

Act CLV of 1997 on consumer protection

The National Assembly, in order to establish a regulatory framework which ensure the protection of consumers' interests, in particular the interests related to safe goods and services, the protection of financial interests, appropriate information and education and to effective legal remedy, as well as interests related to associations representing consumers' interests, and the development of the institutional structure required for the enforcement of these interests, adopts the following Act:

PART ONE

GENERAL PROVISIONS AND PROVISIONS ENSURING THE PROTECTION OF CONSUMERS' INTERESTS

Chapter I

General provisions

Scope of the Act

Section 1 (1) This Act, with the exception specified in paragraph (2), covers those activities of undertakings that affect or may affect consumers.

(2) This Act does not cover the activities subject to the supervision of the Hungarian National Bank (hereinafter "MNB"), of organisations or persons falling under the supervision of the MNB acting in its powers related to the supervision of the financial intermediary system (hereinafter "financial services activity").

Interpretative provisions

Section 2 For the purposes of this Act:

a) "*Consumer*" means natural persons acting for purposes outside their professional or economic activity, who purchase, order, receive or use goods or are the recipients of commercial communication or of offers related to goods. For the purposes of rules on conciliation boards, with the exception of the application of Regulation (EU) No. 524/2013 of the European Parliament and of the Council of 21 May 2013 on online dispute resolution for consumer disputes and amending Regulation (EC) No. 2006/2004 and Directive 2009/22/EC, in addition to the above, non-governmental organisations, ecclesiastical legal persons, condominiums, housing cooperatives, micro, small and medium-sized undertakings subject to separate Acts, acting for purposes outside their independent activities or economic activities, which purchase, order, receive or use goods or are the recipient of commercial communication or of an offer related to goods also qualify as consumers. For the purposes of Regulation (EU) 2018/302 of the European Parliament and of the Council of 28 February 2018 on addressing unjustified geo-blocking and other forms of discrimination based on customers' nationality, place of residence or place of establishment within the internal market and amending Regulations (EC) No 2006/2004 and (EU) 2017/2394 and Directive 2009/22/EC (hereinafter "Regulation (EU) 2018/302"), in addition to the above, undertakings qualifying as customers under Regulation (EU) 2018/302 also qualify as consumers.

b) "*Undertaking*" means those carrying out an activity under section 1 for purposes relating to their professional or economic activity;

c) “*Producer*” means

ca) the commercial manufacturer, grower, restorer or renovator of goods established in the EEA or any person purporting to be the producer of the goods by placing his name or trademark on the product or by applying any other distinguishing mark; or

cb) the producer’s authorised representative established in the EEA, if the producer is not established in the EEA; and, in the absence of an authorised representative, the importer;

d) “*Distributor*” means the undertaking that distributes products directly to consumers;

e) “*Association representing consumers’ interests*” means an association established under the Act on the right of association if its purpose under its articles of association is to protect consumers’ interests, it has operated for at least two years and the number of its natural person members reaches at least fifty, as well as the federation of such associations;

f) “*Product*” means all marketable tangible assets, with the exception of money, securities and financial assets; and natural forces usable as things;

g) “*Service*” means all activities performed for consideration, with the exception of the sale of products, immovable property or the sale of rights of pecuniary value, the aim of which is to satisfy the needs of the client or the principal by generating results, providing performance or carrying out a given practice;

h) “*Public service*” means water utility service, district heating service, the regular collection, transport and disposal service for municipal solid and liquid waste, electronic communications services, postal services, services to be provided under a power purchase contract or a network access contract to users entitled to universal service and services provided under a natural gas purchase contract or a distribution network access contract to users entitled to universal service provided by undertakings that are subject to the obligation of supplying goods or providing services under a separate Act;

i) “*Consumer group*” means all groups based on the collection of the money of group members, carried out with the contribution of the organisers for remuneration, having the aim of enabling all group members to acquire, within a period specified in advance, the ownership of a certain thing specified by them in advance, from the payments of members, with the assistance of the group, by random selection or by selection subject to additional conditions;

j) “*Contracts of sale*” means contracts of sale under the Civil Code and all contracts the subject matter of which are goods or services;

k) “*Service contract*” means all contracts other than contracts of sale, under which an undertaking provides a service or undertakes to provide a service to a consumer while the consumer pays or undertakes to pay the service fee;

l) “*Goods*” means products, immovable property, rights of pecuniary value and services;

m) “*Selling price*” means the price specified for a unit of the product or for a certain quantity of the product;

n) “*Unit price*” means the price specified for a measurement unit determined in a law adopted for the implementation of this Act;

o) “*Conciliation board*” means a permanent organisation, registered by the organ (or person) specified in this Act, engaged in resolving disputes in an alternative dispute resolution procedure;

p) “*Online contract of sale or online service contract*” means a contract of sale or a service contract under which the undertaking or its broker offers goods for purchase or services for use on a website or by other electronic means, and the consumer orders the good or service on that website or by other electronic means;

q) “*Commercial communication*” has the meaning specified in the Act on the prohibition of unfair commercial practices against consumers;

r) “*Distribution*” means that an undertaking makes goods available for purchase, consumption or use, either for consideration or free of charge, including offering goods to consumers;

s) “*Consumer dispute*” means disputes related to the conclusion and performance of a contract of sale or service contract between a consumer and an undertaking; and, in the absence of a separate contract of sale or service contract between the consumer and the undertaking, disputes related to the quality and safety of the product, the application of product liability rules and the quality of service;

t) “*Hungarian consumer dispute*” means a dispute arising from a contract of sale or service contract regarding which the consumer has his domicile or place of residence in Hungary at the time of ordering the goods or service, while the undertaking has its seat, establishment or branch office in Hungary;

u) “*Cross-border consumer dispute*” means a dispute arising from a contract of sale or service contract regarding which the consumer concerned has his domicile or place of residence in Hungary and the undertaking has its seat, establishment or place of establishment in a EU Member State other than Hungary, or the consumer concerned has his domicile or place of residence in an EU Member State other than Hungary and the undertaking has its seat in Hungary;

v) “*Sexual product*” means a tangible and marketable asset, the primary purpose of which is sexual stimulation, in particular a product that displays sexual intercourse or other sexual act openly or displays the human body or a body part in a way that is capable of sexual stimulation, including any tools, other than those for the purpose of contraception, which, according to their designated use, serve sexual stimulation and can be used during sexual intercourse or other sexual acts;

w) “*Tobacco products*” has the meaning defined in the Act on the protection of non-smokers and on certain rules of the consumption and distribution of tobacco products.

Chapter II

Sections 3 to 5

Chapter III

Section 6

Section 7

Section 7/A

Chapter IV

Specific requirements concerning distribution and the provision of services

Section 8 Undertakings engaged in providing public services may not charge an extra fee for the payment of bills by cash payment via the Postal Clearing Centre or, unless otherwise provided by law, for their issuing a printed bill on a single occasion.

Sections 9 to 11

Section 12

Section 13

Indication of prices

Section 14 (1) Consumers, with the exception set out in paragraph (2), shall, in accordance with the provisions laid down in a separate law, be informed in writing of the selling price and unit price of products offered to consumers for purchase and of fees for services.

(2) The provisions of this section shall not apply to products to be sold in an auction sale if their reserve (starting) price is specified in the auction information sheet.

(3) The selling price, unit price and the service fee shall be indicated clearly, ensuring that it is easily identifiable and clearly legible.

(4) The selling price and unit price and, with the exception of services provided across borders, the service fee shall be indicated in the legal currency of Hungary, specifying the currency (forint) or its abbreviated form (Ft).

(5) The selling price, unit price or service fee indicated as the price to be paid by the consumer shall include the amount of value added tax and other mandatory charges.

(6) If the commercial communication related to the product indicates the selling price of the product, the unit price shall be indicated as well, unless otherwise provided by law.

(7) If more than one selling price or service fee is displayed at the same time, the undertaking shall be obliged to charge the lowest selling price or the lowest service fee displayed.

Packaging

Section 15 (1) The packaging of the product shall ensure that the quality of the product is safeguarded, facilitate transportation and shall not adversely affect the quality or quantity of the product.

(2) Laws may specify further provisions for product packaging.

Special liability rules

Section 16 (1) The producer shall be obliged to comply with the provisions on packaging, and the distributor or the undertaking providing the service shall be obliged to comply with the provisions on indicating prices.

(2) If not satisfied by the producer, the obligations under paragraph (1) shall be satisfied by the distributor instead.

(3) When called upon by the proceeding authority, the undertaking shall prove that the obligations concerning packaging and indicating prices have been satisfied.

(4) The provisions set out in paragraph (2) shall not affect the claims of distributors that can be enforced against producers.

(5)

Chapter IV/A

Special provisions protecting children and juveniles

Section 16/A (1) It shall be prohibited to sell or serve alcoholic beverages to persons under the age of eighteen, with the exception of medicines subject to medical prescription.

(2) It shall be prohibited to sell or serve sexual products to persons under the age of eighteen.

(3) It shall be prohibited to sell or serve tobacco products to persons under the age of eighteen.

(4) For the effective implementation of the restrictions set out in paragraphs (1) to (3), in case of doubt, the undertaking or its representative may call upon the consumer to provide satisfactory proof of his age. If the consumer fails to prove his age, the undertaking shall refuse to sell or serve the product to the consumer.

(5) If distributing a game software that is capable of having adverse effects on the physical, mental, psychological or moral development of persons under the age of eighteen, in particular by containing violence as a determining feature and by presenting sexuality in a direct and naturalistic manner, the producer of the game software shall be obliged to indicate the text “Not recommended below the age of 18” on the packaging of the product ensuring that it is easily noticed. For a game software distributed digitally, this obligation shall be satisfied, subject to the derogations that are appropriate on the basis of the technical specificities, before the software is downloaded.

(6) Producers of game software shall be obliged to comply with the obligation set out in paragraph (5) if they have not joined the Pan European Game Information (PEGI) and do not apply the provisions on age ratings laid down by PEGI. If the producer fails to comply with the obligation, with the exception under this paragraph, set out in paragraph (5), the distributor of the game software shall release the software into circulation only after placing the text specified in paragraph (5) on it.

CHAPTER IV/B

PROHIBITION OF ORGANISING CONSUMER GROUPS

Section 16/B (1) It shall be prohibited to form consumer groups.

(2) Contracts concluded by abusing or circumventing the prohibition set out in paragraph (1) shall be null and void.

(3) It shall be forbidden to recruit new members to consumer groups through public calls. New members may only be admitted to consumer groups formed before 1 January 2012 to replace consumers leaving the group upon the termination of their respective contract.

Chapter V

Consumer education

Section 17 (1) Consumers shall be provided information on the laws required for the enforcement of their claims in school education and outside the framework of school education.

(2) Consumer education shall be primarily a state responsibility.

(3) Consumer education at school shall be the part of the National Curriculum. The opinions of associations representing consumers' interests on a national level shall be obtained before the requirements concerning consumer protection contained in the National Curriculum is submitted to the Government.

(4) According to the principles and requirements of the National Curriculum, the minister responsible for consumer protection shall contribute to establishing the consumer protection-related curriculum requirements to be prepared for institutions of public education.

(5) The state shall perform its duties related to consumer protection education in cooperation with the educational institutions, the authority responsible for consumer protection and the associations representing consumers' interests.

Chapter VI

Enforcement of consumer rights

Handling complaints and the customer service

Section 17/A (1) Undertakings shall be obliged to inform consumers

- a) of their seat,
- b) of the place where complaints are handled if other than the place of distribution or sale,
- c) of the manner of handling complaints that is adapted to the activity, trade form or method concerned, and
- d) of the mailing address of the undertaking or its customer service department under section 17/B, and of its electronic mail address, internet address or telephone number if complaints are received in these ways as well.

(1a) In the event of a consumer dispute, the consumer shall also be informed of the possibility to resort to the conciliation board having its territorial competence where the consumer's domicile or place of residence is located, and of the conciliation board's seat, telephone number, internet address and postal address. The information on conciliation boards shall be clear, understandable and easily accessible, and shall be provided on the website of the undertaking if there is one; if the undertaking does not have a website then such information shall be provided in the standard contract terms or, if the undertaking does not have standard contract terms, on a separate information sheet. Undertakings with business premises shall make the information under paragraph (1) available in a clearly visible and legible way.

(2) Consumers may submit, orally or in writing, their complaints about the conduct, activity or failure of the undertaking or the person acting on behalf of or for the undertaking concerning the distribution of its goods to consumers or concerning the sale of goods.

(3) Oral complaints shall be investigated immediately and shall be remedied if necessary. If the consumer does not agree with the handling of his complaint or it is not possible to investigate the complaint immediately, the undertaking shall make a report of the complaint and of its opinion of the complaint and

a) shall, for an oral complaint submitted in person, deliver a copy of the report to the consumer,

b) shall, for an oral complaint submitted over the telephone or via an electronic communications service, send a copy of the report to the consumer not later than when sending its response on the merits under paragraph (6)

shall act according to the rules on written complaints as laid down in paragraph (6) in other aspects.

(4) An individual identification number shall be assigned to oral complaints submitted over the telephone or via electronic communications services.

(5) The report prepared of the complaint shall contain the following data:

- a) the name and address of the consumer,
- b) the place, date and form of submitting the complaint,
- c) the detailed description of the consumer's complaint, and the list of documents and evidence presented by the consumer,
- d) the undertaking's statement of its position concerning the consumer's complaint, if the complaint can be investigated immediately,

e) the signature of the person preparing the report and the signature of the consumer, except if the oral complaint was submitted over the telephone or via another electronic communications service,

f) the place and date of the report,

g) the individual identification number of the complaint if the oral complaint was submitted over the telephone or via another electronic communications service.

(6) Unless otherwise provided by a directly applicable legal act of the European Union, the undertaking shall prepare a written response on the merits of the complaint and arrange for its communication to the consumer within thirty days after the receipt of the complaint. A shorter time limit may be set in laws; however, a longer time limit may only be set in an Act. The undertaking shall provide the reasoning for its rejection of a complaint.

(7) The undertaking shall be obliged to keep the report of the complaint and a copy of the response for five years and shall present those to the controlling authorities at their request.

(8) If the complaint is rejected, the undertaking shall be obliged to inform the consumer, in writing, of the authority or conciliation board the consumer may resort to according to the nature of his complaint. The information shall contain the seat, telephone number, internet address and mailing address of the competent authority and of the conciliation board having territorial competence where the consumer's domicile or place of residence is located. The consumer shall also be informed of whether or not the undertaking intends to resort to the conciliation board to resolve the consumer dispute in the case concerned.

Section 17/B (1) Undertakings engaged in providing public service and other undertakings specified by a separate Act shall operate a customer service department, to be placed, unless otherwise provided by an Act, in premises open to customers, to handle complaints and provide information to consumers.

(2) The undertaking shall set the customer service department's order of operation and service hours and organise its operating conditions in a way that, considering the number and geographical distribution of consumers receiving the service, does not impose disproportionate difficulties to consumers when approaching or accessing it. In this context, the undertaking shall ensure that

a) a customer service department operating in an office that is available to customers is open between 7 a.m. and 9 p.m. for twelve consecutive hours for at least one working day a week;

b) call centres are available between 7 a.m. and 9 p.m. for twelve consecutive hours one day a week at least one working day a week;

c) for customer services operating in an office open for customers, customers shall have the opportunity to book in advance a date for personal administration by electronic means or over the telephone, and the service provider shall provide a date for personal administration to the customer within five working days of booking a date for personal administration;

d) the electronic customer service shall be continuously available; in the event of a malfunction, by providing another platform;

e) customer service offices are operated in every county town if the undertaking has a countrywide network.

(3) In call centres and where the date of administration can be booked in advance over the telephone, calls shall be received by the operator and the handling of cases shall be commenced within five minutes' waiting time after the connection was established successfully, except if it is impossible for a reason falling outside the scope of activity and beyond the control of the undertaking, provided that the undertaking proceeded with the care that can generally be expected in a given situation. The undertaking shall set the option to talk to a help desk operator as the first menu point without requiring the consumer to identify

himself and without forwarding any advertising to him. All oral complaints received over the telephone and all communication between the help desk and consumers shall be audio recorded. If the audio recording contains the elements specified in section 17/A (5), with the exception of the place where the complaint was submitted, the list of evidence presented by the consumer, the signature of the person preparing the report and the place and date of the report, preparing a report may be omitted with the consent of the consumer. An individual identification number shall be attached to audio recordings and audio recordings shall be kept for a period of five years.

(3a) At the request of the consumer, within thirty days after the undertaking becomes aware of the consumer's request, it shall be ensured that

a) the consumer has the possibility to listen to the audio recording at the customer service department of the undertaking as specified in paragraph (1) free of charge,

b) the consumer receives the copy of each audio recording on one occasion free of charge.

(3b) If the consumer so requests, the copy of the audio recording shall be made available to him electronically. The consumer may exercise his rights under paragraph (3a) cumulatively or separately. The undertaking shall not make releasing the audio recording subject to conditions other than the identification of the consumer. The undertaking shall be obliged to inform the consumer of its obligation to make an audio recording of the call, to keep and make the audio recording available and of the individual identification number of the case at the beginning of the call.

(4) The Acts concerning the activity of undertakings specified in paragraph (1) and the government decrees issued on the basis of the authorisation of such Acts

a) may lay down detailed rules for the operation of customer service departments,

b) may, if justified by the number and geographical distribution of consumers, specify service hours different from those provided by paragraph (2) *a)*, provided that extended service hours last until 8 p.m. on a working day, or, for a customer service branch office set forth in a separate Act, until 6 p.m.

(5) By way of derogation from section 17/A, the customer service department shall in all cases provide, in writing, the undertaking's reasoned opinion of the complaint and the measures addressing the complaint, and shall send it to the consumer within fifteen days of receiving the complaint, with the exception of oral complaints satisfied by the undertaking immediately. The undertaking may choose not to investigate complaints that are of the same content as a previous one, contain no new information, are submitted by the same consumer and have already been addressed on the merits, as well as consumer complaints that are submitted by unidentifiable persons.

(6) The time limit to reply set out in paragraph (5) may be extended once with a period of no longer than fifteen days if it is necessary to perform an on-site inspection or request an authority. The consumer shall be notified in writing of the extension of the time limit and its justification within the time limit to reply.

(7) The customer service department shall cooperate with the associations representing consumers' interests in the course of handling consumer complaints and providing informing to consumers.

(8) Call centres under this section may not operate premium rate numbers.

(9) With due regard to the provisions of separate laws, undertakings engaged in providing public services shall operate their own independent website that provides information only on their public service activities, or they shall ensure that the following data are available free of charge and are suitable of being directly stored, saved, displayed and printed from the opening page of the undertaking's website:

a) the name of the undertaking engaged in providing public services;

- b)* the address of the seat and establishment of the undertaking engaged in providing public services;
- c)* the designation of the geographical area in which the service area covered by the public service is located;
- d)* the amount of the applicable fees, the conditions of their application and the rules of charging them;
- e)* the list of laws to be applied on a mandatory basis in the course of performing public service activity, including local government decrees regulating public service activities, broken down by settlement;
- f)* information related to submitting and handling complaints;
- g)* the contact information of competent organs responsible for consumer protection, conciliation boards and associations representing consumers' interests or a link to the supervising body's website which contains all such information;
- h)* information on the contact details and operation of the customer service department;
- i)* its business policy and other standard contract terms.

(10) The amount of the fee applicable under paragraph (9) *d)* shall be made available, broken down by user category and settlement.

(11) The decrees indicated in paragraph (9) *d)* and *e)*, as well as the business policies and standard contract terms indicated in point *i)* shall be made available, ensuring that searches can be made in the text, and separating the versions of the text in terms of the periods when they were in force in the preceding five years.

Section 17/C For the purpose of sections 17/A and 17/B, the requirement that materials are required to be in writing may be complied with by using mail, fax, teleprinter or telefax, or by any other means which allow the recipient to store the data permanently for the period required for their purpose and to display such data without changing their form or content.

Consumer protection advisor

Section 17/D (1) Undertakings subject to Act C of 2000 on accounting (hereinafter "Szt.") but not subject to the Act on small and medium-sized undertakings and the support of their development shall be obliged to employ a consumer protection advisor.

(2) The consumer protection advisor's duty shall be to monitor the undertaking's activities that concern consumers and to organise regular training for the undertaking's employees to strengthen its consumer protection approach and foster a better knowledge of consumer protection rules. The consumer protection advisor shall maintain contact with the consumer protection authority, the conciliation boards and other organs of state administration fulfilling consumer protection functions.

(3) The position of consumer protection advisor may be fulfilled by Hungarian nationals or nationals of a Member State of the European Economic Area who

- a)* have obtained a state-recognised professional qualification or vocational qualification in consumer protection or

- b)* were awarded a certificate of competence upon the completion of a course regulated by public authorities and provided outside the school system.

(3a) The undertaking shall be obliged to employ a consumer protection advisor whose specialisation indicated in the certificate of competence issued upon obtaining a state recognised professional qualification or vocational qualification in consumer protection or during a course regulated by public authorities and provided outside the school system is in line with the undertaking's core activity as indicated in the company register.

(4) The undertaking under paragraph (1) shall be obliged to employ at least one consumer protection advisor in each county and in the capital

a) where the undertaking carries out retailing activities at its seat, establishment or branch office and

b) where the customer service of the undertaking providing public services and of undertakings obliged to provide customer service by virtue of an Act is located.

(5) The consumer protection advisor shall be employed in the settlement which, among those where the undertaking has its seat, establishment, branch office or customer service office under paragraph (4), has the largest population.

(6) The functions of a consumer protection advisor may be carried out under an agency contract as well.

(6a) The consumer protection advisor shall be obliged to inform the consumer protection authority of the data pertaining to his employment (name, the date of issue and serial number of the certificate of competence and the commencement of his employment) and of any changes in those data within eight days.

(7)

(8) Training under paragraph (3) *b)* may be organised by companies or individual firms (hereinafter “organiser”) that have notified the consumer protection authority of their activity pursuant to the Act on the general rules of commencing and performing service activities and that

a) are not subjected to bankruptcy procedures or liquidation procedures and

b) in the five years preceding the notification of their training activities, were not listed in the list of taxpayers with tax debts, arrears or were not subjected to enforcement procedure, and their tax numbers were not suspended or deleted.

(9) Undertakings subject to the obligation to employ a consumer protection advisor may not organise training as set out in paragraph (3) *b)*.

(10) The notification under paragraph (8)

a) shall certify that the infrastructure required for the training is available to the organiser,

b) shall certify that instructors and examiners satisfying the requirements set forth in this Act are available to the organiser,

c) shall contain the curriculum and preparatory materials corresponding to the subjects of the training,

d) shall contain the code of studies and exams,

e) shall certify that at least three instructors and examiners who satisfy the requirements set forth in this Act are available for all specialisations and for the basics of consumer protection,

f) shall certify that the organiser satisfies the requirement for instructing in all four specialisations,

g) shall certify that the organiser has professional experience in the field of consumer protection or consumer protection education,

h) shall certify that the organiser is listed in the database of taxpayers free of public dues.

(10a)

(11) to (12)

(12a) The organiser shall comply with the requirements set forth in this Act throughout the course of the training.

(13) The consumer protection authority shall keep a national register of the organisers and shall monitor whether the operation of the organisers is in compliance with the Acts and with the documents submitted, and shall monitor the conditions of the training. If the consumer protection authority finds that the organiser's operation is inadequate, it shall delete the organiser from the register.

(14) Upon the successful completion of the exam, the organiser shall issue a certificate of competence which indicates the specialisation completed by the participant. The organiser shall keep a register of certificates of competence.

(15) In order to be admitted to the training, applicants shall be required to have secondary education at least and have satisfied all the requirements for commencing the training. In order to commence the training, the applicant shall be required to

- a) apply for the training in the prescribed form and
- b) pay the training fee.

(16)

(17) The technical requirements of the training under paragraph (3) b) are contained in Annex 1.

Conciliation Board

Section 18 (1) The conciliation board shall have the competence to resolve consumer disputes out of court. It shall be the responsibility of the conciliation board to attempt to facilitate the conclusion of a settlement agreement between the parties that settles the dispute; if the attempt is inconclusive, the conciliation board shall adopt a decision to ensure the simple, rapid, effective and cost-efficient enforcement of consumer rights. At the request of the consumer or the undertaking, the conciliation board shall provide advice concerning the rights and obligations of the consumer.

(2) Conciliation boards are professionally independent bodies operated by the county (capital) chambers of commerce and industry (hereinafter “chamber”).

(3) The State, to the extent specified in the Act on central budget, shall provide support for conciliation boards, with the exception of the Financial Arbitration Board.

(4) Local governments may be engaged in operating conciliation boards.

(5) Cross-border consumer protection disputes related to online contracts of sale or online service contracts shall fall within the competence of the conciliation board operated by the chamber designated by the minister responsible for consumer protection by means of a decree.

(6) Conciliation boards shall be required to organise training for their members on a regular basis.

(7) Conciliation boards shall cooperate to develop the legal practice of alternative consumer dispute resolution procedures, ensure the uniformity of decisions and improve professionalism, as well as to exchange best practices.

(8) If the conciliation board, without prejudice to paragraph (5), has agreed to conduct an alternative dispute resolution procedure in a dispute transmitted via the online dispute resolution platform, it shall proceed in accordance with the provisions of Regulation (EU) No. 524/2013 of the European Parliament and of the Council of 21 May 2013 on online dispute resolution for consumer disputes and amending Regulation (EC) No 2006/2004 and Directive 2009/22/EC and Commission Implementing Regulation (EU) 2015/1051 of 1 July 2015 on the modalities for the exercise of the functions of the online dispute resolution platform, on the modalities of the electronic complaint form and on the modalities of the cooperation between contact points provided for in Regulation (EU) No 524/2013 of the European Parliament and of the Council on online dispute resolution for consumer disputes.

(9) For the performance of their tasks, conciliation board members shall be entitled to remuneration as provided for by the minister responsible for consumer protection by means of a decree and, if necessary, to reimbursement of costs.

Section 19 The minister responsible for consumer protection shall perform the responsibilities of Member State online dispute resolution contact points under Regulation (EU) No. 524/2013 of the European Parliament and of the Council of 21 May 2013 on online dispute resolution for consumer disputes and amending Regulation (EC) No. 2006/2004 and Directive 2009/22/EC.

Section 20 (1) The conciliation board for the place where the consumer has his domicile or place of residence shall be competent to proceed.

(2) If the consumer has no domicile or place of residence in Hungary, the territorial competence of the conciliation board shall be based on the seat of the undertaking or of the organ authorised to represent the undertaking.

(3) At the request of the consumer, the conciliation board indicated in the request of the consumer shall have competence to proceed instead of the conciliation board having territorial competence under paragraphs (1) and (2).

(4) Regarding requests submitted jointly by more than one consumer, the board having territorial competence over one of the consumers concerned shall have territorial competence over all of them.

(5) The area covered by the territorial competence of the conciliation board shall correspond to the county (capital) covered by the chamber operating the board.

(6) The official language of the procedures of conciliation boards shall be Hungarian.

Section 21 (1) The conciliation board shall consist of a chair and, if required, a deputy chair, and members (hereinafter “conciliation board members”).

(2) Members of the conciliation board shall be selected on the basis of an application procedure conducted by the chamber with territorial competence. Should the chamber with territorial competence fail to open the application procedure at the date specified in a separate law, the HCCI shall conduct the procedure in its place.

(3) After the closure of a successful application procedure, the competent chamber shall, after preliminary evaluation, send the applications to the HCCI who shall forward it, along with its opinion thereon, to the minister responsible for consumer protection. The minister responsible for consumer protection shall select the conciliation board members from among the applicants, who, after their selection, shall receive their mandate from the chamber with territorial competence.

(4) Boards shall have at least five members. After the closure of a successful application procedure, the chamber with territorial competence shall send the proposed maximum number of conciliation board members to the HCCI who shall forward it, along with its opinion thereon, to the minister responsible for consumer protection. When conciliation boards are being formed, not more than half of the board members may be persons who have reached the general retirement age.

(5) After the conciliation board members receive their mandates under paragraph (3), the board shall be formed.

(6) The conciliation board’s term of office shall be three years. After the expiry of their term of office, conciliation board members may submit a new application.

(7) Conciliation board members shall carry out their activities under agency contract. The chair of the conciliation board shall carry out his activities under an employment relationship established, or an agency contract concluded, with the HCCI.

Section 22 (1) Only those who have a higher education qualification and at least two years of professional experience may be conciliation board members.

(2) Those, who

a) have no capacity to act or have limited capacity to act in certain matters under the rules of civil law,

b) have a criminal record,

c) have a clean criminal record but who were convicted in a final and binding judgment of the intentional criminal offences of the abuse of data classified as top secret and secret, abuse of data classified as confidential, abuse of restricted data, false accusation, misleading the authority, perjury, invitation to perjury, withholding exculpatory circumstances, accessory after the fact, criminal offences against the integrity of public life specified in Chapter XV, Title VII, criminal offences against the integrity of international public life specified in title VIII, the criminal offence of participation in a criminal organisation, criminal offences against public confidence specified in Chapter XVI, Title III; economic criminal offences specified in Chapter XVII, criminal offences against property specified in Chapter XVIII of Act IV of 1978 on the Criminal Code in force until 30 June 2013; or for the criminal offences of abuse of classified data, false accusation, misleading the authority, perjury, invitation to perjury, withholding exculpatory circumstances, accessory after the fact, corruption criminal offences specified in Chapter XXVII, the criminal offence of participation in a criminal organisation, criminal offences against public confidence specified in Chapter XXXIII, intentional criminal offences specified in Chapters XXXV to XXXVII, criminal offences specified in Chapters XXXVIII-XLIII specified in Act C of 2012 on the Criminal Code and for any felony committed in a criminal organisation

ca) within twelve years of having been expunged if having been sentenced for immediate imprisonment for a term of five years or more,

cb) within ten years of having been expunged if having been sentenced to immediate imprisonment for a term of less than five years,

cc) within five years of having been expunged if community service or financial penalty was imposed on them,

cd) within eight years of having been expunged if having been sentenced to imprisonment, the enforcement of which was suspended,

ce) within three years of having been expunged if the enforcement of the financial penalty imposed on them was suspended,

d) are disqualified from practising a profession serving as the basis for the application for conciliation board membership,

shall not be conciliation board members.

(3) Compliance with the eligibility requirement under paragraph (1) shall be proved by those concerned as a condition for submitting an application for conciliation board membership.

(4) The absence of grounds for disqualification under paragraph (2) *b)* to *d)* shall be proved by the person concerned, by presenting an official certification

a) as part of the application for conciliation board membership,

b) during the term of his mandate by the chair of the conciliation board; and regarding the chair of the conciliation board if called upon by the minister responsible for consumer protection within fifteen days after such a request, or if it is not possible within this time limit for reasons beyond the control of the party concerned, immediately after the reason ceases to exist.

(5) For the purpose of determining whether the requirement set forth in section 21 (3) is satisfied, the members shall prove their age by presenting official certification in the course of the application procedure for selecting conciliation board members.

Section 22/A (1) The chair of the conciliation board and the minister responsible for consumer protection may call upon conciliation board members and the chair of the conciliation board, respectively, in writing to certify that no grounds for them being

disqualified under section 22 (2) *b*) to *d*) are met, notifying them of the legal consequences of omission.

(2) If, upon the request specified in paragraph (1), the conciliation board member or the chair of the conciliation board certifies that no grounds for them being disqualified under section 22 (2) *b*) to *d*) are met, the administration service fee paid to the organ responsible for keeping criminal records for issuing the official certification shall be reimbursed to the member by the chair of the conciliation board and to the chair of the conciliation board by the minister responsible for consumer protection.

Section 22/B (1) For the purpose of examining whether the eligibility criteria, or the grounds for disqualification and the conditions under section 21 (3), are met, the chair of the conciliation board shall process the personal data of the person appointed as a conciliation board member

a) provided for the purpose of examining whether the conditions set out in section 21 (1) are met,

b) indicated in the documents certifying qualification and professional experience as set out in section 22 (1),

c) provided for the purposes of establishing that no grounds for disqualification under Section 22 (2) *a*) are met, or

d) indicated in the official certification issued for the purpose of establishing that no grounds for disqualification under section 22 (2) *b*) to *d*) are met.

(2) The personal data specified in paragraph (1)

a) of persons appointed to be members of the conciliation board shall be processed by the chair of the conciliation board until the completion of the appointment procedure,

b) of members shall be processed by the chair of the conciliation board until the expiry of their mandate,

c) of the chair by the minister responsible for consumer protection until the expiry of the mandate of the chair.

Section 23 (1) After preliminary evaluation, the competent chamber shall send, from among the applicants for conciliation board membership, the members proposed for chair of the conciliation board to the HCCI, who shall forward it, along with its opinion thereon, to the minister responsible for consumer protection. The minister responsible for consumer protection shall select the chair of the conciliation board from among the candidates. After his being selected, the HCCI shall conclude an agency contract with the chair, or employ him, for three years. Should the competent chamber fail to propose a person as chair to the HCCI at the time of the formation of the board or within thirty days of the termination of the chair's mandate as a board member, the new chair shall be selected from among the board member candidates or board members by the minister responsible for consumer protection. If the positions of the chair and the deputy chair are concurrently vacant, the general rules on filling these positions shall apply. The chair shall represent the board with full power.

(2) If it is justified by the workload of the board, the chamber may submit a proposal for the appointment of a deputy chair from among the board members to the HCCI, who shall forward it, along with its opinion thereon, to the minister responsible for consumer protection. After his being selected, the HCCI shall conclude an agency contract with the deputy chair, or employ him, for the term of office of the conciliation board. The deputy chair shall substitute the chair with full power if the chair is prevented from acting. In the absence of a deputy chair, the chair may be substituted by the member designated by the chair for this purpose on the matters specified in the designation.

Section 23/A The chair of the board shall keep a register of members. The register shall contain the names of the members, the designation of their qualifications of higher education

as indicated in their degrees, and their field of specialisation. These data are data accessible on public interest grounds. The chair shall send the list of members to the chamber operating the board, to the HCCI and to the minister responsible for consumer protection.

Section 24 (1) The mandate of the conciliation board member shall terminate

- a) upon the expiry of the mandate of the conciliation board,
- b) if the ground for disqualification under section 22 (2) a) applies to the member,
- c) if the member notifies the board that a ground for disqualification under section 22 (2) b) to d) applies to him or if the member, when called upon under section 22/A (1), fails to certify or cannot certify that no grounds for disqualification under section 22 (2) b) to d) apply to him,
- d) by resignation,
- e) if the member becomes incapable,
- f) upon his death,
- g) by unilateral termination.

(2) In cases according to paragraph (1) e), the termination of the mandate of a member shall be established by the chair of the conciliation board after the member concerned has been heard and the opinion of the chamber has been taken into account, while the termination of the mandate of the chair shall be established by a body consisting of three members appointed by the chamber with territorial competence, the HCCI and the minister responsible for consumer protection.

(3) If the mandate of the conciliation board member terminates for a ground specified in this Act, a new board member shall be selected on the basis of an application procedure launched in accordance with the provisions pertaining to the selection of conciliation board members to replace that member. If the mandate of the conciliation board member terminates for a ground under paragraph (1) b) to g), the chair of the conciliation board shall appoint a member to act in pending matters in place of the member whose mandate has been terminated.

(4) If the mandate of the chair of the conciliation board terminates for a ground under paragraph (1) b) to g), a new chair shall be proposed and appointed by applying the rules on electing the chair of the conciliation board accordingly.

(5) For the unilateral termination of conciliation board membership, the provisions of the Act on the Civil Code, and if the chair of the conciliation board carries out his activities in an employment relationship, of the Act on the Labour Code shall apply.

Section 24/A Conciliation board members shall be required to be independent and impartial, shall not act as representatives of the parties and shall not receive instructions in the course of their activity. The members shall be subjected to secrecy, even after the termination of the procedure, concerning the facts and data of which they became aware in the course of the operation of the conciliation board. They shall make a written declaration of the above when accepting their appointment.

Section 25 (1) The conciliation board member, if any of the alternative conditions under paragraph (2) is met, with the exceptions under paragraphs (3) and (4), shall proceed alone.

(2) The board member proceeding alone shall have a degree in law or economics.

(3) If the chair of the board finds that the complexity of the consumer dispute so requires, the conciliation board shall proceed in a panel consisting of three members.

(4) At the request of any of the parties, the conciliation board shall proceed in a panel of three members.

(5) References to the acting panel or the chair of the acting panel in this Act shall also include members proceeding alone.

(6) The conciliation board member who gave advice to the consumer or to the undertaking regarding the case and who was in an employment relationship, or another employment-

related legal relationship aimed at the performance of work, with the undertaking participating in the procedure in the preceding three years may not take part in the procedure.

Section 26 (1) A conciliation board member who himself or whose close relative under the Civil Code has a personal or financial interest in the matter subject to the dispute or who is biased for any other reason shall be disqualified from proceeding unless the parties have been informed of it and, knowing that, neither of the parties has objected to him.

(2) The board member designated to the acting panel by the parties or the chair shall, without delay, notify the chair of the board of and reveal to the parties all circumstances that might raise reasonable doubts as to his independence and impartiality.

(3) The party may submit an application for the disqualification of a board member designated to the acting panel if there are circumstances which raise reasonable doubts as to his independence or impartiality.

(4)

(5) The reasoned written request for disqualifying a member shall be submitted within three days after the party becoming aware of the composition of the panel or the circumstances mentioned in paragraph (3).

(6) The chair of the panel shall adjudge the application for disqualification after hearing the board member concerned. The panel, including the board member involved in the disqualification, may proceed with the case but shall not adopt a decision containing an obligation or a recommendation.

Section 26/A (1) At the request of anyone, the conciliation board shall provide information in writing or in any other appropriate means without delay of its material and territorial competence, the rules and costs of its procedures, the conditions for adopting decisions providing for an obligation or recommendations, the way of enforcing decisions, the conditions for setting aside decisions that provide for an obligation and recommendations and of the fact that the procedure of the conciliation board are without prejudice to the judicial enforceability of the claims.

(2) At the request of the consumer or the undertaking, the conciliation board shall keep a record of its counselling concerning the rights and obligations of the consumer, which contains the

- a) the name of the consumer and of the undertaking,
- b) the name of the person providing advice,
- c) the date of counselling and
- d) a short summary of the case subject to the counselling.

Section 27 For the procedure of the conciliation board to commence, the consumer shall be required to attempt to settle the dispute directly with the undertaking.

Section 28 (1) Conciliation board procedures shall commence at the request of the consumer.

(2) The request shall be submitted in writing to the chair of the conciliation board. Submitting the request in the forms referred to in section 17/C shall be considered satisfying the requirement of a written form. The request shall contain

- a) the consumer's name, domicile or place of residence,
- b) the name of the undertaking affected by the legal dispute, its seat or the premises concerned,
- c) if the consumer intends to base territorial competence on section 20 (3), the name of the board that is requested to proceed instead of the conciliation board that is competent under section 20 (1) and (2),
- d) a short description of the consumer's position, the underlying facts and proof of them,
- e) the statement of the consumer on having satisfied the condition specified in section 27,

f) the consumer's statement concerning that he has initiated no procedure through another conciliation board, no mediation procedure has been commenced and no statement of claim or request for a payment order was submitted regarding the matter,

g) a motion proposing a decision to be made by the board,

h) the signature of the consumer.

(3) The document or its copy (extract) that is referred to by the consumer as evidence, in particular the written statement of the undertaking rejecting the complaint or, in the absence of such a document, other written evidence available to the consumer that serves as proof of the attempts made at conciliation pursuant to section 27 shall be attached to the application.

(4) If the consumer proceeds through a representative, the authorisation shall be attached to the request.

(5) If the request does not comply with the provisions of paragraphs (2) to (4), the chair of the conciliation board shall identify the deficiencies and call upon the applicant to remedy the deficiencies within fifteen days of receiving the request.

Section 28/A If the procedure is commenced, the provisions of the Civil Code on the suspension of the limitation period shall apply.

Section 29 (1) For calculating time limits that start from the commencement of the procedure, the day of the commencement of the procedure shall be deemed the day on which the request is received by the chair of the conciliation board; and, where the remedy of deficiencies was ordered, the time limit shall start on the day on which the applicant remedied the deficiencies.

(2) The chair of the conciliation board shall examine whether the matter falls within the material and territorial competence of the board within eight days from the commencement of the procedure. In the absence of material or territorial competence, the board shall, simultaneously with notifying the applicant, forward the matter without delay to the organisation having material and territorial competence.

(3) If the material and territorial competence of the board is established, the chair, with the exceptions specified in paragraphs (4) and (7), shall set a date to hear the parties within sixty days of the commencement of the procedure.

(4) The chair shall terminate the procedure without setting a hearing if he becomes aware of the fact that

a) on the same factual basis and for the same right, with the involvement of the parties

aa) a procedure was launched before a conciliation board,

ab) a mediation procedure was launched,

ac) a legal action is pending or the subject matter of the legal action has already been adjudged in a final and binding judgement,

b) a payment order has been issued in a matter between the parties based on the same facts and for enforcing the same right,

c) the dispute is frivolous or vexatious,

d) it can be established from the request that the matter does not qualify as a consumer dispute or the conciliation board has no material competence to resolve the dispute for any other reason, or

e) the consumer failed to comply with the notice to remedy the deficiencies within the time limit set.

(4a) The chair, if rejecting the claim without setting a hearing, shall notify the parties of this fact and its reasons within twenty-one days of having received the request.

(5) The chair shall notify the parties of the date of the hearing or of the absence of a hearing in advance by sending the parties a copy of the request in due time.

(5a) The notification under paragraph (5) shall also include that

a) the consumer may decide freely whether to accept the recommendation of the conciliation board, the settlement proposal or the decision ordering an obligation before accepting the settlement proposal,

b) participation in the procedure does not exclude the possibility to apply for remedy in a judicial procedure,

c) the decision may differ from the court decision, and

d) the undertaking has made a statement of general submission under section 36/C.

(5b) In the notification under paragraph (5), the parties shall be warned of the legal effect of the decisions to be adopted in the procedure of the conciliation board, shall be informed that they are not obliged to have a legal representative during the procedure but they may request an independent expert opinion or to be represented or assisted by a third party in any phase of the procedure. The notification shall also include the expected duration of the procedure and the possibility to extend it.

(6) In the cases under section 25 (4), in the notification the chair shall inform the parties of the name of the acting board member, and shall call the parties' attention to the possibility of requesting, within eight days pursuant to section 4, that a three-member panel proceed in their case.

(7) Consent shall be deemed granted if the party fails to make a statement within fifteen days after having been served with the relevant notice of the chair.

(8) In the notification, the undertaking shall be called upon to make a written statement in writing within eight days after having been served with the notification (hereinafter "response") as to whether the claim of the consumer is justified, the circumstances of the case, and as to whether it acknowledges the decision of the board as binding (hereinafter: *ad hoc* submission); and it shall be called upon to indicate the facts underlying its claims and the proof of them in its statement, as well as to attach the documents (their copies) referred to as proof. The undertaking shall be warned of the obligation to ensure that the person authorised to make a settlement participates in the hearing, and that the failure to make a statement on the merits of the matter shall result in the board adopting its decision on the basis of the data available to it. The notification shall also include information on the obligation to cooperate as set out in paragraph (11), and that violating this obligation leads to a fine imposed by the consumer protection authority.

(9) The chair shall send a copy of the undertaking's response to the applicant without delay; in the absence of sufficient time to do so it shall deliver the response at the hearing.

(10) If the undertaking fails to present its response, the board shall be required to continue the procedure without considering the failure as acknowledgement of the applicant's allegations.

(11) The undertaking shall be subject to the obligation to cooperate in the conciliation board procedure and, in this context, shall send its response with the content set forth in paragraph (8) to the conciliation board within the time limit specified in the same paragraph. With the exception of the application of Regulation (EU) No. 524/2013 of the European Parliament and of the Council of 21 May 2013 on online dispute resolution for consumer disputes and amending Regulation (EC) No. 2006/2004 and Directive 2009/22/EC, the undertaking shall be obliged to ensure that a person authorised to make a settlement is present at the hearing. If the seat, establishment or branch office of the undertaking is registered in a country other than the one covered by the territorial competence of the chamber operating the conciliation board with territorial competence over the case, the undertaking's obligation to cooperate shall entail offering the possibility of a settlement in writing according to the claim of the consumer.

(12) The conciliation board shall inform the consumer protection authority having territorial competence over the seat of the undertaking if the undertaking violates its obligation to cooperate as set out in paragraph (11).

Section 29/A (1) In the procedure of the conciliation board, documents shall be served on the parties by the postal services provider in compliance with provisions on the service of official documents.

(2) Documents sent through the postal services provider shall be considered to be served on the day when the service was attempted if the addressee refused to take the document. Documents returned to the conciliation board with the sign “nem kereste” (unclaimed) shall be considered served on the fifth working day following the second service attempt.

Section 29/B Parties may proceed through representatives. Any natural or legal person or organisation without a legal personality may act as a representative.

Section 29/C In the course of the procedure of the conciliation board, the acting panel or its members shall not provide advice concerning the rights and obligations of the consumer.

Section 30 (1) In the procedure, the chair of the panel shall attempt to make a settlement between the parties. If the settlement complies with the laws, the panel shall approve it in a decision; otherwise or in the absence of a settlement it shall continue the procedure.

(2) In the course of the procedure, the panel shall be required to ensure the equal treatment of the parties. It shall provide an opportunity for the parties to present their positions and submit their submissions. The chair of the panel shall inform the consumer of his rights and obligations, if needed.

(3) The procedure shall not be public except with the consent of both parties.

Section 31 (1) The request and the response may be amended or supplemented in the procedure, except if excluded by the acting panel in view of the delay caused by it, or if the undertaking, invoking the *ad hoc* submission objects to the amendment or supplementation of the request.

(2) If any of the parties fails to appear at the hearing in spite of having been duly notified of it or fails to present their evidence, the panel shall proceed and decide on the basis of the available information.

(3) The panel shall terminate the procedure if

- a) the consumer withdraws his request,
- b) the parties agree to terminate the procedure,
- c) it is impossible to continue the procedure,
- d) the panel is of the opinion that, for any reason, including when it can be established that the claim is unfounded without a hearing, continuing the procedure is not necessary,
- e) it becomes aware of any of the circumstances in section 29 (4).

(4) The panel shall decide upon the merits of the case by majority vote.

(5) The panel shall complete the procedure within ninety days after it was commenced; in justified cases the chair of the board may extend this time limit by thirty days at the most.

Section 32 In the absence of a settlement, the panel shall, on the merits of the case,

a) make a decision providing for an obligation if the request is well-founded and the undertaking, in its statement of general submission under section 36/C registered with the conciliation board or the chamber or communicated in its commercial communication, or in a declaration made at the commencement of the procedure or not later than the date when the decision was taken, recognised the decision of the conciliation board as binding upon it, or

b) issue a recommendation if the request is well-founded but, at the commencement of the procedure, the undertaking stated it would not recognise the decision of the panel as binding upon it, or it made no statement as to whether it would recognise the decision made by the panel.

Section 32/A The panel shall dismiss the request of the consumer if finding it unfounded after the hearing.

Section 33 (1) The decision providing for an obligation and the recommendation shall cover all the motions presented in the request and the grounds underlying the decision. In the decision providing for an obligation, the amount and bearing of the costs of the procedure shall also be specified.

(2) Costs of the procedure shall consist of all the justified costs incurred by the parties with respect to resorting to the conciliation board with regard to the requirement of reasonable and *bona fide* proceeding, such as costs related to preliminary enquiries, costs consultations and correspondence, travel costs and loss of income related to the parties appearing in person, etc. Costs incurred with respect to legal representation shall not be considered to be costs of the procedure.

(3) The costs of the procedure shall be borne by the party against whom the panel has decided.

(4) Generally, a time limit of fifteen days, starting from the date when the decision is delivered, shall be set for performing the obligation set in the decision providing for an obligation.

(5) The panel shall announce its decision or recommendation on the day when the decision or recommendation was made. A written copy of the announced decision or recommendation shall be sent to the parties no later than within thirty days.

(6) In the event of delivering the decision providing for an obligation or the recommendation, the chair of the conciliation board shall inform the party of the presumption of service of documents under section 29/A (2) within eight days from the presumption of service being established, simultaneously with attaching the decision providing for an obligation or the recommendation, and shall ensure that the presumption of service being established and the name and seat of the undertaking, together with the case number, is published on the website of conciliation boards.

(7) A request for rebutting the presumption of service of the decision providing for an obligation or the recommendation may be submitted

a) by the addressee if the service was improper, or

b) by the natural person or the company without a legal personality as an addressee if they were not aware of the service for reasons beyond their control

within fifteen days after becoming aware of the establishment of the presumption of service, but no later than within six months, constituting a term of preclusion, from the establishment of the presumption of service.

(8) The facts and circumstances that confirm the improper service or substantiate the absence of the addressee's own fault shall be presented in the request.

(9) The request shall be decided upon within fifteen days by the chair of the conciliation board, the member or panel of which took the decision providing for an obligation or the recommendation. If the chair of the conciliation board grants the request, the legal consequences relating to the presumption that the document has been served shall lose their effect and the decision providing for an obligation or the recommendation shall be sent to the parties within five days.

Section 34 (1) The decision or the recommendation of the panel shall be without prejudice to the consumer's right to enforce his right in a judicial procedure.

(2) The panel's decision providing for an obligation and recommendation may not be appealed; however, the court may be requested to set it aside pursuant to paragraph (3) or (4).

(3) The party may bring an action to the court having territorial jurisdiction over the seat of the conciliation board to set aside the decision providing for an obligation or the recommendation within fifteen days from the service of the document, if

a) the composition or the procedure of the panel did not comply with the provisions of this Act,

b) pursuant to section 18 (1), the conciliation board was not competent to conduct the procedure, or

c) the request should have been rejected without a hearing for a reason specified in section 29 (4).

(4) The undertaking may also request the court having territorial jurisdiction over the seat of the conciliation board to set aside the recommendation for grounds other than those set out in paragraph (3) within fifteen days after the recommendation was delivered to it if the content of the recommendation did not comply with the law.

(5) The action shall be brought against the conciliation board. In this action, the conciliation board shall have the capacity to be a party and the procedural capacity to act.

(6) The court may suspend the enforcement of the panel's decision providing for an obligation at the request of the party.

(7) The judgement of the court may only set aside the decision providing for an obligation or the recommendation.

(8) Chapters I to XXX of Act CXXX of 2016 on the Code of Civil Procedure (hereinafter the "Pp.") shall apply to the procedure of the court in other respects.

Section 35 (1) The party, within fifteen days of receipt of the decision or recommendation, may request the panel to correct any erroneous indication of names, clerical errors in names, errors in figures or calculation, or any similar mistakes, or to provide an interpretation for a certain part of the decision providing for an obligation or the recommendation.

(2) If the panel finds the request justified, it shall make the correction or provide the interpretation within eight days after its receipt. The interpretation shall become part of the decision or recommendation.

(3) The panel, even without being requested to do so, may correct the error defined in paragraph (1) within thirty days of the announcement of the decision or the recommendation.

Section 36 (1) If the undertaking fails to comply with the recommendation of the panel, the conciliation board shall, without indicating the name of the consumer, publish the short description of the legal dispute and the outcome of the procedure, at the earliest after sixty days from the recommendation being served to the undertaking. Regarding recommendations that have been published on grounds of the presumption of service, if the presumption of service is rebutted, the conciliation board shall arrange for the termination of publication without delay.

(2) Regardless of paragraph (1), the recommendation, if requested to be set aside pursuant to section 34 (2), may not be disclosed until the final and binding completion of the court procedure.

(3) If the undertaking fails to implement the panel's decision providing for an obligation or the settlement approved in the decision within the time limit for implementation, the consumer may request the court to attach an enforcement clause to the panel's decision and to notify at the same time the chair of the conciliation board of it.

(4) The court shall refuse to order the enforcement of the decision if, pursuant to section 18 (1), the conciliation board did not have material competence to conduct the procedure.

(5) The consumer shall notify the conciliation board of the non-enforcement of the settlement approved by a decision or the non-compliance with the decision providing for an obligation or the recommendation.

(6) If an enforcement procedure was initiated on the basis of a decision attached with an enforcement clause upon the presumption of service and the addressee submits a request for the rebuttal of the presumption of service, the request shall have no suspensory effect on enforcement. If, however, the facts contained in the request seem to be likely to exist, the chair of the conciliation board shall notify the court by sending its position concerning such likelihood and the request to it without delay. The undertaking in its request for the rebuttal of the presumption of service may request the suspension of enforcement, which the court may order even without hearing the consumer.

Section 36/A (1) The conciliation board shall draw up a summary report of its activities on an annual basis and send it to the minister responsible for consumer protection by 1 March of the following year and, shall, upon a separate request, make it available to the requesting party electronically.

(2) The annual report on the activities of the conciliation board shall contain at least

- a) the number of requests received and their breakdown by type,
- b) regularly occurring or major problems that frequently lead to disputes between consumers and undertakings, and the recommendations attached to such information as to how such problems may be avoided or solved in the future,
- c) data concerning the number of conciliation board procedures in which the request was rejected without a hearing, as well as the grounds for these rejections and their proportion as a percentage,
- d) the proportions of the types of decisions made in the given year relative to the total number of cases broken down by whether the consumer's request was well-founded or unfounded, mentioning specifically the decisions terminating the procedures and the reasons for it if known,
- e) if available, the proportion of procedures in which the parties acted in accordance with the outcome of the procedure,
- f) the time necessary on average to close consumer disputes,
- g) if available, the data relating to undertakings complying with the recommendations, decisions providing for obligations, and decisions approving settlements,
- h) the fact of whether the conciliation board is a member of any cross-border network facilitating alternative dispute resolution,
- i) information on training provided regularly for the members of the conciliation board,
- j) the conciliation board's assessment of the effectiveness of its procedures and the possible ways to improve its performance.

Section 36/B The conciliation board shall disclose the name, seat and the activity affected by the procedure of an undertaking which, despite having received the notice under section 29 (8), did not make a statement with the content set out in section 29 (8) on the merits of the case and failed to appear at the hearing, thereby preventing the settlement from being concluded. The undertaking shall be warned of it in the notice.

Section 36/C (1) The undertaking may make a written statement of general submission to be effective until revocation before the conciliation board having territorial competence at the seat of the undertaking or before the HCCI, to be effective before all conciliation boards, in which the undertaking commits to submit to the procedure of the conciliation board and the decision taken in such a procedure in the absence of a settlement. In the statement of general submission, the undertaking may limit the extent and scope of its commitment to a certain value of the subject of the legal dispute, as determined by it or in any other way.

(2) The Hungarian Chamber of Commerce and Industry shall keep a register of statements of general submission made before it.

(3) The conciliation board shall keep a register of the statements of general submission made before it by undertakings having their seats in the area covered by the territorial competence of the conciliation board.

(4) If the consumer proves that he concluded the contract subject to the consumer dispute by relying on that the undertaking, in its commercial communication, had committed to submit to the conciliation board procedure and the decision taken in the procedure in the absence of a settlement, the statement, with the conditions set therein, made by the undertaking shall be binding on the undertaking in the given procedure, even in the absence of a statement of general submission specified in paragraph (1). If it proves that such a commitment was revoked in the same way as it was made, the undertaking shall be exempted from being bound by the statement.

Section 37 (1) The conciliation board may establish its detailed procedural rules within the limits set out in an Act. The procedural rules of the conciliation board may not be contrary to the provisions of the national procedural rules under paragraph (2).

(2) In order to establish a uniform practice for conciliation boards, the minister responsible for consumer protection shall, in cooperation with the HCCI, draw up national procedural rules the application of which shall be mandatory in conciliation board procedures.

Section 37/A (1) The minister responsible for consumer protection shall ensure that, based on the data provided by the conciliation boards, the following are published on the website of the ministry led by him:

- a)* the address, telephone number, electronic address and links to the website of the conciliation boards,
- b)* reference as to where the lists of conciliation board members set out in section 23/A and published pursuant to paragraph (3) *b)* can be found,
- c)* information facilitating compliance with the obligation to provide information under section 26/A through a short, easy-to-understand description of the legal provisions pertaining to the procedures of conciliation boards,
- d)* summaries defined in section 36/A (1),
- e)* the list containing the data specified in section 36/B of undertakings that have obstructed conciliation board procedures,
- f)* reference as to where the register of undertakings having made a statement of general submission before conciliation boards in compliance with section 36/C (1) and published under paragraph (3) *h)*, can be found, and as to where lists published by the Hungarian Chamber of Commerce and Industry pursuant to paragraph (2) *c)* can be found, and
- g)* procedural rules under section 37.

(2) The following information shall be published on the website of the Hungarian Chamber of Commerce and Industry:

- a)* the address, telephone number, electronic address and links to the websites of conciliation boards,
- b)* reference as to where the lists of conciliation board members set out in section 23/A and published pursuant to paragraph (3) *b)* can be found,
- c)* the list, based on the register kept by the Hungarian Chamber of Commerce and Industry under section 36/C (2), of undertakings which made a statement of general submission before the Chamber, indicating the potential limitations to the submission,
- d)* reference as to where the information under paragraph (1) *c)*, published on the website of the ministry led by the minister responsible for consumer protection, can be found, and
- e)* the procedural rules pursuant to section 37.

(3) The conciliation board shall operate an up-to-date website containing easy-to-access information on its procedure, which also provides the possibility for consumers to submit

their requests and the attachments to those requests online. The following information at least shall be disclosed on the website and, and if requested, shall be forwarded electronically to the parties:

- a)* the contact details of the conciliation board, in particular its seat, postal address, e-mail address, telephone number and fax number,
- b)* the fact of whether the conciliation board is recorded in the register of the European Commission,
- c)* the names of conciliation board members, their terms of office, the designation of their professional qualification as indicated in their degree, and their field of specialisation,
- d)* the statutory requirements concerning the independence and impartiality of conciliation board members,
- e)* the membership of conciliation board members in the network of alternative dispute resolution forums facilitating cross-border dispute resolution, if applicable
- f)* information on the material competence of the conciliation board,
- g)* information that the procedure of the conciliation board is based on laws, and if applicable, on a national procedural rules specifying that laws and on its own procedural rules,
- h)* information that the conciliation board procedure may only be initiated by persons qualifying as consumers, in matters falling within the material competence of the conciliation board, if the consumer has previously attempted to settle the consumer dispute and can provide evidence of that attempt,
- i)* information that the consumer may withdraw his request at any time,
- j)* information as to how the parties involved in the consumer dispute bear the costs,
- k)* the general duration of the conciliation board procedure,
- l)* information on the decisions that could be taken by the conciliation board, the legal effects and enforceability of such decisions and as to how enforcement is carried out,
- m)* the annual report on the activities on the conciliation board.

(4) Conciliation boards, the Hungary-based centre of the Network of European Consumer Centres, the associations representing consumers' interests and the chambers of commerce and industry shall publish the register of conciliation boards kept by the European Commission on their websites.

(5) The minister responsible for consumer protection shall keep a register of conciliation boards, which contains the data defined in paragraphs (6) *a)*, *d)* and *e)*.

(6) In order to be registered, conciliation boards shall inform the minister responsible for consumer protection of the following:

- a)* name, contact details and website address,
- b)* organisational structure and financing, including information on conciliation board members, their remuneration, terms of office and information on the organisations having appointed them,
- c)* the average duration of conciliation board procedures following the submission of the information pursuant to section 36/A (1),
- d)* matters falling within the material competence of conciliation boards,
- e)* a statement certifying that the conciliation board complies with the quality requirements specified in paragraph (3), section 18 (6), section 27, section 28/A, section 29 (3) to (5b), section 30 (2), section 33 (5), and section 36/A (1) and (2).

(7) Should the conciliation board fail to comply with the requirements specified in paragraph (6) *e)* or with the obligation to provide information specified in section 36/A (1), the minister responsible for consumer protection shall call upon the conciliation board to meet the requirements and provide information without delay. If the conciliation board fails to

comply with the requirements or fails to provide the necessary information even ninety days after the notice at the latest, the minister responsible for consumer protection shall delete the conciliation board from the register and shall send the decision thereon to the conciliation board.

(8) The conciliation board shall immediately notify the minister responsible for consumer protection of any changes in the data specified under paragraph (5).

(9) The minister responsible for consumer protection shall send the register specified in paragraph (5) to the European Commission.

(10) The minister responsible for consumer protection shall notify the European Commission of changes in the register specified in paragraph (5).

Information point on utility charges and related matters of consumer protection

Section 37/B (1) An information point on utility charges shall operate within the organisation of the consumer protection authority.

(2) The information point on utility charges shall be responsible for providing information to consumers on the legal requirements and the official procedures that can be initiated by consumers and the means available for consumers to assert their claims in the areas of electricity, natural gas, district heating, water and waste management, domestic waste water disposed of through septic tanks and other individual treatment systems, and the provision of piped LPG and the distribution of PB gas in containers or cylinders.

Enforcing of claims in the public interest

Section 38 (1) The consumer protection authority or the association representing consumers' interests may bring an action for asserting the civil law claims of consumers against those the actions of which were in breach of consumer protection provisions in section 45/A (1) to (3) as established in decisions with administrative finality by the consumer protection authority, if the infringement affects a wide range of consumers not identified individually but who are easy to define based on the circumstances of the infringement.

(2) No action may be brought after three years following the infringement or, if a specific Act sets a shorter limitation period for the civil law claims of consumers, after the expiry of that period. Non-compliance with this time limit shall result in the forfeiture of the right. Regarding continuous infringements, the time limit shall start on the day when the violation is terminated. If the infringing conduct is realised through a failure to terminate a particular situation or circumstance, the time limit shall not commence as long as such situation or circumstance exists. The time limit for enforcing claims shall not include the duration of the procedure conducted by the consumer protection authority.

(3) If, with respect to consumers affected by the infringement, the legal basis of the claim and the amount of the damages demanded or, regarding other claims, the content of the claim can be clearly established notwithstanding the individual circumstances of the consumers affected by the infringement, the consumer protection authority or the association representing consumers' interests may request the court to oblige the undertaking in question to satisfy these claims, or otherwise to establish the infringement covering all consumers referred to in the claim. If the court established the infringement with respect to all consumers referred to in the claim, the consumer affected by the infringement in the action brought by him against the infringing party shall be required to provide proof only of the amount of the damage and the causal link between the infringement and the damage.

(4) The court shall, in its judgment, specify the range of consumers and the data required to identify those with respect to whom the infringement was established and who are entitled to demand that the obligations provided for in the judgment be satisfied.

(5) If the court, in its judgement, in addition to having established the infringement, orders the undertaking to provide satisfaction for a specific claim, the undertaking shall be required to satisfy the claim of the entitled consumer referred to in paragraph (5) in accordance with the judgment. The entitled consumer may request judicial enforcement if the claim is not satisfied voluntarily. The consumer's entitlement shall be examined by the court in its procedure for issuing an enforcement certificate.

(6) At the request of the person enforcing the claim, the court, in its judgment, may order the undertaking to publish a public notice at its own expense. The wording of such a public notice and the way of its publication shall be decided by the court. Publication shall, in particular, mean publication in a national daily newspaper and being posted on the Internet.

(7) Satisfying claims through the consumer protection authority or an association representing consumers' interests shall be without prejudice to the consumers' right to bring civil actions independently against the infringer.

(8) The qualified entities established under the laws of any other Member State of the European Economic Area and included in the list published in the Official Journal of the European Union pursuant to Article 4 (3) of the Directive 2009/22/EC of the European Parliament and of the Council shall have the right to assert claims under this section with respect to consumers' interests protected by them, provided that the claim to be enforced in the action is based on the infringement of legal provisions transposing European Union legal provisions enlisted in Annex I to the Directive 2009/22/EC of the European Parliament and of the Council with respect to which procedures fall within the material competence of the consumer protection authority pursuant to section 45/A (1) to (3).

(9) The provisions of Pp. on actions brought in the public interest shall apply to actions under this section.

Sections 38/A to 38/C

Bringing an action in the public interest

Section 39 (1) If the infringing conduct of the undertaking affects a wide range of consumers, who are not identified individually but are easy to define based on the circumstances of the infringement or if that conduct causes a significant disadvantage, and the procedure falls under the material jurisdiction of the court, the prosecutor or the association representing consumers' interests shall be entitled to bring an action.

(2) If the procedure with respect to the infringement of legal provisions transposing European Union legal provisions enlisted in Annex I to the Directive 2009/22/EC of the European Parliament and of the Council falls under the material jurisdiction of the court, the qualified entities established under the laws of any other Member State of the European Economic Area and included in the list published in the Official Journal of the European Union pursuant to Article 4 (3) of the Directive 2009/22/EC of the European Parliament and of the Council shall be entitled to bring an action under paragraph (1) with respect to consumers' interests protected by them.

(3) Section 38 (2) to (6) shall apply accordingly to actions brought by organisations specified under paragraphs (1) to (2). Those entitled to bring an action under paragraphs (1) to (2) may also claim

a) that the infringement be discontinued and the infringer be banned from further infringement;

d) the termination of the infringing situation and the restoration of the previous state.

(4) Enforcing claims under this section shall be without prejudice to the consumers' right to bring a civil action independently against the infringer.

(5) The provisions of Pp. on action brought in the public interest shall apply to actions under this section.

PART TWO

THE INSTITUTIONAL SYSTEM OF CONSUMER PROTECTION AT THE LEVEL OF THE STATE, LOCAL GOVERNMENTS AND INTEREST REPRESENTATION

Chapter VII

The institutional structure of consumer protection at the level of the state

Section 39/A

Section 40 (1) The minister responsible for consumer protection

- a) shall establish a consumer protection policy programme,
- b) shall take and initiate measures to protect and enforce consumers' rights.

Sections 41 to 42

Section 42/A

Section 43

Cooperation with the consumer protection authorities of Member States of the European Economic Area

Section 43/A (1) The consumer protection authority shall be responsible for the implementation of Regulation 2006/2004/EC of the European Parliament and of the Council with respect to infringements within the European Union of the laws of Member States transposing the following directives:

- a) Council Directive 85/577/EEC to protect the consumer in respect of contracts negotiated away from business premises,
- b) Council Directive 87/102/EEC for the approximation of the laws, regulations and administrative provisions of the Member States concerning consumer credit, amended by Council Directive 90/88/EEC and 98/7/EC of the European Parliament and of the Council,
- c) Council Directive 90/314/EEC on package travel, package holidays and package tours;
- d) Council Directive 93/13/EEC on unfair terms in consumer contracts;
- e) Directive 94/47/EC of the European Parliament and of the Council on the protection of purchasers in respect of certain aspects of contracts relating to the purchase of the right to use immovable properties on a timeshare basis,
- f) Directive 97/7/EC of the European Parliament and the Council on the protection of consumers in respect of distance contracts, amended by Directive 2002/65/EC of the European Parliament and of the Council,
- g) Directive 98/6/EC of the European Parliament and of the Council on consumer protection in the indication of the prices of products offered to consumers,
- h) Directive 1999/44/EC of the European Parliament and of the Council on certain aspects of the sale of consumer goods and associated guarantees;
- i) Articles 5 and 10 to 11 of the Directive 2000/31/EC of the European Parliament and of the Council on certain legal aspects of information society services, in particular electronic commerce in the Internal Market,

j) Articles 86 to 100 of the Directive of 2001/83/EC on the Community code relating to medicinal products for human use as amended by Directive 2004/27/EC of the European Parliament and the Council,

k) Directive 2005/29/EC of the European Parliament and of the Council concerning unfair business-to-consumer commercial practices in the internal market.

(2) In respect of infringements within the European Union violating Regulation 261/2003/EC of the European Parliament and of the Council, the consumer protection authority shall implement, with requesting the aviation authority if necessary, Regulation 2006/2004/EC of the European Parliament and of the Council establishing common rules or compensation and assistance to passengers in the event of denied boarding and of cancellation or long delay of flights.

(3) The consumer protection authority, as a liaison office, shall coordinate in Hungary the implementation of Regulation 2006/2004/EC of the European Parliament and of the Council.

(4) In the context of mutual legal assistance, the consumer protection authority shall act in compliance with Commission Decision 2007/76/EC amended by Commission Decision 2008/282/EC.

(5) The consumer protection authority shall implement Regulation 2006/2004/EC of the European Parliament and of the Council with respect to infringements within the European Union violating Regulation (EU) 2018/302 of the European Parliament and of the Council, in cases where the customer qualifies as consumer under Regulation (EU) 2018/302.

Section 43/B The minister responsible for consumer protection shall ensure that the information obligations under Article 5 (1), Article 16 (1) and Article 17 (1) of Regulation 2006/2004/EC of the European Parliament and of the Council and the reporting obligation under Article 21 (2) are met.

Chapter VIII

The role of local governments

Section 44 (1) The representative bodies of local governments

a) may help the self-organisation of consumers, and support the local interest representation activity of consumer protection associations,

b)

c) depending on the needs of the local population, may run an office giving advice on consumer protection matters.

(2)

Chapter IX

Associations representing consumers' interests

Section 45 (1) The state and local governments shall promote and support the activities of associations representing consumers' interests that aim to

a) help, with their exploratory work, the enforcement of consumers' economic interests and consumer rights, explore consumers' problems and assess the enforcement of consumer' rights in this context

b) monitor the standard contract terms applied to consumers,

c) represent consumers in interest representation forums and bodies,

d) bring actions in the public interests and initiate procedures, inspections and measures in order to protect consumer rights or consumer interests,

- e)* provide opinions on legislative proposals affecting consumers and initiate the amendment of laws in order to protect consumer rights or consumer interests,
 - f)* participate in developing consumer protection policy and monitor its implementation,
 - g)* operate advice offices that provide information to consumers and facilitate the enforcement of their rights, and run information systems providing information to consumers,
 - h)* organise or conduct consumer protection training and information sessions in order to promote informed consumer behaviour and raise the awareness of consumers,
 - i)* inform the public by disclosing their experiences in the course of their activities,
 - j)* participate in the activities of international organisations in order to protect consumer interests,
 - k)* contribute to national standardisation in the organs of the Hungarian Standards Institution.
- (2)
- (3) The state shall provide funding for associations representing consumer interests in the Act on the central budget.

Chapter X

Procedure of the consumer protection authority

Section 45/A (1) The consumer protection authority shall check, with the exception of provisions concerning the establishment, validity, legal effects and termination of contracts, compliance with the provisions of this Act and its implementing laws related to

- a)* distribution and the provision of services,
- b)* the protection of children and juveniles,
- c)* consumer groups,
- d)* handling complaints, customer service, and the employment of a consumer protection advisor, and
- e)* the undertakings' obligation to provide information on conciliation boards under section 17/A (1a), and the obligation to cooperate in conciliation board procedures under section 29 (11)

and shall take action if the above provisions are infringed.

(2) The consumer protection authority shall check whether the provisions of separate laws defined as consumer protection provisions are complied with and, unless otherwise provided by the Act on the prohibition of unfair business-to-consumer commercial practices, shall proceed if those provisions are violated.

(3) In addition to provisions set out in paragraphs (1) and (2), unless otherwise provided in a separate Act or a government decree, the consumer protection authority shall monitor compliance with the provisions related to

- a)* selling products to consumers,
- b)* the quality, content and packaging of products distributed to consumers,
- c)* measuring products, the officially fixed or otherwise compulsory price of products to be sold or sold to consumers,
- d)* handling consumer complaints,
- e)* handling warranty and performance guarantee claims enforced under the terms of a consumer contract,
- f)* the requirement of equal treatment in the course of distributing a product or providing services, and

g) providing information to consumers,
and shall proceed if those provisions are violated.

Section 45/B The consumer protection authority shall check the standard contract terms used when concluding contracts or published for this purpose with a view to establish whether they contain any terms providing for, in breach of the requirement of good faith and fairness, rights and obligations to the detriment of the consumer, in a unilateral and unjustified manner.

Section 46 (1)

(2) In the procedure of the consumer protection authority, in the context of protecting consumer interests that are protected by them, the following persons shall have the rights of parties:

a) associations representing consumers' interests, and

b) qualified entities established under the laws of any other Member State of the European Economic Area and included in the list published in the Official Journal of the European Union pursuant to Article 4 (3) of the Directive 2009/22/EC of the European Parliament and Council, with reference to the violation of legal provisions transposing the directives mentioned in section 43/A (1) a) to c), e), f), and h) to k), and Directive 2006/123/EC of the European Parliament and of the Council.

(2a) By way of derogation from paragraph (2) a), associations representing consumers' interests shall only be entitled to the rights of parties in procedures initiated by a third party if the infringement subjected to the procedure affects a wide range of consumers.

(2b) If section 46 (6a) b) is applied, the consumer protection authority may notify the party present of launching the procedure *ex officio*, by disclosing to him the available data specified in section 104 (4) of Act CL of 2016 on the Code of General Administrative Procedure (hereinafter "Ákr."). When applying the provisions of this paragraph, the person acting on behalf of the party to whom the authority communicates its decision at the scene shall, until proven otherwise, be considered to have the right to represent the party if that person makes a statement to that effect or attaches another official document serving as proof of it.

(2c) An application for the rebuttal of the presumption under paragraph (2b) may be submitted by the party, together with the appeal against the decision. In the application, the facts or circumstances substantiating the likelihood of the absence of the right of representation shall be presented.

(3) No procedure can be launched by the consumer protection authority after three years following the infringement. If the infringement is ongoing, the time limit shall commence when the infringement is terminated. For infringing acts realised by failing to terminate a particular situation or circumstance, the time limit shall not commence as long as such a situation or circumstance prevails.

(4) The consumer protection authority shall exercise its market surveillance functions and powers in respect of the safety and compliance of products pursuant to this Act, the Act on market surveillance of products and separate laws.

(5) In the consumer protection authority's procedure in matters of public services, the time limit for completing cases shall be sixty days.

(6) The consumer protection authority may examine whether it is possible to send a notice

a) in the cases specified in section 14 (1) and 14 (5) in respect of the selling price and unit price of the product,

b) in the case specified in the first sentence of section 5 (4) and section 6 (2) b) of Act CLXIV of 2005 on trade.

(6a) With the exception of the cases specified in points a) and b), the consumer protection authority may not examine whether it is possible to issue a notice, except if the party

subjected to an official audit is considered a small or medium-sized undertaking according to the Act on small and medium-sized undertakings and the support of their development.

(6b) If, as the result of the official audit, the authority establishes that the party violated the requirements set forth in the laws or in the decision of the authority,

a) and the violation of the laws or the authority's decision can be remedied by ending the infringing conduct or restoring the lawful state, the authority shall call the party's attention to the violation and, setting a suitable time limit and warning him of the legal consequences, it shall order the party to terminate the violation,

b) if the time limit specified in point *a)* expired with no result or applying point *a)* is excluded, in a new procedure the authority shall establish another legal consequence that falls within its material competence,

c) if points *a)* and *b)* are not applicable because the authority does not have material or territorial competence in respect of the given infringement, the authority shall, by sending the part of the minutes or memorandum that contains information concerning the infringement, initiate the procedure at the competent authority or shall initiate a disciplinary, infraction, criminal, civil or other procedure.

(6c) Paragraph (6b) *a)* may not be applied, if

a) the violation of the requirements set forth in laws or the decision of the authority can exclusively be remedied by means of another authority procedure,

b) the authority, within two years, established another legal consequence in a decision with administrative finality for the same party due to the notice specified in paragraph (6b) *a)* having been inconclusive,

c) the authority proceeded against the same party within two years pursuant to paragraph (6b) *a)* due to the violation of the provision set out in the same laws or authority decision.

Section 46/A The consumer's application submitted to the consumer protection authority shall, in addition to those set forth in section 36 of the Ákr., contain

a) the name of the undertaking affected by the application and the address of its seat, if it is available for the consumer,

b) the address of the business affected by the alleged infringement or the place where the conduct subjected to the complaint is found,

c) a short summary of the subject of the submission with the available underlying documents, including in particular the response of the undertaking to the complaint submitted to it by the consumer, the minutes taken of the oral complaint or, regarding a complaint submitted by post, the document certifying that document was sent by post.

Section 47 (1) If establishing in its procedure the infringement of consumer protection provisions in section 45/A (1) to (3), the consumer protection authority may, taking the substantial circumstances of the case into account, in particular the gravity of the infringement, the duration of the unlawful state, the repetitious nature of the infringing conduct and the advantage resulting from the infringement, and with a view to the requirement of proportionality, establish the following legal consequences:

a) it may order that the unlawful state be terminated,

b) it may prohibit the continuation of the infringing conduct,

c) it may oblige the undertaking to terminate the errors and deficiencies identified while setting a time limit,

d) it may subject the distribution or sale of the product to a condition or it may prohibit it until the lawful state is restored,

e)

f)

g) it may order that the business premises affected by the infringement be closed temporarily until the lawful state is restored, if it is necessary in order to protect consumers' lives, physical integrity or health or to avert imminent danger threatening to cause damage to a wide range of consumers,

h) in cases of violating the provisions in section 16/A (1) to (3), it may prohibit the distribution of alcoholic beverages, tobacco products or sexual products for not longer than one year as from the establishment of the infringement and, for the repeated violation of these provisions, it may order that the business premises affected by the infringement be closed temporarily for no longer than thirty days,

i) it may impose consumer protection fine (hereinafter "fine").

(2) When applying the legal consequences under paragraph (1), the consumer protection authority, if considering it necessary in view of the circumstances, may oblige, by setting a time limit, the infringing undertaking to notify the authority of the measures it has taken to remedy the errors and deficiencies and to discontinue the infringement.

(3) Laws may provide for further legal consequences for the violation of the consumer protection provisions set out in them.

(4) The legal consequences specified in paragraphs (1) and (3) may be established cumulatively.

(5) When applying paragraph (1), the gravity of the infringement may in particular be decided upon on the basis of the number of consumers affected by the infringement, the range of their interests infringed upon, the geographical extent of the infringing conduct and the value of the products affected by the infringement.

(6) In order to end the infringement, the consumer protection authority, instead of issuing a decision, may enter into an authoritative contract with the party that undertakes to stop the infringing conduct and agrees to bring its conduct in line with the consumer protection provisions under section 45/A (1) to (3), in accordance with the authoritative contract.

(7) The legal consequence under paragraph (1) shall not apply to a party having entered into an authoritative contract with the consumer protection authority, within the time limit for performance, for an infringement which the contract seeks to terminate.

(8) The consumer protection authority shall inform the commercial authority keeping a register of the undertaking or the business premises of its decision containing the legal consequence specified in points (1) g) or h).

(9) In the course of the official audit and during the consumer protection authority's procedure, the undertaking shall be obliged to provide the data on its activities that are necessary for the inspection to be completed and for the decision on the merits of the case to be taken, with the exception of public data or data contained in the register, established by virtue of laws, of an authority, a court or of the Hungarian Chamber of Civil Law Notaries. A fine may imposed upon the undertaking if it fails to disclose the data when called upon to do so by the consumer protection authority or if the data disclosed by it are false.

(9a) In order to check whether the obligation under section 17/B (3) regarding calls received by a helpdesk administrator is complied with, the electronic communications provider from whose network the call was initiated shall at the request of the consumer protection authority provide the data that are processed by it concerning the starting time and duration of the call.

(10) The consumer protection authority shall be authorised, subject to taking a record of it, to take a sample and a duplicate sample in order to check the quality or composition of the product. The sampling costs, including the cost of the sample, and the costs of laboratory testing or other analyses shall be procedural costs.

(11) The procedural costs specified in paragraph (10) shall be borne by the undertaking responsible for the infringement if the sample does not comply with the requirements.

(12)

(13) The consumer protection authority may carry out mystery shopping in respect of a product or service.

(14) Before launching a procedure, if there is a reasonable suspicion of a violation of the consumer protection provisions in section 45/A (1) to (3) of the Fgytv, the consumer protection authority, in the course of performing its tasks based on Regulation 2006/2004/EC of the European Parliament and of the Council, shall have the right to call upon the infringing undertaking to remedy the errors and deficiencies, setting a time limit for it. If the undertaking fails to comply with the consumer protection authority's notice within the time limit set therein, the consumer protection authority shall carry out the consumer protection procedure set out in this Act.

Section 47/A (1) The consumer protection authority may engage a third party to participate in mystery shopping. An agency contract may be concluded with the participating third party, based on which the contributing third party shall be entitled to an assignment fee.

(2) The consumer protection authority engaging a contributor shall issue a letter of assignment to the engaged third party, containing the name of the contributing party and specifying the type of inspections it can carry out and the undertakings to be subject to the check.

(3) The rules of disqualification applied to the administrator shall apply to the contributing third party.

(4) The consumer protection authority shall verify its entitlement to perform the check upon the completion of the mystery shopping.

(5) After mystery shopping for a product, the person entitled to represent the undertaking shall be obliged to reimburse the price of the product upon the entitlement to carry out the check being verified.

(6) Regarding mystery shopping for a service, the service fee shall be considered to be an administrative fee to be borne by the undertaking responsible for the infringement if the service does not comply with the requirements.

Section 47/B

Section 47/C (1) The amount of the fine may range from 15 000 forints

a) to 5% of the annual net turnover of the undertaking but 500 million forints at the most for undertakings that are subject to the Szt., have an annual net turnover of over 100 million forints but are not subject to the Act on small and medium-sized undertakings and the support of their development; and to 2 billion forints for infringements damaging or jeopardising the physical integrity and health of a wide range of consumers, as well as for infringements causing major material damage to a wide range of consumers,

b) to 500 0000 forints for undertakings that are not subject to point a); while to 5% of the annual net turnover of the undertaking for infringements damaging or jeopardising the physical integrity and health of a wide range of consumers, as well as for infringements causing major material damage to a wide range of consumers; and to 5 million forints for undertakings that are not subject to the Szt.

(1a) By way of derogation from paragraph (1), regarding undertakings that provide e-commerce services under section 2 *a)* of Act CVIII of 2001 on certain aspects of electronic commerce and information society services, the amount of fine for infringements established repeatedly in respect of e-commerce services may range from 200 000 forints

a) to 5% of the annual net turnover of the undertaking for undertakings subject to paragraph (1) *a)*, but 500 million forints at the most; and to 2 billion forints for infringements damaging or jeopardising the physical integrity and health of a wide range of consumers, as well as for infringements causing major material damage to a wide range of consumers,

b) to 2 million forints for undertakings that are not subject to paragraph (1) *a)*; while to 5% of the annual net turnover of the undertaking for infringements damaging or jeopardising the physical integrity and health of a wide range of consumers as well as for infringements causing major material damage to a wide range of consumers; and to 5 million forints for undertakings that are not subject to the Szt.

(2) The net turnover under paragraph (1) shall be established on the basis of the net turnover indicated in the annual report or simplified annual report (hereinafter jointly “report”) for the business year preceding the year when the decision establishing the infringement was adopted. If the undertaking has been in operation for less than one year, the annual level of the data shall be estimated. If the undertaking has no credible information on the annual net turnover for the financial year preceding the year when the decision on the infringement was adopted, the minimum and the maximum amount of the fine shall be determined on the basis of the net annual turnover for the last financial year officially closed. Regarding a newly established undertaking with no report, the business plan for the year when the procedure was launched shall be taken into account or, in its absence, the net turnover that was calculated according to the rules on interim accounting statement set out in the Szt., considering the day when the procedure was commenced as the record date, and disclosed by the undertaking after being called upon by the authority to do so shall be taken into account.

(3) In the application of paragraph (1), when establishing the net turnover,

a) regarding a payment institution,

aa) the net turnover originating from the payment service activity and the incomes of financial transactions originating from the payment service activity,

b) regarding a commodity exchange provider,

ba) the net turnover originating from its commodity exchange service activity, and

bb) revenues originating from its commodity exchange service activity

shall not be taken into account.

(4) If the undertaking provides the data in foreign exchange in its report, when converting such data into HUF, the official foreign exchange rate of the Hungarian National Bank effective on the date when the business year of the undertaking is closed, and for a newly established undertaking, the exchange rate effective on the last day of the year preceding the given year, shall be applied.

(5) Unless otherwise provided by the Act on small and medium-sized undertakings and the support of their development, the consumer protection authority shall impose a fine in every case, if

a) within six months following the due date or after the expiry of the time limit set for complying with the requirement provided for the undertaking by the consumer protection authority in its decision with administrative finality establishing the infringement, the undertaking again infringed the same legal provision at the same premises, if the infringement was committed at business premises,

b) the infringement affects a wide range of consumers,

c) a legal provision aiming to protect persons under the age of eighteen was infringed, and

d) a consumer protection provision under section 45/A (1) to (3) was infringed in respect of a consumer belonging to a group that can be clearly identified and consists of consumers who are particularly vulnerable due to their age, credulity, mental or physical impairment,

e) the undertaking violates its obligation to cooperate in the conciliation board’s procedure set out in section 29 (11).

Section 48 (1) to (2)

(3) The fine shall be paid to the account of the consumer protection authority held with the Treasury.

(4)

(5)

(6) The failure to pay the fine imposed upon finality shall result in a default surcharge, in an amount equal to 1/365th of twice the central bank base rate effective on the day when the surcharge is imposed, for each calendar day.

(7) The administrative fine imposed in the procedure of the consumer protection authority shall be considered to be public dues collectible as taxes.

Section 48/A

Section 49 (1) The consumer protection authority, in its order that can be enforced immediately, may order the application of section 47 (1) *a)*, *b)*, and *g)* for the period until its decision on the merits is adopted, if it is urgently necessary due to the likelihood of the conditions under paragraph (2). The consumer protection authority shall issue this order with priority.

(2) The consumer protection authority may declare its first instance decision to be immediately enforceable in the following cases or for the following reasons:

a) if the legal consequence under section 47 (1) *h)* is established,

b) for reasons of environmental protection,

c)

d)

e) in order to protect the physical, mental, emotional or moral development of juveniles, and

f) with regard to commercial communications or an Internet website with infringing content.

(3)

Section 50

Section 51 (1) The consumer protection authority shall, regardless of legal remedy, disclose its decision if

a) the immediate enforcement of the decision is ordered pursuant to section 49 (2),

b)

c)

(2) The consumer protection authority shall publish its order under section 49 (1).

(3) The consumer protection authority shall publish its decisions with administrative finality, with the exception of a decision subject to the disclosure requirement under section 51/B.

(4) The decision shall be published on the website of the consumer protection authority, and in any other way considered appropriate by the consumer protection authority if needed. The consumer protection authority may also inform the national news agency of the decision disclosed.

(5) The published document shall contain the following:

a) the date of publication,

b) the legal title for the publication as set out in this Act,

c) reference to the decision reaching administrative finality or the absence thereof,

d) the name of the proceeding authority,

e) the number and subject matter of the case,

f) the name and seat of the undertaking having committed the infringement,

g) the facts of the case as established,

h) indication of the infringed legal provision,

i) the operative part of the decision, excluding the provisions on legal remedy if the decision reached administrative finality, and

j) the fact of a legal remedy procedure against the decision.

(6) When becoming aware of the decision of an authority or of a court which was adopted in the legal remedy procedure and which amends the published decision on the merits, the consumer protection authority shall publish the following in the same manner as the decision or order was published:

- a)* information under paragraph (5) concerning the decision affected by the legal remedy,
- b)* the decision of the authority or court adopted in the legal remedy procedure, a brief statement of reasons, and
- c)* the date of publication.

(7) The consumer protection authority shall remove the information published on its website pursuant to paragraph (4) and (6) six months after the date of disclosure.

(8) The authority shall ensure that the decisions of authorities or courts published on its website can be searched for the text of the documents, fact of the legal remedy procedure and legal provision identified as infringed.

Section 51/A (1) The consumer protection authority shall publish a communication of the authoritative contracts concluded by it in the course of implementing Regulation 2006/2004/EC of the European Parliament and of the Council on its website and in any other way if needed.

(2) The communication referred to in paragraph (1) shall include:

- a)* those contained in section 51 (5) *a)* to *b)* and *d)* to *f)*,
- b)* the fact of concluding the contract in order to protect public interest,
- c)* a short, easy to understand summary of the obligations undertaken, and
- d)* the information that the authoritative contract is available on the premises of the authority.

Section 51/B (1) The decisions of the consumer protection authority and the Hungarian Competition Authority that reached administrative finality, and final and binding court decisions establishing a severe infringement relating to e-commerce services specified in the government decree issued upon the authorisation of this Act, shall be published on the website of the ministry led by the minister responsible for consumer protection, together with the following data:

- a)* the legal title for disclosure under this section,
- b)* reference to the decision reaching administrative finality or becoming final and binding,
- c)* the name of the proceeding authority or court,
- d)* the number and subject matter of the case,
- e)* the infringing undertaking's name, seat, registration number or company registration number and tax number,
- f)* the name, identifiable to consumers, used by the undertaking when providing e-commerce services and the address of the undertaking's website,
- g)* reference to the legal remedy procedure against the decision,
- h)* the indication of the infringed legal provision, and
- i)* the date of disclosure and the expected date of removal from the website pursuant to paragraph (7).

(2) When becoming aware of the administrative or court decision adopted in the legal remedy procedure that resulted in the amendment of the published decision on the merits, the minister responsible for consumer protection shall publish the following in the manner specified under paragraph (1):

- a)* the information as specified under paragraph (1) on the decision affected by the legal remedy if that information has been removed from the website,
- b)* the administrative or court decision adopted in the legal remedy procedure.

(3) The court, the consumer protection authority and the Hungarian Competition Authority shall send electronically their decisions falling under the scope of paragraphs (1) and (2), and the data under paragraph (1) *b*) and *g*) to the minister responsible for consumer protection for the purpose of publication within thirty days from the service of the decision. The court shall not be required to inform the minister responsible for consumer protection if the consumer protection authority is a party in the court procedure.

(4) From the administrative decisions to be sent under paragraph (3)

a) regarding the decision of the consumer protection authority, personal and protected data shall be deleted pursuant to section 27 (2) of the Ákr.,

b) regarding the decision of the Hungarian Competition Authority, data subject to limited access shall be deleted pursuant to section 55/C (2) of Act LVII of 1996 on the prohibition of unfair and restrictive market practices.

(5) The provisions of section 166 in Chapter XII of Act CLXI of 2011 on the organisation and administration of the courts (hereinafter the “Bszi.”) shall apply to the publication of court decisions sent under paragraph (3), subject to the derogations that

a) the minister responsible for consumer protection shall be obliged to remove the data capable of identifying those indicated in the court decision if such data were not deleted by the court acting in its own competence,

b) the infringing undertaking's data under paragraph (1) shall not be deleted from the court decision,

c) section 166 (4) of the Bszi. shall not apply.

(6) The minister responsible for consumer protection shall comply with the publication obligation under paragraphs (1) and (2) within fifteen days from receiving the administrative or court decision.

(7) The minister responsible for consumer protection shall remove from its website the data published under paragraphs (1) and (2) two years after publication, providing that the consumer protection authority or the Hungarian Competition Authority in its decision with administrative finality or the court in its final and binding decision did not establish the liability of the undertaking for another grave infringement under the Government Decree issued upon the authorisation of this Act.

(8) The minister responsible for consumer protection shall ensure that, in the text of the administrative or court decision published on the website under paragraph (1) of the related information, the name of the undertaking and its designation, identifiable to consumers, used while providing e-commerce services, the address of the website, the decision with administrative finality of the consumer protection authority or the Hungarian Competition Authority and the final and binding decision of the court, the fact of a legal remedy procedure and the legal provision infringed can be searched.

PART THREE

Final provisions

Entry into force

Section 52 (1) This Act shall enter into force on 1 March 1998.

(2) The provisions of sections 18 to 37 of this Act shall apply from 1 January 1999.

Section 53

Section 54

Authorisation

Section 55 (1) The Government shall be authorised to determine in a decree the detailed rules concerning

a) the supplementary rules to be applied by the consumer protection authority in its administrative authority powers,

b) the amount and payment of the sampling costs, and the costs of laboratory testing and other examinations,

c) the cases of serious infringements committed in the context of the publication obligation related to e-commerce services and provided for in section 51/B (1),

d) to e)

f) the payment of fines imposed by the consumer protection authority and the use of the administrative fee due to the proceeding authority pursuant to the laws,

g)

h) the designation of consumer protection authority or authorities, their functions and powers,

i)

j) the procedure to record associations representing consumers' interests in the register referred to by the Directive in Article 4 (3) Directive 2009/22/EC of the European Parliament and of the Council, for the purpose of implementing Article 4 (2) of that Directive

k) participation in the Network of European Consumer Centres,

l) notifying and operating consumer groups established before 1 January 2012, the tasks to be discharged by the undertaking operating the consumer group, the obligation of the undertaking to provide data, handling the payments of consumers, the settlement of accounts with consumers and the termination of the contract.

(2) The Government shall be authorised to specify in a decree, the rules concerning the requirements and safety regulations of pyrotechnic articles for civil use, their specific labelling requirements, the way of assessing the compliance of individual products and the organisations issuing certificates of conformity or rules on defining the circle of such organisations.

Section 56 The minister responsible for consumer protection shall be authorised to specify in a decree the detailed rules on the application procedure for the performance of the tasks of conciliation board members, on the preliminary evaluation of applications and on the remuneration of conciliation board members, and, for cross-border consumer protection disputes related to online contracts of sale or online service contracts, to designate the conciliation boards operated by the chambers designated to proceed.

Section 56/A (1)

(2)

(3)

(4)

(5) The minister responsible for trade shall be authorised to specify, in a decree issued in agreement with the minister responsible for consumer protection, the detailed rules on displaying the price and the unit price of products offered to consumers for sale and the display of service fees, as well as the detailed rules concerning the unit of measurement serving as the basis for setting the unit price.

Section 56/B The minister responsible for justice shall, on the website of the ministry led by him, disclose for information purposes the list of legal provisions transposing EU legal provisions enlisted in the Annex to the Directive mentioned in section 39 (2) and those mentioned in section 43/A (1) and 46 (2) b).

Section 56/C The provisions of this Act as established by Act L of 2017 amending certain Acts in respect of the entry into force of the Act on the Code of General Administrative Procedure and the Act on the Code of Administrative Court Procedure (hereinafter the “Ákr.-Kp. Amending Act”) shall apply to procedures commenced or repeated after the entry into force of the Ákr.-Kp. Amending Act.

Compliance with the law of the European Union

Section 57 (1) This Act serves the purpose of compliance with the following legal acts of the European Union:

a)

b) Directive 98/6/EC of the European Parliament and of the Council of 16 February 1998 on consumer protection in the indication of the prices of products offered to consumers [in conjunction with the ministerial decree issued based on the authorisation defined in section 2 *m*) and *n*), section 14 (1) to (3), (5) and (6), section 56/A (5)];

c) article 2(1) *a)* of Directive 2009/22/EC of the European Parliament and of the Council of 23 April 2009 on injunctions for the protection of consumers’ rights [section 38 (6) and (8), section 39 (2) and (3), section 46 (2) *b)*, section 47 (1) *a)* and *b)*, section 49 (1), section 51 (2) to (4) in the procedure of the consumer protection authority];

d) Directive 2013/11/EU of the European Parliament and of the Council of 21 May 2013 on alternative dispute resolution for consumer disputes and amending regulation (EC) No. 2006/2004 and Directive 2009/22/EC (Directive on consumer ADR) [section 2 *j)*, *k)*, *o)*, *p)*, *s)*, section 17/A (1) and (1a), section 18 (1), (6) and (7), section 29 (4), (5a), (5b), (8), (11) and (12), section 36/A (1) and (2), section 37/A (3) to (9), section 45/A (1) *e)*, section 47/C (5) *e)*];

e) 98/257/EC Commission recommendation of 30 March 1998 on the principles applicable to the bodies responsible for out of court settlement of consumer disputes (sections 18 to 37/A);

f) Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006 on services in the internal market [section 2 *i)*, section 16/B (1) and (3), section 17/D (4)];

g) to *h)*

(2) This Act contains provisions for the implementation of the following legal acts of the European Union in connection with the tasks and procedure of the consumer protection authority:

a) Regulation (EC) No. 2006/2004 of the European Parliament and of the Council of 27 October 2004 on cooperation between national authorities responsible for the enforcement of consumer protection laws as regards Article 4 (1) and (6), Article 5 (1), Article 16 (1), Article 17 (1), Article 21 (2) [section 43/A, section 43/B, section 47 (6), section 47 (14), and section 51 (2) to (4)];

b) Commission Decision 2007/76/EC of 22 December 2006 implementing Regulation (EC) No. 2006/2004 of the European Parliament and of the Council on cooperation between national authorities responsible for the enforcement of consumer protection laws as regards mutual assistance [section 43/A (4)];

c) Commission Decision 2008/282/EC of 17 March 2008 amending decision 2007/76/EC implementing Regulation (EC) No. 2006/2004 of the European Parliament and of the Council on cooperation between national authorities responsible for the enforcement of consumer protection laws as regard mutual assistance [section 43/A (4)];

d) Regulation (EU) No. 524/2013 of the European Parliament and of the Council of 11 May 2013 on online dispute resolution for consumer disputes and amending Regulation (EC) No.

2006/2004 and Directive 2009/22/EC [section 2 *a*), section 18 (8), section 29 (11)];*e*) Regulation (EU) 2018/302 of the European Parliament and of the Council of 28 February 2018 on addressing unjustified geo-blocking and other forms of discrimination based on customers' nationality, place of residence or place of establishment within the internal market and amending Regulations (EC) No 2006/2004 and (EU) 2017/2394 and Directive 2009/22/EC.

(3)

(4) Section 19 sets forth a provision to implement Article 7 (1) of Regulation (EU) No. 524/2013 of the European Parliament and of the Council of 21 May 2013 on online dispute resolution for consumer disputes and amending Regulation (EC) No. 2006/2004 and Directive 2009/22/EC.

Section 58 The prior notification of the draft of section 16/B of this Act was performed in accordance with Article 39 (5) of Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006 on services in the internal market.

Annex 1 of Act CLV of 1997

Technical requirements of the official training for consumer protection advisors

The aim of the training is to enable the trainee to possess basic knowledge and specific information in the area of consumer protection and perform the tasks of the consumer protection advisor as specified in section 17/D of this Act, through which he facilitates the strengthening of the undertaking's attitude to consumer protection and is able to contribute to fostering the knowledge of employees concerning the rules and regulations of consumer protection.

1. Areas of the training

1.1. Subjects of the training:

1.1.1. Consumer protection basics:

- a*) the institutional and regulatory system of consumer protection,
- b*) procedural rules of procedures by the consumer protection authority,
- c*) fair commercial practices,
- d*) general bans and restrictions on advertising,
- e*) handling quality-related complaints in respect of warranty and performance guarantees, the rights of the consumer,
- f*) establishing fair contract terms,
- g*) rules on special forms of sales (distance contracts, contracts negotiated away from business premises),
- h*) rules of the conciliation boards operating in conjunction with the county (capital) chamber of commerce and industry, and
- i*) the role of associations representing consumers' interests.

1.1.2. Optional specialisations:

1.1.2.1. Electronic communications:

- a*) information on electronic communications services,
- b*) rules on handling complaints and customer service/helpdesk.

1.1.2.2. Tourism specialisation:

- a)* travellers' rights,
- b)* rules on handling complaints,
- c)* rules on travel contracts and travel agencies.

1.1.2.3. Public services specialisation:

- a)* handling complaints and the helpdesk of public service providers,
- b)* the system of official audits of public service providers,
- c)* invoicing, settling accounts, measuring, switching off (limitations) and switching back into the network and the invoice layout.

1.1.2.4. Specialisation in commerce:

- a)* general commercial basics in consumer protection,
- b)* rules on handling complaints and customer helpdesks,
- c)* general training on product safety,
- d)* the safety and labelling of electric and technical products,
- e)* the safety and labelling of chemical products,
- f)* the safety and labelling of toys,
- g)* general information on food law,
- h)* product-specific bans and restrictions on advertising.

1.2. Consumer protection basics shall be mandatory, and be supplemented with at least one specialisation in the course of the training

2. Duration of the training

2.1. The consumer protection basics consist of 50 hours, of which 90% is theoretical and 10% is practical training.

2.2. The electronic telecommunications specialisation consists of 20 hours, of which 90% is theoretical and 10% is practical training.

2.3. The tourism specialisation consists of 30 hours, of which 90% is theoretical and 10% is practical training.

2.4. The public service specialisation consists of 50 hours, of which 90% is theoretical and 10% is practical training.

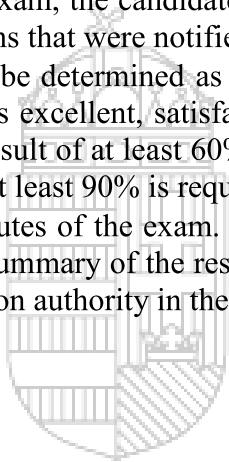
2.5. The commercial specialisation consists of 50 hours, of which 90% is theoretical and 10% is practical training.

2.6. Participation in the training is mandatory; if the trainee is absent from more than 10% of all the classes, he shall repeat the training.

3. The exam

3.1. The organiser of the training shall set out the detailed rules of the training and exam in a code of studies and exams. The training may only be completed if the trainee is physically present. The organiser arranges learning materials that correspond to the requirements of the examination, the development of a methodological guidebook on organising the exam, the compilation of test questions and their publication, and compiling exam questions for the written and the oral exam.

- 3.2. Instructors and examiners in the consumer protection advisor training shall meet the following requirements:
 - a) a tertiary degree in the relevant field and three years of experience at an authority with functions in the area of consumer protection, or
 - b) at least five years of practical experience at a consumer protection authority.
- 3.3. The trainee shall take an exam after the completion of the course. On completing the training and taking the exam, the trainee shall qualify as a consumer protection advisor.
- 3.4. The consumer protection advisor exam shall be taken before an examination board of three members. The examination board shall have a chair. The chair shall be appointed by the organiser.
- 3.5. The exam shall comprise a written and an oral part. The organiser shall notify the consumer protection authority of the questions in the written and the oral exam. The candidate shall have one hundred and eighty minutes to complete the written exam, which consists of the written test questions that were notified. At the oral exam, the candidate shall give proof of his knowledge of the oral exam questions that were notified.
- 3.6. The result of the exam shall be determined as a percentage, based on the total score and shall be graded as excellent, satisfactory or unsatisfactory. For the grade to be satisfactory, a result of at least 60%, and for the grade to be classified as excellent, a result of at least 90% is required.
- 3.7. The organiser shall take minutes of the exam. The organiser shall retain the minutes of the exam and the summary of the results for five years and present them to the consumer protection authority in the course of an inspection.



MINISTRY OF JUSTICE
HUNGARY