

General Terms and Conditions

HUNGART is an organization that was established to collectively manage the copyrights of graphic, applied and photographic artists. In addition to Hungarian artists, HUNGART also represents foreign graphic, applied and photographic artists within the framework of reciprocal representation agreements. Act LXXVI of 1999 (hereinafter referred to as Copyright Act) and registration with the Hungarian Intellectual Property Office ensures the foundation of HUNGART's activities.

General Terms

GENERAL PROVISIONS

- 1) Licensing for use (henceforth licensing) is performed prior to use (printing, implementation, etc.) on the basis of a written application. Applications should be submitted electronically, at least 15 days before the planned use or 30 days in cases subject to Para 3 . Late applications or applications after use do not exempt from those damages that exceed the sum of royalty.
- 2) Licences granted by HUNGART only authorize the use of the specified work of art of the artist named therein. The licence is valid for the territory of Hungary, on a one-off basis, in the form, extent, print-run and time-frame of use specified therein. The licence is issued to the user and is not transferable to third persons. The extent is determined by the printing lay-out of the current publication. For extra print-runs, for use exceeding the agreed time-frame or use beyond the specified conditions require re-licensing that can only be refused in particularly justified cases.
- 3) Every type of use that affects or might affect moral rights requires in every case explicit approval that will be obtained – unless it is not possible – by HUNGART from the copyright owner. This pertains especially to uses, adaptations and reproductions such as
 - a) three-dimensional uses, unique replica, digitalisation of a whole book,
 - b) uses where the carrier material differs significantly from the usual (paper), such as for example textiles, glass or ceramics etc.,
 - c) where a work of art is directly associated with a product, event, service or firm (henceforth Advertising),
 - d) uses for political or religious purposes or content,
 - e) uses as a poster, calendar, postcard or print,
 - f) for the publication of a whole work/book/film illustrated by one single artist (monograph, catalogue, portrait film, etc.),
 - g) use on covers (book, magazine, CD, DVD),
 - h) reproduction of a detail of the work of art,
 - i) exhibitions.In case the copyright holder denies permission HUNGART is not entitled to grant a licence.
- 4) In case of photographic renditions of works of art –provided they are covered by copyright – with regard to this tariff the rights of the photographer are equal to those of the creator of the work of art to be reproduced. Therefore, for the use of a work of photographic art that depicts another work of art, licences are to be obtained for both works of art.

- 5) Uses for purposes of advertising - in so far as the present tariff does not include a specific rate – entail a 30 percent surcharge beyond the general rates (for example, in case of business-related printed products – business reports, company yearbooks that contain adverts – book rates + 30% surcharge will apply).
- 6) Uses on a cover will result in doubling the relevant royalty in every case.
- 7) In case of exhibition or sale via an art dealer of original works of art, these can be reproduced freely for the promotion of the event in the extent and scope that is justified by the purposes of advertising, provided this does not serve even indirectly purposes of income generation or increase. (Copyright Act, Article 36 (5)). If the listed conditions are not met, regulations governing catalogues of exhibitions and auctions will apply.
- 8) Uses of details of works of graphic, applied and photographic art ("quotation") does not belong to the range of free uses (Copyright Act, Article 67 (5)), this will be licensed by HUNGART as described in Para 3. It is forbidden to alter or distort the work in the course of reproduction, otherwise this constitutes copyright infringement.
- 9) During the course of use, the Licensee is obliged to display the name of the artist, the title of the work, and the HUNGART © sign in an appropriate place and refer to every person taking part in the process of licensing. In case of collections the source of rights should be also be displayed unequivocally.
- 10) On request HUNGART should be provided with a quality sample for the licensing of reproduction.
- 11) HUNGART should be provided with a sample copy of every work published during the course of use. User is also obliged to provide HUNGART free of charge access to digital products.
- 12) When HUNGART determines the rate for licensing as a percentage of the retail price, the user is obliged to pay HUNGART the rate so specified also before the commencement of use.
- 13) In special cases when the royalty-bound use is disproportional to its cost, or other circumstances so justify, special agreements are possible, e.g. with non-profit organisations or national advocacy organisations duly representing a sizable part of users concerned. Furthermore, when types of uses are not described in this tariff, the royalty to be paid will be determined case by case by HUNGART on the basis of the principles and proportions of the published rates.
- 14) Licenses and invoices are issued at HUNGART's seat (1055 Budapest, 30 Falk Miksa Street). A license enters into effect, that is it is performed, when the user has actually paid the royalties to HUNGART, therefore HUNGART can only issue the invoice of the performance based on the user's notice, post factum, after requesting and receiving the royalties. In the case of e-Books, payment of the royalties takes place semi-annually, based on a subsequent settlement.
- 15) The tariffs outlined below do not include the 27% VAT that is payable.

Discounts

- 16) In case of works that contain at least 10 copyrighted works of art exclusively by Hungarian practitioners of graphic, applied-, and photographic arts, a 25% discount of the base rate is applicable.
- 17) In case of works that are intended exclusively for educational, scientific, scientific-educational or religious purposes, a 25% discount of the base rate is applicable.
- 18) In case of works to be included into textbook register and that do not fall under the scope of Article 34 (3) of the Copyright Act, a 35% discount of the base rate is applicable. Royalty is to be paid within 8 days after inclusion on the textbook register.
- 19) In case of repeated use in the same medium, or in a new edition, or publishing in more than one medium simultaneously, a 25 % discount of the base rate is applicable following the first publishing.
- 20) If a cover illustration is being re-used in the inner part, a 50% discount of the base rate is applicable for the inner part use.
- 21) In case of images published in art periodicals, a 50% discount of the base rate is applicable. Only those publications and periodicals can be classified as art periodicals, whose primary mission is the realisation of their declared artistic objective and that utilise their income in a non-profit manner exclusively for the realisation of their artistic objective.
- 22) In case of uses that advertise cultural programs (theatrical, musical, readings etc.) or that are used at these events, a 40% discount of the base rate is applicable.
- 23) The discounts contained in this tariff are valid only if user obtained the licence from HUNGART prior to use, acted in accordance with the regulations, has no arrears in payment to HUNGART and has complied with the data-provision deadline.
- 24) In case when a user is entitled to multiple discounts, the rate can only be discounted up to 50% of the otherwise applicable rate. In case of art periodicals and works to be included into the textbook register, the rate can only be discounted to 40% of the otherwise applicable rate.

Unlicensed use, lack of displaying of names

- 25) Unlicensed use, or use exceeding the permitted print-run, and infringement of the regulation governing the display of names –including the display of HUNGART © symbol - entails the payment of a flat rate surcharge equal to 100-100% of the royalty, due to the costs of inspection.

HUNGART is entitled to inspect the data serving as the base for royalty settlement as well as the mode and extent of use. User is obliged to make available all the accounting documentation (i.e.

invoice, contract) and other data - pertaining to the given use – that should be recorded under user’s reporting/bookkeeping obligations as stipulated by the current accounting regulations in force.