and for which the user obtained a licence subject to the terms and conditions specified in the Cable-II tariff, by paying the remunerations specified therein.

2.1 On the basis of this Tariff Announcement, the granting of the licence for use is subject to the payment of the remuneration. The user shall obtain the licence once it pays the remuneration. For the remuneration or an instalment paid prior to the start of use, the user will be granted a licence for use proportionate to the remuneration already paid (instalment).

2.2 The time of payment of the remuneration or the remuneration instalment shall be the time when the remuneration has already been received to the account of ARTISJUS, and both the user paying the remuneration and the use for which the user wishes to receive the licence is identifiable by ARTISJUS.

2.3 ARTISJUS is entitled to set off any overpayment of remuneration by the service provider against the service provider’s overdue unsettled remuneration payments.

2.4 The tariffs in Chapter I have been established in consideration of the fact that the licensing of the transmission of works of literature and music to the public according to this Tariff Announcement does not extend to the licensing

of the transmission to the public of literary works for the stage, musical dramas, scenes or sections thereof, technical works and longer works of literature not written for stage (e.g. novels), nor to the licensing of broadcasting or other transmission to the public of other works of music and literature which fall under the definition of literary and musical grand rights, and to the licensing of the recording (audio recording) of a musical work for advertisement purposes or the modification or adaptation of a musical work, on which the users must agree directly with each author or with the other verified copyright holders.

2.5 The licence granted subject to the payment of the remuneration according to Chapter I does not extend to use by a member of the public that involves making a permanent copy on a storage unit built in a digital receiver decoder (set top box) or on a storage unit provided to the member of the public by an organisation which edits the programme or edits the programme-carrying signals into a single stream which can be perceived by members of the public or by an organisation which transmits the works to the public (or any contributor of such organisation).

3.1 Revenues referred to in this Tariff Announcement which are related to the broadcasting activity (e.g. revenues from advertising and sponsorship, subscription fees) shall mean all payments and services carried out in the form of transfer of tangible property or performing activities that are covered by the organisation's reporting and bookkeeping obligations according to the effective accountancy regulations and that are related to the broadcasting activity, irrespective of their source. The budgetary subsidy set out in this Tariff Announcement means a subsidy received from or via any subsystem of the national budget. For the purposes of this Tariff Announcement, financial subsidies granted from the central or local municipality subsystem of the national budget also qualify as budgetary subsidies, except for the subsidies specified in Section 1.14 (b)-(m) of Act CXCV of 2011 on the National Budget. Revenues generated at the affiliate company or affiliated party (as defined in the accounting laws) of a radio or television broadcasting organisation in relation to the use also count towards the amount based on which the remuneration is paid.

3.2 If the user receives a budgetary subsidy or collects other revenues that cannot be considered as revenue related to the broadcasting activity, it shall report them to ARTISJUS separately from its revenues related to the broadcasting activity concurrently with the accounting specified in Section 5, and provide ARTISJUS with a credible proof as to why they are kept separate, in accordance with the user's accounting records and the documents underlying them. For budgetary subsidies, the portion granted to the user as a targeted subsidy not related to the broadcasting activity or otherwise for purposes not related to the broadcasting activity may be separated in the manner set out in the previous sentence.

4.1 If the organisation participating in the process of use specified in Chapter I (an organisation carrying out transmission to the public or broadcasting) or its contributor (e.g. a technical service provider, an organisation that edits the programme-carrying signals into a single stream which can be perceived by members of the public) concludes a separate contract with members of the public (subscribers), or a contract which also includes other services for the purpose of providing the programme, and if the organisation or its agent receives any revenue from this as determined in Section I.1, the organisation or its contributor must pay a remuneration on its revenue, in accordance with the relevant section of Chapter I.

4.2 If more than one person or entity qualifying as user under Sections 1 and 2 of Chapter I is involved in the process of use that falls within the scope of this Tariff Announcement, they may assume (either in a contract between the debtor user and the user assuming the debt or a contract between the user assuming the debt and the creditor) one another's remuneration debt payable in accordance with this Tariff Announcement on condition that ARTISJUS consents thereto in writing. The conditions precedent to such consent include but are not limited to the following:

- the user assuming the debt must notify ARTISJUS of all the contributors involved in the entire process of use of broadcasting (primary transmission to the public) and all acts of use they carry out as contributors before the start of the broadcasting (primary transmission to the public), and
- the user shall undertake in writing the obligation of ensuring that ARTISJUS or its agents may check the manner, circumstances and extent of use regarding all the contributors of the entire process of use.

## 5. Accounting and programme data reporting obligation

5.1 In addition to paying the remuneration, the user must supply the data required for calculating the remuneration (accounting), as well as the data required for distributing the remuneration (programme data reporting) as set out in Section 16(7) of the Copyright Act and Section 59(1) of the Collective Rights Management Act.

5.2 The user must fulfil the accounting and programme data reporting obligation using the form designated by ARTISJUS for this purpose or using an electronic data reporting form, electronically. ARTISJUS will notify the user of the form and manner of data reporting in advance, in the form specified in the licence agreement.

5.3 In its accounting, the data required to be provided to ARTISJUS for calculating the remuneration based on this Tariff Announcement and the licence agreement, shall include the amount of its entire revenue (net of VAT) generated in relation to the use, indicating the type and source of the revenue, in particular the amount of the budgetary subsidy granted to it, as well as other revenues related to the broadcasting activity (e.g. advertising and sponsorship).

5.4 The user's programme data reporting obligation pertains to the data of musical and literary works actually broadcast or made available to the public (individually or integrated into audiovisual content) by other means. Subject to its programme data reporting obligation, the user shall deliver to ARTISJUS in the accounting period

- the original title of the musical and literary works, the Hungarian translation of the title (if such translation exists), its own work ID, the length of such works, the time, date and duration of use, the characteristics of the presentation, and the author of the work; and

- the title and type of the programme item, film or other audiovisual content where the work was presented, if the type is a series, the title of the series episode, season and episode number, country or nationality of production (TIS code), in the case of a Hungarian production, the producer or own production designation, director, length, programme or film classification and, if used by the user, its own programme ID, and

- the total length of the musical performances in the cinematographic or other audiovisual work, and the title, author and duration of the musical works (soundtrack cue sheet).

5.5. For the purposes of Section 5.4, 'own work ID' or 'own programme ID' means the unique identifier assigned to the musical, literary works or programmes used by the user, by which the user identifies the same works or programmes used in data reports submitted for different periods. The user shall report any subsequent change in the own work ID or own programme ID previously assigned to an individual work or programme in the next programme data report submitted to ARTISJUS, by indicating the original and the new ID. For the purposes of Section 5.4, the 'characteristic of presentation' means the classification as per ARTISJUS's Distribution Policy effective on the first day of the accounting period, regarding the categories and rules of which classification ARTISJUS notifies the user at the time of conclusion of the licence agreement, and subsequently at every instance when the categories or rules of classification are changed. For the purposes of Section 5.4, the 'programme or film classification' means the programme or film classification as per ARTISJUS's Distribution Policy effective on the first day of the accounting period, the categories and rules of which classification shall be notified by ARTISJUS to the user on the date of the licence agreement, and subsequently whenever changes are made to the categories or rules of classification.

5.6. If Artisjus uses an automatic electronic identification solution (such as an audio fingerprinting solution) to identify the musical works used, the user shall, as specified in the licence agreement concluded under this Tariff Announcement, make its entire programme available to Artisjus in the best audio quality available during use, on a continuous basis, for the purpose of performing automatic identification. Artisjus shall use the programme and the programmes contained therein solely for the purpose of performing its collective rights management activities in connection with this Tariff Announcement, and it shall inform the user of the manner, extent and duration of such use.

5.7 In cases when duly justified by the circumstances of the user or the use, the licence agreement concluded based on this Tariff Announcement may depart from the provisions of Sections 5.1-5.5, and in particular the requirement of electronic data reporting and the specification of the form of data reporting, without violating the requirement of equal treatment.

## 6. Due date, delay

6.1 Unless a contract concluded with the user or the organisation representing the interests of users and containing a flat-rate remuneration or discounted remuneration (as per Section 9.1) provides otherwise, the user shall perform its accounting obligation quarterly, by the 15th day of the first month after the quarter concerned by the accounts; its programme data reporting obligation quarterly, by the end of the first month after the quarter concerned by the report; while the remuneration is due on the last day of the first month after the quarter concerned (due date). ARTISJUS pays the remuneration based on the accounting and data provided for the quarter of use performed by the user, in accordance with this Tariff Announcement and the provisions of the licence agreement. If the user fails to perform the accounting within the deadline, ARTISJUS may determine the remuneration to be paid based on the data available to it.

6.2 The user must pay the minimum itemised remuneration payable in the case of uses determined in Section 2.2 of Chapter I quarterly before the use or, if the duration of use is shorter than that based on the user's report, it shall be payable in advance, before the period of the use, by the 30th day of the month preceding the quarter or the given period, and for the first time by the 15th day following the conclusion of the contract. The obligation to pay the minimum remuneration according to this section does not affect the user's settlement obligation under Sections 5.1-5.3 and the supplementary remuneration payment obligation based on that.

6.3 If the user falls into delay with the remuneration payment, the statutory default interest set out in the Hungarian Civil Code is calculated from the day after the due date of the remuneration set out in Sections 6.1-6.2. If ARTISJUS

concluded a licence agreement with the service provider and the service provider falls into delay with the remuneration payment, the service provider must also pay a flat-rate reimbursement for the debt collection costs.

6.4 Remuneration claims expire after the lapse of five years from their due date. In relation to any obligation set out in this Tariff Announcement, the limitation period is interrupted by a notice sent to the user regarding the remuneration, a notice instructing the user to pay the remuneration or a notice instructing the user to supply any data required for calculating the remuneration, as well as any notice sent by the payer of the remuneration to ARTISJUS. The limitation period is suspended until ARTISJUS becomes aware of the use.

6.5 If the user is late with its quarterly accounting or programme data reporting obligation set out in Section 5.1, and fails to remedy such failure in spite of a written request received from ARTISJUS within the additional delivery date set out therein (which may not be less than 10 days), it will be required to pay a penalty for late performance for the period between the due date of accounting/programme data reporting and the day on which the obligation is duly and properly complied with. The daily rate of the penalty for the delay is 0.5% of the remunerations paid by the user for the last such quarter (before the period to which the current accounting and/or programme data reporting obligation applies) regarding which the user has performed the accounting and programme data reporting obligation for the service affected by the delay, but at least HUF 500 per day. A penalty of HUF 500 for each day of delay is payable by users who have not yet performed any accounting and programme data provided for an earlier period for the service affected by the delay. The penalty shall not exceed 30% of the remuneration payable by the user.

6.6 If the user fulfils its quarterly accounting or programme data reporting obligation set out in Section 5.1 defectively or with deficiencies, and fails to remedy this in spite of a written warning received from ARTISJUS within the second deadline set out therein (which may not be less than 10 days), it will be required to pay a penalty for defective performance for the period between the deadline for accounting/programme data reporting and the day on which the obligation is fulfilled correctly. The rate of the penalty for defective performance corresponds to the rate of the penalty for delay determined in Section 6.5.

6.7 In the event of defective or incomplete reporting of the quarterly programme data, specified in Section 5.1, by the user due to the unavailability of a certain piece of data regarding the programme data reporting (Section 60(1) of the Collective Rights Management Act), the user shall proceed in a manner as may be expected of a radio and/or television broadcasting organisation in the given situation with a view to providing the missing data. If the programme data reported by the user is defective or incomplete solely due to a reason covered by this Section, and the user confirms that it has proceeded with a view to remedy the problem as may be expected in the given situation, but without success, the user shall be relieved from the obligation of paying the penalty under Section 6.6.

7. ARTISJUS may check on site the data on which the accounting and programme data reporting is based, as well as the manner and extent of the use of works. If ARTISJUS ascertains in the procedure described in this section that incorrect information has been provided in the scope of the accounting or the programme data reporting and the difference between the information reported by the user and the information verified by the audit of ARTISJUS is greater than 5%, the user will be required to pay at least double the remuneration difference that the user is required to pay, even if the penalty for defective performance specified in Section 6.6 is a smaller amount.

8. In the first year counted from the first day of their operation, the remunerations of the organisations determined in this Tariff Announcement which are commencing their activities can only be reduced by the amount of their budgetary subsidies for investment purposes (and not those intended to cover their continuous operating costs) and other investment costs and/or acquisition costs of tangible assets certified by appropriate accounting documents. The reduction shall not exceed 50% of the remuneration payable. No other remuneration rebate can be granted together with this one.

9.1 Instead of the itemised remunerations or remunerations expressed in percentage as determined in the relevant provisions of the Tariff Announcement, ARTISJUS may, depending on the circumstances of the case, conclude a licence agreement containing a flat-rate remuneration or a remuneration lower than the remuneration set out in the relevant provisions of the Tariff Announcement (hereinafter referred to as: "licence agreement with a flat-rate or discounted remuneration") with significant users or with the national organisations representing the interests of the affected users, acting on behalf of the users. A licence agreement with a flat-rate or reduced remuneration may only be concluded if

a) the affected user does not have any remuneration debt and has fulfilled its (programme) data reporting obligation regarding the use in accordance with Section 59(1) of the Collective Management Act;

b) it is possible and justifiable to conclude a license agreement with a flat-rate or discounted remuneration given the circumstances of use, a significant difference from the typical composition of the works as regulated by this Tariff

Announcement, or the significant extent of the use and as a result of the remuneration to be paid by the user, or the voluntary membership of a significant part of the users in the same organisation representing the interests of users, and the authorisation in compliance with the law and the statutes of such organisation to conclude a licence agreement. When concluding a licence agreement with a flat-rate or discounted remuneration, no discrimination between the users concerned may occur in violation of the requirement of equal treatment; i.e., the same discount must be offered if the circumstances are the same.

A licence agreement with a flat-rate or reduced remuneration may only be concluded with national interest representation organisations if the organisation provides appropriate guarantees for the remuneration payment obligations of its members (i.e. the users concerned) and/or if the organisation collects the data required for the calculation/payment of the remuneration payable by the users concerned, pertaining to the extent of the use and the works used (performances), and forwards such data to ARTISJUS and/or if the organisation assumes the remuneration payment obligation in whole or in part.

9.2 ARTISJUS will require a user, in the course of whose use the programme (channel) can be perceived by no more than 25 persons (listeners) at the same time to pay a remuneration reduced by a maximum of 50% as compared to the itemised or percentage-based remuneration payment specified in Section 2.2 of Chapter I of the Tariff Announcement if:

- in order to allow for the auditing of remuneration payments, the user engages for the use an intermediary service provider providing hosting services as defined in Act CVIII of 2001 on Certain Matters Relating to Electronic Commerce Activities and Services Related to Information Society that has concluded an agreement with ARTISJUS, in which it undertook to contribute to the performance of the obligation relating to the number of listeners set out in this Section in the course of the provision of its services; and
- the user undertakes to fulfil the condition relating to the number of listeners set out in this Section via such intermediary service provider, and to perform its obligations related to data reporting and remuneration payments set out in this Tariff Announcement in full and without delay.

When concluding agreements with the intermediary service providers providing hosting services and lease agreements with the users, no discrimination between the hosting service providers and users violating the requirement of equal treatment is allowed, i.e. the same conditions must be provided if the circumstances are the same.

10.1 When setting the remunerations, due consideration has been given to the fact that in the course of the uses specified in the present Tariff Announcement, both protected and non-protected works have been used.

10.2 The remuneration rates are established taking into account that the uses specified in this Tariff Announcement may include works whose author has validly objected to extended collective rights management under Section 18(1) of the Collective Rights Management Act.

10.3 If the user proves that the use solely concerns works—also considering works created by multiple authors as well as adaptations—where each author has validly objected to extended collective rights management under Section 18(1) of the Collective Rights Management Act, no remuneration shall be paid to ARTISJUS for the use.

10.4 If the use also concerns works—also considering works created by multiple authors as well as adaptations—other than the ones where the author has validly objected to extended collective rights management under Section 18(1) of the Collective Rights Management Act, the user may, by the deadline and under the conditions specified in Section 3.6 of Chapter I, opt for paying remuneration in proportion to the use, also subject to Section 3 of Chapter I. In such a case, the musical airtime specified in Section 3.5 shall be understood as the total duration of transmission to the public, within the scope of this Tariff Announcement, of musical works specified in Section 1.1 of Chapter I or certain parts thereof which are presented within a programme item or in another piece of information not regarded as a programme item, broadcasted in a programme, during the total daily airtime of a calendar day of a radio or television broadcasting organisation, less the total airtime of works whose author has validly objected to extended collective rights management under Section 18(1) of the Collective Rights Management Act. In the case of making the choice as specified in this Section, the user shall provide the programme data in accordance with Section 5 of Chapter II for the works whose author has validly objected to extended collective rights management under Section 18(1) of the Collective Rights Management Act, by indicating that these works are disregarded for the purposes of calculating the daily musical airtime.

11. If on the basis of this Tariff Announcement, ARTISJUS concludes a licence agreement with a radio-television organisation (a user) whose habitual place of residence is in another state in the European Economic Area,

a) the competent courts of Hungary will have jurisdiction to decide any legal dispute that arises under or in connection with a licence agreement made under this Tariff Announcement or in connection with the existence, termination, validity or interpretation of such agreement; dispute resolution shall be governed by Hungarian law, except

for the case specified in paragraph *b*) below (the applicable laws in Hungary shall be primarily the Copyright Act and the Civil Code in civil law issues not governed by the Copyright Act);

*b*) if the subject matter of the dispute between the parties to the licence agreement is a copyright infringement by the radio-television organisation or its contributor, the governing law shall be the law of the country where the infringing use took place.

For the purposes of this section, the habitual place of residence of legal persons or other organisations without legal personality is the location of their head office.

12. ARTISJUS may provide for correspondence with the user by electronic means. In this case, electronic communication between ARTISJUS and the user will be governed by a separate agreement.

13. The remuneration rates specified in this Tariff Announcement do not include VAT. Remunerations must be paid inclusive of VAT at the effective rate.

14. Effective period of the Tariff Announcement

This Tariff Announcement shall be in force from 1 January 2022 to 31 December 2022.

*Society ARTISJUS Hungarian Bureau for the Protection of Author's Rights (ARTISJUS Magyar Szerzői Jogvédő Iroda Egyesület)*

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I hereby approve of the tariff schedule in accordance with Section 145(1) of the Collective Rights Management Act.

Budapest, ..... 2021

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