AMENDMENT TO THE COPYRIGHT LAW 1

[Translation]

Article 2

The "competent authority" under this Law is the Ministry of Economic Affairs.

The Ministry of Economic Affairs shall <u>appoint</u> a specialized agency charged with handling <u>copyright</u> matters.

Article 3

For purposes of this Law the following terms are defined as follows:

- 1. "Work" means a creation that is within a literary, scientific, artistic or other academic domain.
- 2. "Author" means a person who creates a work.
- 3. "Copyright" means the moral rights and economic rights subsisting upon the completion of a work.
- 4. "The public" means unspecified persons or multiple specified persons. This does not apply to multiple persons of a household and the household's normal social acquaintances.
- 5. "Reproduction" means to reproduce <u>directly</u>, <u>indirectly</u>, <u>permanently</u>, <u>or temporarily</u> a work by means of printing, reprography, sound recording, video recording, photography, handwritten notes, or otherwise. This definition also applies to the sound recording or video recording of scripts, musical works or works of similar nature during their performance or broadcast; and also includes the construction of a building based on architectural plans or models.
- 6. "Public recitation" means to communicate the contents of a work to the public by spoken words or other means.
- 7. "Public broadcast" means to communicate to the public the contents of a work through sounds or images by means of transmission of information by a broadcasting

¹ 1.This is a tentative translation of the Amendment to the Copyright Law approved by the Legislative Yuan on June 6, 2003.

^{2.} In this translation, the word "it" has been used as a substitute for "he/she"; the Chinese original does not generally indicate singular or plural and in the translation, unless the context indicates otherwise, singular may be read to include plural and vice versa. Text within brackets "[]" is added to improve clarity and readability. This is not an "official translation" in that, should there be any discrepancy between the original text and this English translation, the original Chinese text shall govern, and in all instances of interpretation the Chinese original text should be consulted.

<u>system of wire or wireless</u>, or other equipment, where such communication is for the purpose of <u>direct listening</u> reception <u>or viewing reception by the public</u>. This includes any communication, by <u>transmission of information by a broadcasting system of wire</u>, wireless, <u>or other equipment</u>, to the public of an original broadcast of sounds or images by any person other than the original broadcaster.

- 8. "Public presentation" means to use single or multiple unit audiovisual devices, or other methods of transmitting images, to simultaneously communicate the contents of a work to the public at the place of transmission or at a specified place outside the place of transmission.
- 9. "Public performance" means to communicate the contents of a work to the public at the scene by acting, dancing, singing, playing a musical instrument, or other means. This includes any communication to the public of an original broadcast of sounds or images through loudspeakers or other equipment.
- 10. "Public transmission" means to make available or communicate to the public the contents of a work through sounds or images by wire or wireless network, or other means of communication, including enabling the public to receive the content of such work by any above means at a time or place individually chosen by them.
- 11. "Adaptation" means to create another work based upon a pre-existing work by translation, musical arrangement, revision, filming or other means.
- 12. "Distribution" means, with or without compensation, to provide the original or a copy of a work to the public for the purpose of trade or circulation.
- 13. "Public display" means to display the content of a work to the public.
- <u>14.</u> "Publication" means the distribution of [a sufficient number of] copies [of a work] by the rights owner to satisfy reasonable demands of the public.
- 15. "Public release" means to publicly issue the contents of a work to the public, by the rights owner [of a work], through publication, broadcast, presentation, recitation, performance, display, or other means.
- 16. "The original" means the object to which a work is first fixed.
- 17. "Electronic rights management information" means electronic information presented on the original or copies of a work, or at the time of communication of content of a work to the public, sufficient to identify the work, the name of the work, the author, the economic rights owner or person licensed thereby, and the period or conditions of exploitation of the work, including numbers or symbols that represent such information.

"Place of transmission or at a specified place outside the place of transmission" as referred to in subparagraph 8 of the preceding paragraph includes motion picture cinemas, clubs, places where videos or discs are presented, hotel rooms, public transportation vehicles, or other places that may be accessed by unspecified persons.

Article 7bis

A performance by a performer of a pre-existing work <u>or folklore</u> shall be protected as an independent work.

Protection of a performance shall not affect the copyright in the pre-existing work.

Article 22

Except as otherwise provided under this Law, authors have the exclusive right to reproduce their works.

<u>Performers</u> have the exclusive right to reproduce their performances by means of sound recording, video recording or photography.

The provisions of the preceding two paragraphs do not apply to temporary reproduction that is transient, incidental, an essential part of a technology process, and without independent economic significance, where solely for purposes of network relay transmission, or in the use of a lawful work; provided, this shall not apply to computer programs.

Circumstances of temporary reproduction for network relay transmission referred to in the preceding paragraph include technically inevitable phenomena of the computer or machine itself occurring in network browsing, cache, or other processes for enhancing transmission efficiency.

Article 24

Except as otherwise provided in this Law, authors have the exclusive right to publicly broadcast their works.

The provisions of the preceding paragraph shall not apply to further public broadcasts of a performance after that performance has been reproduced or publicly broadcast.

Article 26

Except as otherwise provided in this Law, authors of oral and literary, musical, and dramatic/choreographic works have the exclusive right to publicly perform their works.

<u>Performers</u> have the exclusive right, by means of loudspeakers or other equipment, to publicly perform their performances; provided, this shall not apply to public performances of a performance by means of loudspeakers or other equipment after that <u>performance</u> has been reproduced or publicly broadcast.

Where a sound recording has been publicly performed, the author may claim payment of remuneration for use from the persons who publicly performed it.

If a performance is reproduced on a sound recording under the preceding paragraph, the author of the sound recording and the performer shall jointly claim payment of remuneration for use. Where one of them makes such claim first, it shall distribute to the other its share of the remuneration.

Article 26bis

Except as otherwise provided in this Law, authors of works have the exclusive right of public transmission of their works.

<u>Performers have the exclusive right of public transmission of their performances</u> reproduced in sound recordings.

Article 28*bis*

Except as otherwise provided in this Law, authors of works have the exclusive right to distribute their works through transfer of ownership.

<u>Performers have the exclusive right to distribute their performances reproduced in sound recordings through transfer of ownership.</u>

Article 29

Except as otherwise provided in this Law, authors of works have the exclusive right to rent their works.

<u>Performers have the exclusive right to rent their performances reproduced in sound recordings.</u>

Article 37

The economic rights owner may license others to exploit the work. The territory, term, contents, method of exploitation and other matters of the license shall be in accordance with the parties' agreement; portions on which the parties' agreement is unclear shall be presumed to have not been licensed.

The license referred to in the preceding paragraph, shall not be affected by subsequent assignment or further licensing, of economic rights by the economic rights holder.

A non-exclusive licensee may not sub-license the rights inherent in the license to any third party for exploitation without the consent of the economic rights holder.

An exclusive licensee may, within the scope of the license, exercise rights in the capacity of the economic rights owner, and may perform litigious acts in its own name. The economic rights owner may not exercise rights within the scope of an exclusive license.

The provisions of paragraphs 2-4 shall not apply to any license conferred prior to the implementation of the November 12, 2001 amendment to this Law.

The provisions of Chapter VII shall not apply where musical works are licensed for reproduction on computer karaoke machines and an exploiter uses such a karaoke machine to publicly perform the works; provided, this shall not apply in the case of musical works managed by copyright intermediary organizations.

Article 49

When reporting current events by means of broadcasting, photography, film, newspaper, <u>network</u>, or otherwise, works that are seen or heard in the course of the report may be exploited within the scope necessary to the report.

Article 50

Works publicly released in the name of a central or local government agency or a public juristic person may, within a reasonable scope, be reproduced, publicly broadcast, or publicly transmitted.

Article 53

Works that have been publicly released may be reproduced <u>in Braille or with accompanying sign language translation or text for the visually impaired or the hearing impaired</u>.

For the purpose of promoting the welfare of the <u>visually impaired or the hearing</u> <u>impaired, legally accredited non-profit institutions or organizations may, by means of sound recordings, computers, verbal imagery, accompanying translation into sign language, or otherwise, exploit works that have been publicly released, for exclusive use by the visually impaired or the hearing impaired.</u>

Article 56

For the purposes of <u>public</u> broadcasting, a radio or television broadcasting organization may, with its own equipment, sound record or video record the work; provided, this shall be limited to [situations where] the <u>public</u> broadcasting has been licensed by the economic rights owner, or [situations] otherwise comporting with the provisions of this Law.

Except where preservation of the recording referred to in the preceding paragraph has been approved for a designated place by the <u>specialized agency in charge of copyright matters</u>, such sound or video recordings shall be destroyed within <u>six months</u> from the time of recording.

Article 56bis

For the purposes of enhancing receiving effect, a community antenna installed in

accordance with law may simultaneously rebroadcast works broadcast by wireless television stations established in accordance with law; the form and contents of such broadcasts shall not be changed.

Article 59*bis*

A person who has obtained ownership of the original of a work or a lawful copy thereof within the territory under the jurisdiction of the Republic of China may distribute it by means of transfer of ownership.

Article 60

Owners of originals of works and lawful copies of works may rent such <u>original works</u> or <u>copies</u>; provided, this shall not apply to sound recordings and computer programs.

The proviso of the preceding paragraph shall not apply to computer programs incorporated in products, machinery or equipment to be legally rented, and where such computer programs do not constitute the essential object of such rental.

Article 61

Commentary on political, economic, or social current events that have appeared in a newspaper, magazine, <u>or network</u> may be republished by other newspapers or magazines, or be publicly broadcast by radio or television, <u>or publicly transmitted on a network</u>; provided, this shall not apply where there is indication that republishing, public broadcast, or <u>public transmission</u> is not authorized.

Article 63

Persons that may exploit the work of another person in accordance with the provisions of article 44, article 45, subparagraph one of article 48, articles 48*bis* through 50, articles 52 through 55, article 61 and article 62 may translate such work.

Persons that may exploit the work of another person in accordance with the provisions of articles 46 and 51 may adapt such work.

Persons that may exploit the work of another person in accordance with the provisions of articles 46 through 50, articles 52 through 54, paragraph 2 of article 57, article 58, article 61, and article 62 may distribute such work.

Article 65

Fair use of a work shall not constitute infringement on the economic rights of the work.

In determining whether the exploitation of a work complies with the provisions of articles 44 through 63, or other conditions of fair use, all circumstances shall be taken into account, in particular the following facts shall be noted as the <u>basis</u> for

determination:

- 1. The purposes and nature of the exploitation, including whether such exploitation is of a commercial nature or is for nonprofit educational purposes.
- 2. The nature of the work.
- 3. The amount and substantiality of the portion exploited in relation to the work as a whole.
- 4. Effect of the exploitation on the work's current and potential market value.

Where the copyright owner organization and the exploiter organization have formed an agreement on the scope of the fair use of a work, it may be taken as reference in the determination referred to in the preceding paragraph.

In the course of forming an agreement referred to in the preceding paragraph, advice may be sought from the specialized agency in charge of copyright matters.

Article 69

Where a sound recording of a musical work recorded for purposes of selling has been published for six months, a person who wishes to exploit the aforementioned musical work to record and produce other sound recordings for sale may apply to the specialized agency in charge of copyright matters for a compulsory license, and after paying compensation, may exploit such musical work and record and produce other sound recordings.

Regulations governing the compulsory license <u>for a musical work referred to in the preceding paragraph, the method for calculating the compensation for exploitation, and other requisite matters</u> shall be prescribed by the competent authority.

Article 79

For a literary and artistic work that has no economic rights or for which the economic rights have expired, a plate maker who arranges and prints the said literary work, or in the case of an artistic work, a plate maker who photocopies, prints or uses a similar method of reproduction and first publishes such reproduction based on such original artistic work, and duly records it in accordance with this Law, shall have the exclusive right to photocopy, print or use similar methods of reproduction based on the plate.

The rights of the plate maker shall subsist for ten years from the time the plate is completed.

The last day of the term of protection referred to in the preceding paragraph shall be the last day of the last year of such term.

Assignment or placement in trust of plate rights shall not be raised as a defense against third parties unless it has been recorded.

The regulations governing <u>recordation</u> of <u>plate rights</u>, <u>recordation of assignment</u>, <u>recordation of trust</u>, <u>and other requisite matters</u> shall be prescribed by the competent authority.

Chapter IVbis Electronic Rights Management Information

Article 80bis

Electronic rights management information made by a copyright owner shall not be removed or altered. However, this shall not apply in any of the following circumstances:

- 1. Where removal or alteration of electronic rights management information of the work is unavoidable in the lawful exploitation of the work given technological limitations at the time of the act.
- 2. Where the removal or alteration is technically necessary to conversion of a recording or transmission system.

Whoever knows that electronic rights management information of a work has been unlawfully removed or altered shall not distribute or, with intent to distribute, import or possess the original or any copy of such work. He/She also shall not publicly broadcast, publicly perform, nor publicly transmit [the same].

Article 82

The specialized agency in charge of copyright matters shall establish a Copyright Examination and Mediation Committee to handle the following matters:

- 1. Examination of rates of compensation for use under the provisions of paragraph 4 of article 47.
- 2. Mediation of disputes between copyright intermediary organizations and users concerning the compensation for use.
- 3. Mediation of disputes concerning copyright or plate rights.
- 4. Other consultation in connection with copyright examination and mediation.

Where mediation referred to in subparagraph 2 of the preceding paragraph fails, the dispute shall be arbitrated in accordance with law.

Dispute mediation referred to in subparagraph 3 of paragraph 1, when involving criminal matters, shall be limited to cases actionable only upon complaint.

Article 82bis

Within seven days of the date of successful conclusion of mediation, the specialized agency in charge of copyright matters shall submit the written mediation statement for ratification by the court of jurisdiction.

The court shall review the written mediation statement referred to in the preceding paragraph with due dispatch. Unless it is contrary to law or regulation, public order, or good morals, or compulsory execution would be impossible, the judge shall sign [copies] thereof and affix the seal of the court thereto, and shall return the mediation statement to the specialized agency in charge of copyright matters for service to the parties, retaining one copy for its own records.

Where the court decides not to ratify a mediation statement, it shall notify the specialized agency in charge of copyright matters of the reasons.

Article 82ter

After mediation has been ratified by a court, the parties shall not initiate any further public or private prosecution or action with respect to the subject matter of the mediation.

Civil mediation ratified by a court as referred to in the preceding paragraph shall have the same force as a final court judgment in a civil case. In criminal mediation ratified by a court, where the subject matter is payment of a certain amount of money, or other substitute therefore, or securities, the written mediation statement shall constitute a ground of execution.

Article 82*quater*

Where mediation in a civil matter is successfully concluded and ratified by a court while the civil action is pending in court and before a final court judgment is rendered, the civil action shall be deemed withdrawn as of the date of successful conclusion of the mediation.

Where mediation in a criminal matter is successfully concluded and ratified by a court while the criminal case is in the investigation stage or before the conclusion of arguments in the trial of first instance, and where the parties have agreed to withdraw the case, the complaint or private prosecution shall be deemed withdrawn as of the date of successful conclusion of the mediation.

Article 82*quinquies*

Should there exist any ground for invalidation or revocation of a civil mediation after ratification by a court, the parties may file an action with the original ratifying court to

declare the mediation invalid or to revoke the mediation.

An action referred to in the preceding paragraph shall be initiated by the parties within 30 days of service of the written mediation statement ratified by the court.

Article 87

In any of the following circumstances, except as otherwise provided under this Law, infringement of copyright or plate rights will be deemed to have occurred:

- 1. (deleted)
- 2. To distribute, or, with the intent to distribute, to publicly display or possess articles that are known to infringe on plate rights.
- 3. To import any copies reproduced without the authorization of the economic rights holder or the plate rights holder.
- 4. To import the original or any copies of a work without the authorization of the economic rights owner.
- 5. For business purposes, to exploit a copy of a computer program that is known to infringe on the economic rights of such computer program.
- 6. To distribute by any means other than transfer of ownership or rental articles that are known to infringe on economic rights; or with the intent to distribute, to publicly display or possess articles that are known to infringe on economic rights.

Article 88

A person who intentionally or negligently unlawfully infringes on another persons economic rights or plate rights shall be liable to compensate for the damages. Where more than one person engages in unlawful infringement, they are jointly liable for the damages.

With regard to the compensation referred to in the preceding paragraph, the injured party may select one of the following when making a claim:

- 1. To make a claim in accordance with the provisions of article 216 of the Civil Code; provided, when the injured party is unable to prove its losses, it may base the damages on the difference between the amount of expected benefit derived from exercising such rights under normal circumstances and from exercising the same rights after the infringement.
- 2. To claim the amount of benefit obtained by the infringer on account of the infringing activity; provided, where the infringer is unable to prove its costs or necessary expenses, the total amount of income derived from the infringement shall be deemed to be its benefit.

If it is difficult for the injured party to prove its actual losses in accordance with the provisions of the preceding paragraph, it may request the court, based on the seriousness of the matter, to determine the compensation at an amount <u>of not less than</u> ten thousand and <u>not more than one million</u> New Taiwan Dollars; if the damaging activity was intentional and the matter serious, the compensation may be increased to <u>five</u> million New Taiwan Dollars.

Article 90quater

Whoever violates any provision of article 80bis, thereby causing damage to the copyright owner, shall be liable for compensating the damage. If there are multiple violators, they shall bear joint and several liability for damages.

The provisions of article 84, article 88bis, article 89bis, and article 90bis shall apply *mutatis mutandis* to violations of article 80bis.

Chapter VII Penal Provisions

Article 91

A person who infringes on the economic rights of another person by means of reproducing the work with intent to <u>profit</u> shall be <u>punished by imprisonment for not more than five years, detention, or in addition thereto <u>a fine of not less than two hundred thousand and not more than two million New Taiwan Dollars.</u></u>

A person who infringes on the economic rights of another person by means of reproducing the work without the intent to profit, where the number of copies reproduced exceeds five, or where the total amount of infringement calculated by the market value of lawful copies of the work at the time of seizure exceeds thirty thousand New Taiwan Dollars, shall be punished by imprisonment for not more than three years, detention, or in lieu thereof or in addition thereto a fine of not more than seven hundred and fifty thousand New Taiwan Dollars.

A person who commits the offense in paragraph 1 by means of reproducing an optical disk shall be punished by imprisonment for not more than five years, detention, or in addition thereto a fine of not less than five hundred thousand and not more than five million New Taiwan Dollars.

Article 91*bis*

A person who, with intent to profit, infringes on the economic rights of another person by distributing the original of a work or a copy thereof by transfer of ownership shall be punished by imprisonment for not more than three years, detention, or in lieu thereof or in addition thereto a fine not more than seven hundred and fifty thousand New Taiwan Dollars.

A person who, without intent to profit, infringes on the economic property rights of another person by distributing the original of a work or a copy thereof by transfer of ownership, or by publicly displaying or possessing it with intent to distribute, where the number distributed exceeds five, or where the total amount of infringement calculated by the market value of lawful copies of the work at the time of seizure exceeds thirty thousand New Taiwan Dollars, shall be punished by imprisonment for not more than two years, detention, or in lieu thereof or in addition thereto a fine of not more than five hundred thousand New Taiwan Dollars.

A person who commits the offense in paragraph 1, where the infringing copy is an optical disk, shall be punished by imprisonment for not more than three years, detention, or in addition thereto a fine of not more than one million and five hundred thousand New Taiwan Dollars.

Punishment of an offense in the preceding paragraph may be reduced if the offender confesses the source of the goods, resulting in the uncovering thereof.

Article 92

A person who, with intent to profit, infringes on the economic rights of another person by means of public recitation, public broadcast, public presentation, public performance, public transmission, public display, adaptation, compilation, or leasing, shall be punished by imprisonment for not more than three years, detention, or in addition thereto a fine of not more than seven hundred and fifty thousand New Taiwan Dollars.

A person who commits the crime in the preceding paragraph without intent to profit, where the number of works infringed exceeds five, or the damage incurred by the copyright owner exceeds thirty thousand New Taiwan Dollars, shall be punished by imprisonment for not more than two years, detention, or in lieu thereof or in addition thereto, a fine of not more than five hundred thousand New Taiwan Dollars.

Article 93

In any of the following circumstances, where there is intent to profit, a sentence of up to two years imprisonment or detention shall be imposed, or in addition thereto a fine of not more than five hundred thousand New Taiwan Dollars:

- 1. Violation of the provisions of article 70.
- 2. Infringement of another person's economic rights by any of the means specified in

subparagraphs 2, 3, 5, or 6 of Article 87.

A person who commits the crime in the preceding paragraph without intent to profit, where the number of copies exceeds five, or the damage incurred by the copyright owner exceeds thirty thousand New Taiwan Dollars, shall be punished by imprisonment for not more than one year, detention, or in lieu thereof or in addition thereto a fine of not more than two hundred and fifty thousand New Taiwan Dollars.

Article 94

A person who commits a crime specified in <u>paragraph 1 or 2</u> of article 91, <u>article 91 bis</u>, article 92, or article 93 as a vocation shall be imprisoned for not less than one year and not more than seven years, and in addition thereto, may be fined <u>not less than three hundred thousand and not more than three million</u> New Taiwan Dollars.

A person who commits a crime specified in paragraph 3 of article 91 as a vocation shall be imprisoned for not less than one year and not more than seven years, and in addition thereto, may be fined not less than eight hundred thousand and not more than eight million New Taiwan Dollars.

Article 95

A person who violates any provision of article 112 shall be punished by imprisonment for not more than one year, detention, or, in lieu thereof or in addition thereto, a fine of not less than twenty thousand and not more than two hundred and fifty thousand New Taiwan Dollars.

Article 96bis

For a violation of Article 80bis, a sentence of up to one year imprisonment or detention shall be imposed, or in lieu thereof or in addition thereto, a fine of not less than twenty thousand and not more than two hundred and fifty thousand New Taiwan Dollars.

Article 96ter

If a fine is to be imposed pursuant to the provisions of this Chapter, the financial ability of the offender and the benefit he/she has obtained from the commission of the offense shall be taken into account. If the benefit obtained exceeds the maximum fine, such fine may be increased at discretion within the limit of the obtained benefit.

Article 98

A thing used in the commission of an offense or acquired through the commission of an offense set forth in article 91 through article 96*bis* may be confiscated; provided, for an offense set forth in paragraph 3, article 91 or paragraph 3, article 91*bis*, things which may be confiscated are not limited to the offender's belongings.

Article 98bis

A thing used in the commission of an offense or acquired through the commission of an offense set forth in paragraph 3, article 91, or paragraph 3, article 91bis, may be forfeited by the Judiciary police if the offender escapes and is therefore unable to be identified.

The thing forfeited pursuant to the preceding paragraph, shall be destroyed, provided that where the forfeited thing is money, that money shall be submitted to the National Treasury. The relevant provisions of the Law for Maintaining Social Order shall apply *mutatis mutandis* to the procedures of the aforementioned destruction and submission.

Article 100

Prosecution for offenses specified in this chapter shall be instituted only upon complaint; provided, this shall not apply to offenses specified in paragraph 3 of article 91, paragraph 3 of article 91bis, and article 94.

Article 101

Where the representative of a juristic person, or the agent, employee or other servant of a juristic or natural person, commits any of the offenses specified in articles 91 through 96*bis* in the performance of its duties, in addition to punishing the infringer in accordance with the aforesaid articles, such juristic or natural person shall also be fined in accordance with said articles.

In circumstances specified in the preceding paragraph, where a complaint is filed or withdrawn against either the infringer or the juristic or natural person, the effect of such filing or withdrawal shall apply to the others.

Article 102

An unrecognized foreign juristic person may file a complaint or bring a private prosecution against the offenses specified in articles 91 through 96*bis*.

Article 105

Persons who apply under this Law for a compulsory license, <u>recordation</u> of plate rights, <u>recordation of assignment of plate rights</u>, <u>recordation of trust of plate rights</u>, dispute mediation, inspection of the register of plate rights or issuance of a transcript thereof,

shall pay a filing fee.

The amount of the fee referred to in the preceding paragraph shall be prescribed by the competent authority.

Article 106

Except as otherwise provided for in this chapter, this Law shall apply to works that were completed prior to the <u>implementation date of the June 10, 1992</u> Copyright Law² where such works comply with any one of the provisions of articles 106 through 109 of the Law <u>prior to the January 21, 1998 Copyright Law taking effect.</u>

This Law shall apply to works that were completed after the <u>implementation</u> date of the June 10, 1992 Copyright Law.

Article 106ter

Except as otherwise provided for in this chapter, a person who, prior to the date on which the World Trade Organization Agreement takes effect in the territory under the jurisdiction of the Republic of China, has begun the exploitation, or has made significant investment for the exploitation, of works protected pursuant to the provisions of the preceding article, may continue to exploit such works during the two-year period which commences on the aforementioned effective date of the Agreement; the provisions of Chapter VI and Chapter VII of this Law shall not apply.

From the implementation of the June 6, 2003 amendment to this Law, the person exploiting a work pursuant to the preceding paragraph, except in circumstances of rental or lending, shall pay to the economic rights owner of the exploited work a reasonable compensation for the exploitation such as would normally be paid for such work through free negotiation.

From one year after the date of promulgation of the amendment to this Law, an exploiter shall not further sell unauthorized copies of works protected under the preceding article; provided, it may still rent or lend them.

The preceding paragraph does not apply to copies of works that are separately created through exploitation of works protected under the preceding article; provided that, except as set forth in Articles 44 to 65, the economic rights owner of the exploited work shall be paid a reasonable compensation for the exploitation such as would

Translator's note. The June 10, 1992 Copyright Law was implemented (施行) by its terms (Article 117) on the date of promulgation (公布). The law was promulgated on June 10, 1992. Pursuant to the Law Governing Central Laws and Regulations, article 13, laws which are to be implemented as of the date of promulgation become effective (生效) on the third day following the promulgation date. Thus, the effective date of the June 10, 1992 Copyright Law was June 12, 1992.

normally be paid for such work through free negotiation.

Article 106quater

Exploitation of a derivative work may continue after the date on which the World Trade Organization Agreement takes effect in the territory under the jurisdiction of the Republic of China, where the preexisting work upon which such derivative work is derived is a work under article 106bis, where the completion of the derivative work occurs prior to the aforementioned effective date, and where such derivative work was protected under respective versions of this law; the provisions of Chapter VI and Chapter VII of this Law shall not apply.

From the implementation of the June 6, 2003 amendment to this Law, the person exploiting the derivative work pursuant to the preceding paragraph shall pay to the economic rights owner of the underlying work a reasonable compensation such as would normally be paid for such work through free negotiation.

The provisions in the preceding two paragraphs shall not affect the protection of the derivative work.

Article 111

The provisions of article 11 and article 12 shall not apply in the following situations:

- 1. The copyright is obtained pursuant to the provisions of articles 10 or 11 of the law prior to the <u>implementation</u> date of the June 10, 1992 Copyright Law.
- 2. The copyright is obtained pursuant to articles 11 or 12 of the law <u>prior to the January 21, 1998 Copyright Law taking effect.</u>

Article 113

This Law shall apply to plate rights that were obtained prior to the implementation of the June 6, 2003 amendment to this Law; provided, the term of protection calculated pursuant to this Law has not expired.

Article 115bis

The register or recordation log of plate rights and sample submitted shall be made available to the public for inspection.

The register <u>or recordation log</u> of copyrights registered, <u>recorded and sample submitted</u> prior to the <u>implementation date of the January 21, 1998 Copyright Law</u> may be made available to the public for inspection.

Article 115ter

For the purpose of handling copyright litigation, courts may establish a specialized court or appoint specialized judges.

The courts shall deliver to the specialized agency in charge of copyright matters a copy of decisions in copyright litigation cases.

Article 117

This Law shall take effect from the date of promulgation. Provided, the provisions of articles 106*bis* through 106*quater* amended and promulgated on January 21, 1998 shall take effect from the date upon which the World Trade Organization Agreement takes effect in the territory under the jurisdiction of the Republic of China.