

Selected Extracts from the Media Act:

CHAPTER II

THE RIGHT TO PROVIDE MEDIA SERVICES AND TO PUBLISH MEDIA PRODUCTS

General Provisions

Article 41

(1) Linear media service subject to this Act provided by a media service provider with a registered office (domicile) on the territory of the Republic of Hungary shall commence subsequent to application for registration and administrative authorisation by the **National Media and Communications Authority** (hereinafter referred to as the Authority), with the exception of state-owned analogue linear media services using limited resources that shall be provided subject to winning a tender announced and managed by the **Media Council** and entering into an agreement therefor.

(2) On-demand and ancillary media services subject to this Act provided by a media service provider with a registered office (domicile) on the territory of the Republic of Hungary shall be registered with the Authority. The said shall also be applicable to a media product published by a publisher with a registered office (domicile) on the territory of the Republic of Hungary.

Article 84:

Parliament shall establish the **Public Service Foundation** (hereinafter referred to as Public Foundation) with a view to providing for public service media and new service broadcasting and the protection of their independence. The Public Foundation is owned by *Magyar Televízió* Non-Profit Private Company Limited by Shares, *Duna Televízió* Non-Profit Private Company Limited by Shares, *Magyar Rádió* Non-Profit Private Company Limited by Shares, and *Magyar Távirati Iroda* Non-Profit Private Company Limited by Shares (hereafter jointly: public service broadcasters).

Article 85

(1) The managing organisation of the Public Foundation is the Board of Trustees.

(2) The tasks and scope of activities of the Board of Trustees shall be outlined in the Public Foundation's deed of foundation, in line with this Act.

(3) The Board of Trustees shall – within the framework of this Act and the Public Foundation's deed of foundation – define and adopt its own procedural rules, as well as the Public Foundation's Organisational and Operational Regulations. These procedural rules outline the rules governing the substitution of the chairperson of the Board of Trustees.

(4) The operations of the Board of Trustees shall be supported by the Board of Trustees bureau (hereinafter referred to as Bureau). The administrative, case management and procedural responsibilities of the Board of Trustees shall be fulfilled by the Bureau. The Board of Trustees as well as Board of Trustee members are entitled to get expert assistance via the bureau. The terms and conditions of using experts as well as the operating conditions of the Bureau shall be set out in the Public Foundation's Organisational and Operational Regulations.

Composition of the Board of Trustees

Article 86

(1) Parliament shall elect six members to the Board of Trustees by voting for each member individually, subject to a two-thirds majority of the MPs in attendance.

(2) One half of the members who may be elected by the Parliament to the Board of Trustees shall be nominated by the governing faction and the other half by the opposition factions. Both the governing faction and the opposition factions shall come to a mutual agreement about the candidates who may be nominated by the governing/opposition sides respectively.

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(6) The chairperson of the Board of Trustees and one other member shall be delegated by the Media Council for a term of nine years.

(7) The Board of Trustees shall be deemed to have come to existence when all its members have been elected and its chairperson as well as one other member has been delegated by the Media Council. Each Board of Trustees member shall be inaugurated by making an oath before the speaker of Parliament in accordance with Annex 2.

(8) The formation of the Board of Trustees shall not be prevented by the failure of either the governing or the opposition faction to make a nomination, or in the event that not all nominees obtain the necessary majority – or if Paragraph (5) applies then the new nominee does not get the necessary majority. In this case the Board of Trustees comes into existence with the election of at least three members.

Powers and Responsibilities of the Board of Trustees

Article 90

(1) The Board of Trustees has the following powers:

- a) supervise fulfilment of public media service objectives through the activities of public service broadcasters,
- b) if in its opinion the behaviour of a public media service provider seriously violates or threatens the attainment of public media service objectives, then it may propose to the Media Council to start proceedings,
- c) safeguard the independence of public service broadcasters,
- d) establish and amend the deed of foundation of a public media service provider, and publish it in the Magyar Közlöny (Official Gazette),
- e) elect the general manager of a public media service provider, and determine the terms and conditions of his or her work contract as well as remuneration,
- f) terminate the employment of the general manager of a public media service provider,
- g) elect the joint supervisory board chairperson and members of a public media service provider, and also recall the same,
- h) appoint the auditor of a public media service provider, or terminate the mandate of the former. The responsibilities, powers and scope of authority of the auditor are regulated by the Board of Trustees in the deed of foundation of the public media service provider within the framework of the Act on Business Associations and the Accounting Act,
- i) approve the annual financial management plan of the Public Foundation and adopt its balance sheet,
- j) in relation to public service broadcasters, exercise the powers of the general meeting based on the Act on Business Associations, with the exceptions defined by this Act,
- k) as the trustee of the Public Foundation, dispose of the Public Foundation's assets,
- l) increase or lower the equity capital of the public media service provider, as regulated by the Public Foundation's deed of foundation,
- m) approve the principles and key accounts of the public media service provider's annual financial management and financial plans,
- n) approve the public media service provider's balance sheet and profit and loss statement,
- o) control the funding and financial management of the public media service provider in terms of compliance with applicable EU standards,
- p) grant prior authorization for negotiating contracts of more than three hundred million forints which public service broadcasters may wish to conclude,
- q) grant prior approval for borrowing arrangements of public service broadcasters and contracts of more than one hundred million forints to be concluded by the former, as well as for the amendment or termination of any contracts thus concluded,
- r) discharge other responsibilities as may be defined hereunder.

(2) When applying sections (p)-(q) of Paragraph (1), the value of all services to be paid for by the public media service provider within the same calendar year under various contracts with the same contracting partner – regardless of their content – shall be aggregated.

CHAPTER III

THE PUBLIC SERVICE CODE AND THE PUBLIC SERVICE BOARD

The Public Service Code

Article 95

(1) The Public Service Code (hereinafter referred to as the Code) contains – in accordance with this Act – the basic principles governing public service broadcasters and fine-tunes the public service objectives defined in this Act. The Code can contain either general content or content relating to individual public service broadcasters. Fundamentally, the Code is meant to provide guidance to public service broadcasters regarding the proper operating principles to be adopted by public service broadcasting companies within the framework of the Act.

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Article 96

The Code can regulate the following, among other things:

- a) the means and method of attaining statutory objectives defined for public service broadcasting,
- b) the basic principles ensuring independence from political parties and political organisations,
- c) the principles regarding the presentation of news and political programmes on current issues and disputed matters in a broader perspective and in an objective and unbiased manner, and the presentation of the diversity of opinions and views,
- d) the criteria for fostering culture in the native language,
- e) the principles and manner of presenting the culture and life of national and ethnic minorities living in Hungary,
- f) the principles of presenting cultural, scientific, ideological and religious diversity,
- g) the principles of performing tasks with regard to the protection of minors,
- h) the principles relating to ethical norms governing the broadcasting of commercial announcements, advertising and the sponsorship of programmes,
- i) the principles of the broadcasting announcements in the public interest,
- j) the principles relating to the extent and guarantees of the editorial independence and responsibility of programme makers employed by public service broadcasters, and the guarantees of their participation in the definition of principles with respect to making and editing of programmes,
- k) the principles of keeping members of the Hungarian nation living abroad adequately informed on the one hand, and providing adequate information about them on the other hand,
- l) the principles of formulating basic ethical rules applying to staff members – pointing beyond the scope of this Act –, with special regard to those employed in news and political programmes.

The Public Service Board

Article 97

(1) The Public Service Board is composed of fourteen members, its chairperson is elected by its own members from their midst, it adopts its decisions with a simple majority of votes, unless the Act stipulates otherwise. In the event of the parity of votes, the vote of the chairperson shall be decisive.

(2) Members of the Public Service Board are delegated by the Proposing Organisations defined in Annex 1 to this Act for a term of three years, in the manner as defined in the Annex. Members may be delegated for several terms. Failure by any of these organisations to exercise its delegation right shall not impede the operation of the Public Service Board.

(3) Public Service Board members must be delegated at least thirty days prior to the end date of the previous member's mandate.

(4) The Public Foundation's bureau shall fulfil the secretarial responsibilities of the Public Service Board.

(5) The Public Service Board's chairperson is entitled to forty percent of the basic remuneration of state secretaries, and its members are entitled to twenty-five percent of the basic remuneration of state secretaries. Additionally, the chairperson and members are entitled to the reimbursement of their travel expenses.

(6) The Public Service Board guarantees social control over public service broadcasters.

(7) The Public Service Board constantly monitors how public service orientation is manifested, and exercises control in accordance with Paragraphs (8)-(13) over public service broadcasters in relation to the execution of the provisions of this Act.

(8) Once every year - always by February 28 in relation to the previous calendar year – the general directors of a public service broadcaster draft a report on whether or not – in their own assessment – the media service provider under their management has fulfilled the requirements outlined in this Act regarding the objectives and basic principles of public service broadcasting.

(9) The Public Service Board discusses this report and adopts it with a simple majority of votes.

(10) If the Public Service Board decides to reject the report – after having personally interviewed the general director –, the Public Service Board may consider submitting a proposal to the Board of Trustees for the termination of the general manager's employment. Adopting such a proposal requires the two-thirds majority vote of Public Service Board members.

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PART FOUR SUPERVISION OF MEDIA SERVICES AND PRESS PRODUCTS

CHAPTER I

THE NATIONAL MEDIA AND INFOCOMMUNICATIONS AUTHORITY

General Provisions

Article 109

(1) The National Media and Infocommunications Authority (hereinafter: the Authority) is an autonomous administrative agency solely subject to Hungarian law.

(2) The Authority contributes to implementing the Government's policy - regulated by laws - in the area of frequency management and telecommunications. The Authority may be instructed to assume functions under statutes issued by virtue of authorisation granted by law.

(3) The Authority comprises the following entities with independent powers: President of the National Media and Infocommunications Authority (hereafter: President), the Media Council of the National Media and Infocommunications Authority and the Bureau of the National Media and Infocommunications Authority.

(4) The Authority reports to Parliament on its activities on an annual basis.

(5) In relation to the telecommunications industry, the Authority is responsible for ensuring – particularly in line with the objectives and basic principles of the Electronic Communications Act – the smooth and effective functioning and development of the telecommunications market, for safeguarding the interests of the players of the telecommunication sector as well of users, for fostering the development and maintenance of fair and efficient competition within the electronic communications sector, and for monitoring the legal compliance of the behaviour of telecommunication entities as well as individuals.

(6) The Authority performs its tasks and exercises its powers independently, in compliance with applicable laws.

(7) The telecommunications regulatory powers of the Authority cannot be curbed in any way.

(8) The Government's public administration function pertaining to non-civilian frequency management shall be provided for by the Public Administration Frequency Management Authority (hereafter: KFGH).

(9) Within the organisational structure of the Bureau and reporting to the director general, KFGH shall be regarded an organisational unit with its own jurisdiction.

Article 110

For purposes of the telecommunications industry and subject to separate legislation, the Authority shall:

- a) make representations regarding legislative and modification requests and proposals falling within its jurisdiction,
- b) assess and continuously analyse the functioning of the telecommunications and related information technology markets,
- c) continuously evaluate the status of the telecommunications market and prepare comparative analyses,
- d) conduct market analysis,
- e) proceed in connection with the fulfilment and/or breach of certain obligations imposed on service providers affected,
- f) take action in connection with any breaches of telecommunications rules, as well as in proceedings launched in relation to legal disputes that may arise from the conclusion of contracts,
- g) provide for regulatory tasks as outlined in other legislations in respect of electronic communications and postal services,
- h) within the scope of financial management, the Authority shall exercise – in accordance with this Act and other statutes – the state ownership rights pertaining to radio frequencies and identifiers, and oversee the utilisation of radio frequencies and identifiers for civilian purposes,
- i) provide for regulatory and non-regulatory tasks defined by other legislations

Bureau of the National Media and Infocommunications Authority

Article 114

- (1) The Bureau shall be led by a director general appointed by the President for an indefinite period.
- (2) From the powers defined in Article 110, the Bureau shall exercise functions that are conferred upon the Bureau by separate legislation, furthermore it shall fulfil its tasks as may be conferred upon it by laws or the President within the scope of this Act and other legislation.
- (3) The President, the Vice Presidents, the Media Council and members of the Media Council shall be assisted by the Bureau in professional matters as deemed appropriate for the performance of their duties.
- (4) KFGH shall be headed by a director - appointed by the President for an indefinite period based on the director general's proposal - in relation to whom the employer's rights shall be exercised by the director general, with the exception of appointment, dismissal and recalling. Provisions under Article 117 pertaining to the deputy director general shall be applied also to the conditions of appointment, dismissal and recalling of KFGH's director.
- (5) KFGH shall have jurisdiction in matters of non-civilian frequency management as defined in separate legislation.

THE MEDIA COUNCIL OF THE NATIONAL MEDIA AND INFOCOMMUNICATIONS AUTHORITY **Legal Status and Organisation of the Media Council**

Article 123

- (1) The Media Council is an independent body of the Authority reporting to Parliament and possessing the status of a legal person. The Media Council is the legal successor of the National Radio and Television Commission.
- (2) The Media Council and its members are solely subject to Hungarian law may not be instructed with respect to the fulfilment of their official duties.
- (3) The Media Council is seated in Budapest.
- (4) The Bureau is the central administrative unit of the Media Council.
- (5) On the basis of a mandate given via the Bureau, the Media Council and its members may employ external experts as well.

Responsibilities of the Media Council

Article 132

In accordance with Articles 181-182 the Media Council shall:

- a) oversee and guarantee the freedom of press under this Act and the General Rules on Media Content (Smtv.),
- b) ensure the bidding process for broadcasting titles made available for media services and using state-owned limited resources , and evaluate tender bids,
- c) perform the supervisory tasks and controls prescribed by this Act,
- d) operate a programming watchdog and analysis service,
- e) express its opinion regarding draft legislation on the media and telecommunications,
- f) monitor, at regular intervals, whether regulatory agreements it has concluded are being duly performed,
- g) elaborate official positions and proposals with respect to the theoretical aspects of developing the Hungarian system of media services,
- h) initiate proceedings with respect to consumer protection and the prohibition of unfair market practices,
- i) prepare a report to the European Commission on the fulfilment of obligations with regard to programme quotas,
- j) initiate amendments to this Act as may be necessary vis-a-vis the minister responsible for audiovisual policy,
- k) undertake a pioneering role in developing media literacy and deliberate media use in Hungary and, as part of this endeavour, coordinate the activities of other administrative players in the area of media literacy, as well as assist the government with drafting its upcoming interim report to the European Union on the subject matter,
- l) attends to other responsibilities as defined by this Act and by other legislation empowered by this Act.

The report of the Media Council

Article 133

(1) By May 31 of every year, the Media Council shall submit a report to Parliament to give account of its activities for the previous year. In this report it has to evaluate:

- a) the current status of the freedom of speech, opinion and the press, as well as the freedom of information,
- b) changes in the ownership status of media service providers and broadcasters,
- c) the status quo of frequency management serving to satisfy existing needs for media services,
- d) the economic situation and changes in the financial conditions of media services.

CHAPTER III

THE COMMISSIONER FOR MEDIA AND COMMUNICATIONS

General rules

Article 139

(1) An integral part of the Authority is the Commissioner for Media and Communications (hereinafter: the Commissioner) acting on its behalf. The Commissioner contributes to the promotion of rights and equitable interests of users, subscribers, viewers, listeners, consumers resorting to electronic news services or media services as well as the readers of printed press materials in electronic communications, media services and media products. The Commissioner shall act in matters vested with him under this Act.

(2) The Commissioner shall be appointed and recalled by the President, who shall also exercise the employer's powers over him. The Commissioner is a civil servant in the position of a Head of Division. In performing its duties hereunder, the Commissioner may not be given instructions; he shall report to the President and/or the Media Council as defined in Article 143.

(3) The provisions of Article 111 (4) shall apply *mutatis mutandis* to the Commissioner.

(4) The Commissioner is assisted in performing its duties by the Office of the Commissioner for Media and Communications (hereinafter: the Commissioner's Office), with the civil servants thereof being appointed and recalled by the President; the employer's powers over these civil servants shall be vested with the Commissioner, excepting the powers to appoint and recall employees.

Proceedings against a media content provider resident in another Member State

Article 176

(1) When the linear audiovisual media service of a media service provider residing in another Member State is intended for use in the territory of the Republic of Hungary, the Media Council shall have the right to apply the legal consequences as defined in Article 187(3)(b)–(d) against the media service provider under its resolution for the period of the infringement or up to 180 days at the most when the following conditions are met:

(a) the media service clearly and materially violates Article 17, 19(1) or 19(4) of the Press and Media Act or Article 9 or 10(1)–(3) of this Act,

(b) the media service violated the provisions set forth in paragraph (a) on at least two occasions within the twelve months prior to the resolution to be issued by the Media Council under this paragraph on the limitation of broadcast;

(c) the Republic of Hungary at the initiative of the Media Council notified the particular media service provider and the European Community of the instances of infringement as defined in item (a) and the measures the Media Council intends to take in case of repeated infringement; and

(d) no agreement is made between the Republic of Hungary and the Member State in which the media service provider is resident — on the basis of the consultations made with the European Commission within fifteen days from the notification defined in item (c) and the infringement described in item (a) still exists or is committed repeatedly.

(2) The Media Council shall send the decision defined in paragraph (1) to the European Commission concurrently with the announcement thereof.

(3) When the European Commission obliges the Media Council to withdraw the decision passed under paragraph (1) in a decision passed within two months of the notification defined in paragraph (2), it shall proceed as provided for in the decision of the European Commission.

Article 177

(1) When the on-demand audiovisual media service of a media service provider residing in another Member State is intended for use, is broadcast or published in the territory of the Republic of Hungary, the Media Council shall have the right to apply the legal consequences as defined in Article 187(3)(b)–(d) against the media service provider under its decision for the period of the infringement or up to 180 days at the most when the following conditions are met:

(a) the measures are necessary for the protection of public order, the prevention, investigation and prosecution of criminal acts, necessary on account of infringement of the prohibition of inciting hatred against communities, for the protection of minors, public health, public security, national security and consumers and investors;

(b) the measures are taken against a media service provider of an on-demand media service that violates or presents a serious risk on any of the interests defined in item (a); and

(c) the measure is proportionate to the interests to be protected.

(2) Prior to the institution of the proceedings intended for formulating the resolution defined in paragraph (1), the Media Council shall request that the Member State in which the media service provider rendering on-demand media services as defined in paragraph (1) has its residence take appropriate measures. When the Member State fails to take, or improperly takes the measure within the reasonable time set forth in the request lodged by the Media Council, the Media Council shall send the draft version of the decision defined in paragraph (1) to the European Commission and the particular Member State. When the European Commission obliges the Media Council to withdraw the draft decision, it shall proceed as provided for in the decision of the European Commission.

(3) In cases of exceptional urgency, and with a view to protecting viewers' interests, the Media Council shall have the right to make a temporary decision defined in paragraph (1). The temporary decision shall be executable with immediate effect. The Media Council shall send the temporary decision to the European Commission and the particular Member State concurrently with the announcement thereof. The Media Council shall resolve as to whether to uphold or withdraw the temporary decision as provided for in the decision of the European Commission.

Article 178

(1) When the radio media service or press media of a media content provider residing in another Member State is intended for use, is broadcast or published in the territory of the Republic of Hungary, the Media Council shall have the right to apply the legal consequences as defined in Article 187(3)(b)–(d) against the media service provider under its decision for the period of the infringement or up to 180 days at the most when the following conditions are met:

(a) the measures are necessary for the protection of public order, the prevention, investigation and prosecution of criminal acts, necessary on account of infringement of the prohibition of inciting hatred against communities, for the protection of minors, public health, public security, national security and consumers and investors;

(b) the measures are taken against a media content provider of radio media service or press media that violates or presents a serious risk on any of the interests defined in item (a); and

(c) the measure is proportionate to the interests to be protected.¹⁵⁹

(2) Prior to the institution of the proceedings intended for formulating the decision defined in paragraph (1), the Media Council shall request that the Member State in which the media service provider rendering radio media services or publisher of a media product as defined in paragraph (1) has its residence take appropriate measures. The Media Council may institute the proceedings defined in paragraph (1) provided that the Member State fails to, or improperly take the measure within the reasonable time set forth in the request lodged by the Media Council.

(3) In cases of exceptional urgency, and with a view to protecting listeners' and readers' interests, the Media Council shall have the right to make an interim decision defined in paragraph (1). The temporary decision shall be executable with immediate effect. The Media Council — concurrently with its announcement — shall send the temporary decision to the Member State in which the media service provider rendering radio media services or publisher of a media product as defined in paragraph (1) has its residence and shall request that such Member State take appropriate measures. When the Member State takes the measures within the reasonable time set forth in the request, the Media Council shall resolve on the withdrawal of the temporary decision; while in case of failure, or improper delivery of the measures, it shall resolve on upholding the temporary decision.

Article 179

(1) This Act and Articles 13–20 of the Press and Media Act shall be applicable to the linear audiovisual media service of the media service provider residing in another Member State in accordance with the provisions of paragraph (2)–(5) hereof, on condition that the media service provider residing in another Member State intends the particular linear audiovisual media service for use in the territory of the Republic of Hungary in its entirety or to a large extent and the media service provider established residence outside the territory of the Republic of Hungary with a view to avoiding the applicability of more stringent rules thereon under this Act and the Press and Media Act.

(2) In its assessment as to whether the conditions defined in paragraph (1) are met, the Media Council shall examine — among others — in which of the Member States the major sources of the revenues of the media service provider residing in another Member State are to be found for the purposes of its linear audiovisual media service, which primary language is used in the media service, in which of the Member States the majority of sites covered in the broadcasts are located and which Member State's audience the programmes in the media services are addressed to.

(3) When the conditions defined in paragraph (1) are met, the Media Council — on infringement of the provisions of this Act and the Press and Media Act — shall seek measures to be taken by the Member State in which the media service provider rendering the media service defined in paragraph (1) has its residence.

(4) The Media Council may apply the legal consequences as defined in Article 187 (3) (b)–(d) against the media service provider defined in paragraph (1) under its decision when it established that the Member State with jurisdiction over the particular media provider as defined in paragraph (3) failed to take, or improperly took measures within two months.

(5) The Media Council shall send the draft decision defined in paragraph (4) to the European Commission prior to the announcement thereof. When the European Commission obliges the Media Council to withdraw the draft decision, it shall proceed as provided for in the decision of the European Commission.

Article 180

(1) This Act and Articles 13–20 of the Press and Media Act shall be applicable to the radio media service of the media content provider residing in another Member State in accordance with the provisions of paragraphs (2)–(3) hereof, on condition that the media content provider residing in another Member State intends the particular radio media service for use in the territory of the Republic of Hungary in its entirety or to a large extent and the media content provider established residence outside the territory of the Republic of Hungary with a view to avoiding the applicability of more stringent rules thereon under this Act and the Press and Media Act.

(2) In its assessment as to whether the conditions defined in paragraph (1) are met, the Media Council shall examine — among others — in which of the Member States the major sources of the revenues of the media content provider residing in another Member State are to be found for the purposes of its radio media service, which primary language is used in the media service or media product, in which of the Member States the majority of sites covered in the broadcasts and reporting are located and which Member State’s audience the programmes and media content in the media services or media product are addressed to.

(3) When the conditions defined in paragraph (1) are met, the Media Council — on infringement of the provisions of this Act or the Press and Media Act — shall seek measures to be taken by the Member State in which the media service provider rendering the media service or the publisher of the media product defined in paragraph (1) has its residence.

(4) The Media Council may apply the legal consequences as defined in Article 187(3)(b)–(c) against the media service provider defined in paragraph (1) under its decision when it established that the Member State with jurisdiction over the particular media provider as defined in paragraph (3) failed to take, or improperly took measures within two months.

LEGAL CONSEQUENCES APPLICABLE IN CASE OF INFRINGEMENT

Article 185

(1) The Media Council or the Agency shall have the right to apply the legal consequence on parties infringing regulations on media administration in accordance with the provisions of Articles 186–189.

(2) In applying the legal consequence, the Media Council and the Agency — under the principle of equal treatment — shall act in line with the principles of progressivity and proportionality; shall apply the legal consequence proportionately in line with the gravity and rate of re-occurrence of the infringement, taking into account all circumstances of the case and the purpose of the legal consequence.

Article 186

(1) When the infringement is of minor significance and no re-occurrence is established, the Media Council or the Agency — on noting and warning on the fact of the infringement — may request that the

infringer discontinue its unlawful conduct, refrain from infringement in the future and act in a law-abiding manner and may also set the conditions thereof, within a deadline of 30 days at the most.

(2) In the context of the request defined in paragraph (1), the considerations defined in Article 187 (2) shall not be applicable.

(3) When — considering all the circumstances of the case — the request may not be applicable or would prove inefficient to ensure compliance with the obligation to discontinue the infringement, the Media Council or the Agency — without stating the reasons for dispensing with making a request — shall prohibit the unlawful conduct and/or may set obligations to ensure observance of the provisions of this Act and may apply legal consequences.

Article 187

(1) In case of repeated infringement, the Media Council and the Agency shall have the right to impose a fine on the senior officer of the infringing entity in an amount not exceeding HUF 2,000,000, in line with the gravity, nature of the infringement and the circumstances of the particular case.

(2) The Media Council and the Agency shall impose the legal consequence — depending on the nature of the infringement — taking into account the gravity of the infringement, whether it was committed on one or more occasions or on an ad-hoc or continuous basis, its duration, the pecuniary benefits earned as a result of the infringement, the harm to interests caused by the infringement, the number of persons aggrieved or jeopardized by the harm to interests, the damage caused by the infringement and the impact of the infringement on the market and other considerations that may be taken into account in the particular case.

(3) The Media Council and the Agency — with due heed to paragraph (7) — shall have the right to impose the following legal consequences:

a) it may exclude the infringer from the opportunity to participate in the tenders put out by the Fund for a definite period of time;

b) it may impose a fine on the infringer in line with the following limits:

ba) in case of infringement by a JBE media service provider and the media service provider under the regulations on the limitation of media market concentration, the fine shall be of an amount not exceeding HUF 200,000,000;

bb) in case of infringement by a media service provider falling beyond the scope of item (ba), the fine shall be of an amount not exceeding HUF 50,000,000;

bc) in case of a newspaper of nationwide distribution, the fine shall be of an amount not exceeding HUF 25,000,000;

bd) in case of a weekly periodical of nationwide distribution, the fine shall be of an amount not exceeding HUF 10,000,000;

be) in case of other newspaper or weekly newspaper or periodical, the fine shall be of an amount not exceeding HUF 5,000,000;

bf) in case of an online media product, the fine shall be of an amount not exceeding HUF 25,000,000;

bg) in case of a broadcaster, the fine shall be an amount not exceeding HUF 5,000,000;

bh) in case of an intermediary service provider, the fine shall be of an amount not exceeding HUF 3,000,000;

c) the infringer may be obliged to publish a notice or the resolution on the opening page of its website, in a media product or a designated programme in the manner and for the period of time specified in the resolution;

d) it may suspend the exercise of the media service provision right for a specific period of time;

da) the period of suspension may last from fifteen minutes up to twenty four hours;

db) the period of suspension in case of grave infringement may last from one hour up to forty eight hours;

dc) the period of suspension in case of repeated and grave infringement may last from three hours up to one week;

e) it may delete the media service from the registry as defined in Article 41 (4) in which the infringement was committed and may terminate the official contract on the media service provision

right with immediate effect on repeated grave infringement by the infringer. The media service deleted from the registry may not be made accessible for the public once it was deleted.

(4) For the purposes of paragraphs (1)-(3), the infringement shall be deemed committed on several occasions when the infringer committed the unlawful conduct as established in the administrative resolution on the same legal basis and in breach of the same provisions of legislation, in the same subject.

(5) The legal consequences defined in paragraph (3) may also be imposed jointly.

(6) Media service provider of a linear media services may be subjected to the legal consequences defined in paragraph (3) (a)-(e), while providers of on-demand or ancillary media service to the legal consequences defined in paragraph (3) (a)-(d) and publishers of media products to the legal consequences defined in paragraph (3) (b)-(c).

(7) The powers to apply legal consequence defined in paragraph (3) (e) shall be with the Media Council.

(8) The Media Council shall have the right to apply the liquidated damages defined in the contract and other legal consequences on media service providers with which administrative agreement is concluded only by way of an administrative procedure.

Responsibility of the broadcasters and intermediary service providers for the broadcasting of media services and media products

Article 188

(1) The broadcaster and the intermediary service provider shall be responsible for the broadcasting of media services and media products in accordance with the provisions of paragraph (2)-(4) and Article 189.

(2) The broadcaster may be obliged to suspend or terminate the broadcasting of media services in accordance with Article 189.

(3) The intermediary service provider may be obliged to suspend the broadcasting of media services and online media products in accordance with

(4) The broadcaster shall not be responsible for the content of the programme of the media service provider resident in a state party to the Agreement on the European Economic Area and European Convention on Transborder Television and in its supplementary Protocol signed in Strasbourg on 5 May 1989 and promulgated by Act 49 of 1998. The broadcaster, however, may be obliged to suspend the broadcasting of the media service under Article 189, taking into account of the provisions of Articles 176–180.

Article 189

(1) When the Media Council resorts to the legal consequence against the media service provider defined in Article 187 (3) (e), the broadcaster shall — on the basis of the request issued by the Media Council after the resolution took effect — terminate the broadcasting of the media service covered in the resolution as defined in the request.

(2) When — in case of repeated infringement — the Media Council or the Agency applies a legal consequence defined in Article 187 (3) (b)-(d) against the media service provider and the media service provider fails to fulfil the terms of the final and executable resolution specifying also legal consequences at the request of the Media Council or the Agency, the broadcaster — on the basis of the request issued by the Media Council following the entry into force of the resolution and the expiry of the delivery deadline — shall suspend the broadcasting of the media service covered in the resolution as defined in the request.

(2) When — in case of on-demand or ancillary media service — the Media Council or the Agency applies a legal consequence defined in Article 187 (3) (b)-(d) against a media service provider and the media service provider fails to fulfil the terms of the final and executable resolution specifying also legal consequences at the request of the Media Council or the Agency, the intermediary service provider — on the basis of the request issued by the Media Council following the entry into force of the resolution and the expiry of the delivery deadline — shall suspend the broadcasting of the media service or ancillary media service covered in the resolution as defined in the request.

(4) When — in case of an online media product — the Media Council or the Agency applies a legal consequence defined in Article 187 (3) (b)–(c) against the publisher of the media product and the publisher fails to fulfil the terms of the final and executable resolution specifying also legal consequences at the request of the Media Council or the Agency, the broadcaster — on the basis of the request issued by the Media Council following the entry into force of the resolution and the expiry of the delivery deadline — shall suspend the broadcasting of the media product covered in the resolution as defined in the request.

171 (5) The request defined in paragraph (1)–(4) shall contain an appropriate deadline to be met by the broadcaster and/or the intermediary service provider.

(6) When the broadcaster and/or the intermediary service provider fails to fulfil the provisions of the request defined in paragraph (1)–(4), the Media Council or the Agency shall institute *ex officio* administrative proceedings against the broadcaster or the intermediary service provider and shall have the right to apply the legal consequences defined in Article 187 (3) (bg) or (bh).