

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

on remunerations payable by organisations simultaneously retransmitting radio and television programmes without any changes and in an unabridged form, and on other terms of licensing the use (Cable I 22)

Based on the provisions of Sections 16(1) and 28(2) and (3) of Act LXXVI of 1999 on Copyright (hereinafter 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 (the Collective Rights Management Act), for the benefit of the authors and, based on the right specified in the second sentence of Section 77(2) of the Copyright Act, for the benefit of performers and sound recording producers in agreement with the FILMJUS Hungarian Society for the Protection of Audio-Visual Authors' and Producers' Rights (FILMJUS Filmszerzők és Előállítók Szerzői Jogvédő Egyesülete), HUNGART Collecting Society of Hungarian Visual Artists (HUNGART Vizuális Művészek Közös Jogkezelő Társasága Egyesület), the Hungarian Record Industry Association (Magyar Hangfelvétel-kiadók Szövetsége Közös Jogkezelő Egyesület) and the Bureau for the Protection of Performers' Rights (Előadóművészi Jogvédő Iroda Egyesület), ARTISJUS hereby determines the remunerations for copyright and neighbouring rights (hereinafter the remunerations) and the terms of licensing the retransmission to the public – simultaneously, in an unchanged and unabridged form (secondary transmission to the public) in accordance with Section 28 (2) and (3) of the Copyright Act – of works, performances and sound recordings broadcast or transmitted in the programme of a radio or television broadcasting organisation or an organisation transmitting its own programme to the public by cable or otherwise, where such retransmission is performed by broadcasting, cable or otherwise, especially by satellite or an IP platform, through another organisation acting as an intermediary:

Chapter I

Remunerations payable by organisations carrying out the unabridged and unchanged simultaneous retransmission of broadcast radio and television programmes

Remunerations payable for retransmission in accordance with Section 28(2) of the Copyright Act of radio and television programmes that may be directly received by the audience.

1. The organisations other than (radio or television broadcasting) organisations communicating to the original primary public (e.g. cable operators and/or broadcasting organisations) as users, who retransmit works broadcast in the programmes of radio or television broadcasting organisations, organisations primarily broadcasting their own programmes by way of cable or otherwise (except by means of an open internet access service), , in an unchanged and unabridged form, by way of cable or otherwise, including in particular by way of satellite or an IP platform, in a controlled environment within the meaning of Section 28(2a) of the Copyright Act, regardless of their organisational forms, shall pay the following amounts for radio and television programmes retransmitted to the individual connected households (subscribers):

a) up to 5000 households connected:

per television programme	HUF 1.71/month/household connected
per radio programme	HUF 0.67/month/household connected

b) in case of more than 5000 households connected:

per television programme	HUF 4.21/month/household connected
per radio programme	HUF 1.71/month/household connected

but, in case of both point *a)* and *b)* above, at least HUF 9.33/month per household connected shall be paid as remuneration.

b) The remuneration payment under paragraph a) may be applied if the user reaches a maximum of 5,000 connected households for each radio or television programme retransmitted by it in the month to which the remuneration payment relates.

2. If a user provides, either by itself or via a contributor, a complex digital audiovisual media service [e.g. non linear video service or timeshift service, provided to the connected household (subscriber) on the basis of or nearly on the basis of the demands from an offering], in the course of which it also engages in use that is subject to a different tariff announcement, the remuneration payable for licensing of the component of the complex service qualifying as retransmission of programmes in an unchanged and unabridged form, by way of cable or otherwise, including in particular by way of satellite or an IP platform and for the settlement of remuneration claims is the remuneration set out in Section 1 a) or b).

3. For uses realised in the framework of complex digital audiovisual media service that are subject to different tariff announcements, a separate licence in accordance with the applicable tariff announcement shall be applied for, and a separate remuneration shall be paid for such licence.

4. The organisation retransmitting programmes in an unchanged and unabridged form (other than the original radio or television broadcasting organisation performing the primary broadcasting to the public) shall pay the remuneration in Section 1 a) or b) for the licensing of retransmission and the fulfilment of remuneration claims even if it performs the retransmission in accordance with this Section 1 on an IP platform in a controlled environment within the meaning of Section 28(2a) of the Copyright Act by using the services of an intermediary service provider as defined in Act CVIII of 2001 on Certain Matters Relating to Electronic Commerce Activities and Services Related to Information Society.

Chapter II

General terms and conditions of the Tariff Announcement

1.1 For the purposes of this Tariff Announcement, users shall mean the person or organization (other than the original primary broadcasting (radio or television broadcasting) organisation (e.g. cable operators and/or broadcasting organisations)) retransmitting works broadcast by radio or television organisations and/or broadcast in the programmes of organisations which primarily broadcast their own programmes by way of cable or otherwise (except by means of an open internet access service), simultaneously, in an unchanged and unabridged form, by way of cable or otherwise, including in particular by way of satellite or an IP platform in a controlled environment within the meaning of Section 28(2a) of the Copyright Act.

1.2 For the purposes of this Tariff Announcement, radio and/or television broadcasting organisations shall mean organisations

- which transmit their own programmes directly receivable by the audience, to the public by means of terrestrial or satellite broadcasting, by cable or in any other manner

irrespective of the method of transmission or broadcasting, unless the original transmission to the public is made via an open internet access service.

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 user against the user's overdue unsettled remuneration payments.

3. The due date of data reporting (accounting) and remuneration payment, default interest, limitation

3.1 The data reporting as per Section 4, including the data necessary for the calculation of the remuneration, must be submitted every calendar quarter, by the 15th day of the first month following the relevant quarter and the

remuneration is due by the last day of the first month following the relevant quarter (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.

3.2 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 Section 3.1. If the user concluded a licence agreement with ARTISJUS and the user falls into delay with the remuneration payment, the service provider must also pay a flat-rate reimbursement for debt collection costs.

3.3 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 shall be 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 disclose 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.

4. Data reporting for the calculation and distribution of remunerations

4.1. The user shall provide data about the programme sequences actually retransmitted [Section 59(1) of the Collective Rights Management Act].

4.2 The data reporting takes place via the form designated for this purpose by ARTISJUS or another format set out in the contract concluded between the parties (but in any case by electronic means). Among the data provided, the user must indicate the designation of the television and radio programmes rebroadcast or broadcast to the public by it, the calendar period of the broadcasting and the number of connected households reached by the television and radio programmes in this period. Among the data provided, the user must provide the data specified in the previous sentence for each television and radio programme, in the broadcasting to the public or rebroadcasting of which it was involved in any manner.

4.3 ARTISJUS will share the data provided by the user with Filmjus Hungarian Society for the Protection of Audio-Visual Authors' and Producers' Rights (Filmjus Filmszerzők és Előállítók Szerzői Jogvédő Egyesülete), HUNGART Collecting Society of Hungarian Visual Artists (HUNGART Vizuális Művészek Közös Jogkezelő Társasága Egyesület), the Hungarian Recording Industry Association (Magyar Hangfelvétel-kiadók Szövetsége Közös Jogkezelő Egyesület) and with the Bureau for the Protection of Performers' Rights (Előadóművészi Jogvédő Iroda Egyesület), for the purposes of carrying out the collective rights management activities of these copyright societies under Section 28(2) – (5) of the Copyright Act. Prior to sharing the data, ARTISJUS shall enter into a confidentiality agreement with these copyright societies. At their request, users will be informed by ARTISJUS on the manner and time of the data sharing, and on the copyright society with which it has shared the data.

4.4. In the event of late compliance with the data reporting obligation, the user shall pay a late payment penalty for the period of this delay. The daily rate of the penalty for the delay is 0.5% of the remuneration payable by the user for the given quarter, but at least HUF 500 for one day. The penalty shall not exceed 30% of the remuneration payable by the user.

4.5. If the user fails to perform the data reporting obligation, or if performance of this obligation is defective, the user shall pay a penalty for defective performance, the amount of which shall be the same as the amount of the late payment penalty determined in Section 4.4 above.

5. ARTISJUS may check the data provided for the purposes of remuneration calculation, as well as the manner and extent of the use of works. If, in the course of an audit under this section, ARTISJUS ascertains that a calculation was incorrect and that the difference between the reported information and the information verified by the audit of ARTISJUS and used for the calculation of remunerations is greater than 5% in favour of the service provider, the service provider shall pay a penalty for defective performance. The amount of this penalty shall be 20% of the difference of the remuneration payable by the user.

6. In the first calendar year 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.

7.1 Instead of the itemised remunerations as determined in the relevant provisions of the Tariff Announcement, ARTISJUS may conclude a licence agreement containing a flat-rate or discounted remuneration, with users or with the national organisations adequately representing a substantial part of the affected users, acting on behalf of the users.

In the licence agreement containing a flat-rate or reduced remuneration, ARTISJUS and the user and/or their interest organisations may agree on provisions specifying a different due date for data reporting and remuneration payment.

7.2 When concluding the agreements under this Section, 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.

7.3 Flat-rate licence agreements or licence agreements with a discounted remuneration may only be concluded if
a) the affected user does not have any remuneration debt and has fulfilled its data reporting obligation regarding the use (Section 4) in accordance with Section 59(1) of the Collective Management Act;

b) it is possible and justifiable to conclude a licence agreement under this Section, given the circumstances of use, a significant difference from the typical composition of the works as regulated by the current Tariff Announcement, or the significant extent of the use and as a result of the remuneration to be paid by the user, or a commitment by the user to provide data in a uniform format and with uniform content in order to facilitate easier data processing with regard to the data reporting required for the calculation of the remuneration or the distribution of the remuneration (Section 4), or the voluntary membership of a significant part of the users in the same organisation representing the users' rights, and the authorisation in compliance with the law and the statutes of such organisation to conclude a licencing agreement.

7.4 A licence agreement may only be concluded with national interest representation organisations in accordance with this Section if the organisation provides appropriate guarantees for the remuneration payment obligations of its members (i.e. the users concerned) and/or assists in ensuring that the users concerned comply with their obligations under this Tariff Announcement, or supports the enforcement activities of ARTISJUS, and/or if the organisation collects the data required for the calculation and distribution (Section 4) of the remuneration payable by the users concerned, and forwards such data to ARTISJUS, makes the verification of the manner and extent of the use of the works possible in a method beyond the verifications provided for in Chapter II, Section 5 and/or if the organisation assumes the remuneration payment obligation in whole or in part.

8. If uses are not identified in this Tariff Announcement or if the amount of remuneration cannot be calculated on the basis of the provisions of this Tariff Announcement applicable to the specific categories of use because of the business model which the user applies towards members of the public, the remuneration shall be set by ARTISJUS on a case-by-case basis in accordance with the principles and proportions of the published remuneration rates.

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

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

Chapter III

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)*

I hereby approve of the tariff schedule in accordance with Section 145(2) of the Collective Rights Management Act.

Budapest, “ ” 2021

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Minister of Justice