

**Act on the Layout Designs of Semiconductor Integrated Circuits****Act No. 4526, Promulgated on Dec. 8, 1992
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Chapter I General Provisions

Purpose

1. The purpose of this Act is to contribute to the sound development of the national economy by protecting the right of a creator who creates a layout-design for a semiconductor integrated circuits and by establishing the fair use of the layout-design to promote the concerned semiconductor industry and technology.

Definitions

2. The definitions of terms used in this Act shall be as follows:

(i) “Semiconductor integrated circuit” means an intermediate product or a final product that is manufactured to have the function of an electronic circuit, which is simultaneously formed in a state where circuit elements including more than one active element and the wires connecting the elements are inseparable from each other, on the surface of the semiconductor materials or insulating materials or inside the semiconductor materials.

(ii) “Layout-Design” means a plane or cubic design of the circuit elements and wires which connect the elements, which could be used in manufacturing a semiconductor integrated circuit.

(iii) “Creation” means an activity of a person making a layout-design which is not ordinarily a result of his intellectual efforts. Further, an activity making a layout-design is deemed to be creative when the layout-design as a whole is creative even if it is composed of a combination of ordinary elements.

(iv) “Use” means any one of the following acts:



(a) reproduction of a layout-design;
(b) manufacturing of a semiconductor integrated circuit based on a layout-design; or
(c) transferring, leasing, displaying (limited to display for making a transfer or a lease) or import of a layout-design, a semiconductor integrated circuit manufactured based on the layout-design, or an article incorporating the semiconductor integrated circuit (hereinafter referred to as “semiconductor integrated circuit, etc.”).

(v) “Right to a layout-design” means the right which is created by registering the layout-design with the Commissioner of the Korean Industrial Property Office under Article 21, Paragraph (1) hereof.

Foreigner’s Layout-Design

3.—(1) A layout-design of a foreigner and a foreign corporation (hereinafter referred to as a “Foreigner” in this Article) shall be protected under this Act and under treaties to which the Republic of Korea has acceded.

(2) Even though the Foreigner’s layout-design falls under the provision of Paragraph (1) above, if the country of the foreigner does not bestow any protective benefits corresponding to this Act for a layout-design of a Korean national, the Commissioner of the Korean Industrial Property Office may limit the protection pursuant to this Act or the treaties in the same manner.

Layout-Design Administrators for Nonresidents

4.—(1) A person having no address or place of business in Korea (hereinafter referred to as a “nonresident”) may not initiate any procedure concerning layout-designs nor bring a court action against any decision made under this Act or under orders issued based on this Act by administrative agencies except where a filing is made for registration under Paragraph (3), below, or where allowed under Presidential Decrees, unless the nonresident is represented by an agent having an address or a place of business within Korea (hereinafter referred to as the “Layout-Design Administrator”).

(2) The Layout-Design Administrator shall have the right to act on behalf of the principal in all the procedures which are related to actions empowered and in court actions against dispositions made by administrative agencies under this Act or under orders issued under the basis of this Act.

(3) A Non-Resident who has registered a layout-design under Article 21, Paragraph (1) or under Article 23 may not contest a third party’s claim, unless the appointment or change of a Layout-Design Administrator, or the authority vested in a Layout-Design Administrator or the termination of authority of a Layout-Design Administrator has been registered.

(4) A Non-Resident shall appoint and register a Layout-Design Administrator under Paragraph (1), above, at the time of registering a layout-design under Article 21, Paragraph (1) or during the duration of the right to the layout-design under Article 7.

Creator of a Layout-Design in Service

5. With respect to a layout-design by a person employed by a government, a corporation, an association or other employer (hereinafter referred to as “corporation, etc.”), the corporation, etc. is deemed to be the creator, unless otherwise provided in an agreement or an employment regulation and the like.

Chapter II Layout-Design Right

Creation of a Layout-Design Right

6. A layout-design right shall come into existence by a registration of establishment of a creative layout-design under Article 21, Paragraph (1).

Duration of a Layout-Design Right

7.—(1) The duration of a layout-design right shall be ten years from the date of registration of establishment thereof.

(2) The duration of a layout-design right under Paragraph (1), above, shall not exceed ten years from the date of initial commercial use thereof or fifteen years from the date of creation thereof.

Effects of a Layout-Design Right

8. A person who registered a layout-design as provided in Article 21, Paragraph (1) or his successor in title (hereinafter referred to as a “holder of a layout-design right”) shall have the right to exclusively use the layout-design for business purposes. However, this shall not be the case to the extent that the exclusive licensee has the right to exclusively use the layout-design as provided in Article 11, Paragraphs (1) and (2) hereof.

Scope to which a Layout-Design Right Does Not Extend

9.—(1) The effect of a layout-design right under Article 8 shall not extend to any of the following:

(i) Reproduction of the layout-design for purposes of education, research, analysis or evaluation or for a non-commercial use by an individual, or vicarious reproduction for the purposes of the above;

(ii) A layout-design which is made as a result of research, analysis or evaluation as provided in (i), above, and which is creative; or

(iii) The same layout-design which is independently created by another person.

(2) The layout-design right under Article 8 shall not be effective where a person to whom a unlawfully made semiconductor integrated circuit, etc. has been transferred does the acts stipulated in Article 2 (iv)(c) for a commercial purpose in relation to the semiconductor integrated circuit, etc.

(3) The layout-design under Article 8 shall not be effective where a person to whom an unlawfully made semiconductor integrated circuit, etc. reproducing another person's registered layout-design has been in good faith and without negligence transferred (hereinafter referred to as a "bona fide person") does acts stipulated under Article 2 (iv)(c) for a commercial purpose in relation to the semiconductor integrated circuit, etc.

Assignment and Joint Ownership of a Layout-Design Right

10.—(1) A layout-design right may be assigned.

(2) A layout-design right created jointly by two or more persons shall be jointly owned by the persons who create it, and the share of each joint owner is deemed to be equal unless the joint creators specifically agree otherwise.

(3) When a layout-design right is owned by joint owners, a joint owner may not assign or pledge his share without the consent of the other joint owner(s).

(4) When a layout-design right is owned by joint owners, each joint owner may use the layout-design without the consent of the other joint owner(s) unless the joint owners specifically agree otherwise.

(5) When a layout-design right is owned by joint owners, a joint owner may not grant an exclusive license on the layout-design under Article 11, Paragraph (1), or non-exclusive license under Article 12, Paragraph (1) without the consent of the other joint owner(s).

Exclusive License

11.—(1) The holder of a layout-design right may establish for another person a right to exclusive use of the layout-design (hereinafter referred to as an "exclusive license").

(2) The person for whom an exclusive license has been established under Paragraph (1) hereof (hereinafter referred to as an "exclusive licensee") shall have the exclusive right to use the layout-design for business purposes within the scope set forth by the establishment.

(3) An exclusive licensee may not transfer his exclusive license without the consent of the holder of the layout-design right except where it is transferred together with the underlying business or through inheritance or other general succession.

(4) An exclusive licensee may not establish a pledge on his exclusive license or grant for another person a right to use the layout-design (hereinafter referred to as a "non-exclusive license") without the consent of the holder of the layout-design right.

(5) When an exclusive license is owned by joint owners, a joint owner may not grant a non-exclusive license to a third party without the consent of the other joint owner(s).

(6) The provisions under Article 10, Paragraphs (3) and (4) hereof shall apply *mutatis mutandis* to exclusive license. In such cases, “Layout-design Right” shall be substituted by “Exclusive License.”

Non-Exclusive License

12.—(1) The holder of a layout-design right may grant a non-exclusive license to another person.

(2) The person to whom a non-exclusive license under Paragraph (1) hereof has been granted (hereinafter referred to as a “non-exclusive licensee”) shall have the right to use the layout-design for business purposes within the scope set forth by the license.

(3) A non-exclusive licensee may not transfer his non-exclusive license without the consent of the holder of the layout-design right (or a holder of the layout-design right or the exclusive licensee, in the case of a non-exclusive license relating to an exclusive license, hereinafter treated as the same in this Article), except where it is transferred together with the underlying business or through inheritance or other general succession.

(4) A non-exclusive licensee may not establish a pledge on his non-exclusive license without the consent of the holder of the layout-design right.

(5) The provisions under Article 10, Paragraphs (3) and (4) hereof shall apply *mutatis mutandis* to a non-exclusive license. In such cases, “Layout-design” shall be substituted by “Non-exclusive License.”

Arbitration for Establishment of a Non-Exclusive License

13.—(1) A person who wishes to use a registered layout-design pursuant to Article 21, Paragraph (1) may request the holder of the layout-design right or the exclusive licensee to hold a consultation for grant of a non-exclusive license if:

(i) The layout-design has not been used in Korea for more than two consecutive years in absence of natural disaster, or other *force majeure* or other justifiable reasons as determined by the Presidential Decree; or

(ii) The layout-design has not been used in Korea on a substantial business scale without justifiable reasons for more than two consecutive years or the holder has failed to satisfy the demand in Korea or abroad for the layout-design on an appropriate level and condition without justifiable reasons for more than two consecutive years.

(2) A person who has requested a consultation pursuant to Paragraph (1) may file an application with the Commissioner of the Korean Industrial Property Office for an arbitration for establishing a non-exclusive license, when it was not possible to hold the consultation pursuant to Paragraph (1) within a reasonable period or when an agreement on establishing a non-exclusive license has not been made as a result of the consultation, notwithstanding the fact that reasonable terms which may arise in the ordinary course of business have been proposed.



(3) A person who wishes to use the registered layout-design pursuant to Article 21, Paragraph (1) may file an application directly with the Commissioner of the Korean Industrial Property Office for arbitration for establishing a non-exclusive license under a state of national emergency or other emergency situations, notwithstanding the provisions of Paragraph (1) and Paragraph (2).

(4) The Commissioner of the Korean Industrial Property Office may arbitrate for establishment of a non-exclusive license (hereinafter referred to as “Arbitration”) for the applicant after a review by the Layout-design Review and Mediation Committee under Article 25 hereof if an application for the arbitration pursuant to Paragraph (2) or (3) hereof falls under any of the following:

(i) The use of the layout-design is necessary for satisfying the national demand for the accomplishment of non-commercial public purposes; or

(ii) The causes as provided in the Presidential Decree for securing free competition or preventing an abuse of right by the holder of a layout-design right or the exclusive licensee have occurred.

(5) The results of an arbitration under Paragraph (4) hereof shall be in writing and shall set forth the following matters:

(i) The scope of the non-exclusive license; and

(ii) The amount of compensation, and the method and time for making the compensation.

(6) Matters necessary for the procedures of application of arbitration under Paragraph (2) and Paragraph (3) hereof and others shall be provided in the Presidential Decree.

Loss of Effect of an Arbitration

14. An arbitration shall lose its effect if the person for whom an arbitration was granted fails to pay or deposit the compensation (or the first payment of the compensation when the compensation is to be paid periodically or in installments) by the due date for the payment as provided in Article 13, Paragraph (5)(ii) hereof.

Cancellation of an Arbitration

15.—(1) The Commissioner of the Korean Industrial Property Office may, on application by an interested party or *ex officio*, cancel an arbitration when a person for whom an arbitration was granted fails to use the layout-design or when the grounds for the arbitration pursuant to Article 13, Paragraph (4) have been terminated without a possibility of recurrence.

(2) The non-exclusive license shall be extinguished on the date of cancellation when an arbitration is canceled pursuant to Paragraph (1) hereof.



(3) Matters necessary for the procedures of cancellation of arbitration and others shall be provided in the Presidential Decree.

Pledge

16.—(1) The pledgee of a layout-design right, an exclusive license or a non-exclusive license may not use the layout-design unless otherwise agreed.

(2) A pledge may be exercised against compensation made hereunder, or against payments or articles payable to the holder of the layout-design right, the exclusive or non-exclusive licensee thereof (including a non-exclusive licensee under the provisions of Article 11, Paragraph (4), and Article 13, Paragraph (4) hereof; hereinafter the same), in consideration for the use of the registered layout-design. In this case, an attachment must be effected before the payment or delivery.

Extinguishment of a Layout-Design Right

17. A layout-design right shall be extinguished if the right falls under any of the following:

(i) The layout-design right reverts, pursuant to the Civil Code or other Acts, to the state because a corporation, association, etc., which is the holder of a layout-design right is dissolved; or

(ii) The layout-design right reverts, pursuant to the Civil Code or other Acts, to the state because an individual who is the holder of the layout-design right dies without leaving heirs.

Restriction of Abandonment of a Layout-Design Right, etc.

18.—(1) A holder of a layout-design right may not abandon his right without the consent of an exclusive licensee, a non-exclusive licensee (other than a non-exclusive licensee under Article 13, Paragraph (4) hereof) or a pledgee under Article 16, Paragraph (1) hereof.

(2) An exclusive licensee may not abandon his exclusive license right without the consent of the non-exclusive licensee under Article 11, Paragraph (4) or a pledgee.

(3) A non-exclusive licensee may not abandon his non-exclusive license without the consent of a pledgee.

(4) When a layout-design right, an exclusive license or a non-exclusive license is abandoned, such right shall become extinguished from the time of the abandonment.

Chapter III Registration of a Layout-Design Right

Application for Registration of Establishment of a Layout-Design Right

19.—(1) The person who creates a layout-design or his successor in title (hereinafter referred to as the “creator”) may file an application for registration of establishment of the layout-design right with the Commissioner of the Korean Industrial Property Office within two years after the date on which the layout-design was first exploited commercially.

(2) A person who wishes to apply for the registration of establishment pursuant to Paragraph (1) hereof shall file an application and other documents as provided in the Presidential Decree (hereinafter referred to as the “Application, etc.”)

Dismissal of Application

20.—(1) The Commissioner of the Korean Industrial Property Office shall dismiss the filed application if the application for the registration of establishment of the layout-design falls under any of the following:

- (i) The applicant is not the creator;
- (ii) The layout-design right is jointly owned by two or more persons, and the application is not made in the name of all the joint owners;
- (iii) The time period prescribed in Article 19, Paragraph (1) hereof has lapsed; or
- (iv) Certain conditions provided in the Presidential Decree are met.

(2) When the Commissioner of the Korean Industrial Property Office dismisses an application for registration pursuant to Paragraph (1) hereof, he shall notify the applicant, in writing, of the reasons for dismissal without delay.

Registration of Establishment and Public Notice

21.—(1) When an application for registration of establishment is filed under Article 19, Paragraph (1), the Commissioner of the Korean Industrial Property Office shall register the layout-design, unless the application is dismissed pursuant to Article 20, Paragraph (1).

(2) The registration of establishment pursuant to Paragraph (1) hereof is made by recording on the register of layout-design by the Commissioner of the Korean Industrial Property Office.

(3) The Commissioner of the Korean Industrial Property Office shall issue a layout-design registration certificate to the holder of the layout-design right upon registration of establishment of the layout-design pursuant to Paragraph (1) hereof, and make public notice thereon.



(4) Necessary matters concerning registration of establishment of a layout-design, such as the items to be mentioned in an application or issuance of the registration certificate, public notice of registration, or contents, public reading or copying of the register, shall be provided in the Presidential Decree.

Marking of Registration

22. A holder of a layout-design registered under the provision of Article 21, Paragraph (1), or the exclusive licensee or non-exclusive licensee thereof, may make a marking concerning a registration of the layout-design on a semiconductor integrated circuit which was made using the layout-design and/or the packaging thereof, as provided by the Commissioner of the Korean Industrial Property Office.

Effects of Registration

23.—(1) Any of the following may not be contested against a third party unless registration is entered thereof before the Commissioner of the Korean Industrial Property Office.

(i) An assignment of a layout-design right (except through inheritance or general successions; hereinafter treated as the same in this Article), or restrictions on the disposition of the layout-design right;

(ii) An establishment, transfer, change, extinguishment or restriction of the disposition of an exclusive license;

(iii) A transfer, change, extinguishment or restriction of the disposition of a non-exclusive license; or

(iv) An establishment, transfer, change, extinguishment or restriction of the disposition of a pledge on a layout-design right, an exclusive license or non-exclusive license.

(2) When a non-exclusive license is registered before the Commissioner of the Korean Industrial Property Office, the license thereof may be asserted against a holder of the layout-design right or an exclusive licensee who acquired such right after the registration of the non-exclusive license.

(3) A registration pursuant to Paragraph (1) or (2) hereof is made when the Commissioner of the Korean Industrial Property Office records it on the register of the layout-design.

Cancellation of Registration of Establishment of a Layout-Design Right

24. The Commissioner of the Korean Industrial Property Office may cancel the registration of establishment of a layout-design pursuant to the Presidential Decree, if the registered layout-design falls under any of the following. The Commissioner of the Korean

Industrial Property Office, however, shall cancel the registration of establishment of a layout-design if the registered layout-design falls under Item 3 below.

- (i) The registration violates the provisions of treaties under Article 3, Paragraph (1) hereof.
- (ii) Deleted.
- (iii) The registration of establishment under Article 21, Paragraph (1) hereof was made by unlawful means such as fraud;
- (iv) The registered layout-design is not creative as provided in Article 6 hereof; or
- (v) The registration violates this Act, orders or dispositions thereon.

Chapter IV **Layout-Design Review and Mediation Committee**

Layout-Design Review and Mediation Committee

25.—(1) A review and mediation committee (hereinafter referred to as the “Committee”) shall be established in order to review matters concerning layout-design rights, or an exclusive or non-exclusive license, and to mediate the disputes regarding the rights protected pursuant to this Act (hereinafter referred to as the “Dispute”).

(2) The Committee shall be composed of from ten to fifteen review and mediation members (hereinafter referred to as “members”), including a chairman and a vice-chairman.

(3) The members of the Committee shall be appointed by the Commissioner of the Korean Industrial Property Office, and the Chairman and Vice-Chairman shall be elected by mutual votes among the members.

(4) The term of a member shall be three years, which may be renewed.

(5) In case of a vacancy among members, a member shall be appointed to fill the vacancy pursuant to Paragraph (3) hereof, and the term of the member shall be the remaining period of his predecessor. However, when there are more than ten members, the appointment is not required.

Function of the Committee

26. In addition to mediating disputes, the Committee shall review the following:

- (i) matters concerning an arbitration under Article 13, Paragraph (4) hereof and cancellations of arbitrations under Article 15 hereof.
- (ii) matters concerning an appeal against cancellation of a registration of establishment under Article 24 hereof; and



(iii) matters requested by the Commissioner of the Korean Industrial Property Office or by more than three members.

Procedures of Mediation

27.—(1) A person who desires a mediation of disputes may request the Committee to mediate the dispute by clarifying a request and the reason therefor.

(2) The Committee shall mediate the dispute within six months from the date of the request under Paragraph (1) hereof.

(3) The Act of Civil Mediation shall apply *mutatis mutandis* to mediation procedures which are not specifically provided in this Act.

Mediation Panel

28. A mediation panel consisting of three members, one of whom shall be qualified as an attorney-at-Act or a patent attorney, shall be established in the Committee to effectively carry out the affairs of dispute mediation of the Committee.

Accomplishment of Mediation

29.—(1) Mediation shall be accomplished by recording in a protocol the matters agreed to by the concerned parties.

(2) The protocol under Paragraph (1) hereof has the same effect as a settlement in a courtroom, except for matters outside the scope of the authority of the concerned parties.

Failure of Mediation

30. The mediation shall be treated as a failure when any of the following occurs:

(i) Where the party who was requested to present or to submit the related documents from the Committee does not respond without good cause more than two times.

(ii) Where the term under Article 27, Paragraph (2) lapses.

Fee for Mediation

31.—(1) A party requesting mediation shall bear the mediation expenses and pay the fees thereof in advance. However, where the mediation is accomplished, each of the concerned parties shall bear the expenses equally unless otherwise agreed.

(2) The Committee shall determine the amount of the fees for mediation pursuant to Paragraph (1) hereof.

Discontinuation of Extinguishment Prescription

32.—(1) A request for mediation shall have the effect of suspending the bar of the statute of limitations.

(2) When a mediation fails, if a lawsuit is not commenced within one month from the failure of mediation, a suspension of the bar of the statute of limitations shall not take effect.

Organization of Committee

33. The organization and work of the Committee and other necessary matters for the Committee shall be prescribed in the Presidential Decree.

Support for Expenditure

34. The Government may support the expenditures necessary for the operation of the Committee within the limit of the budget.

Chapter V Remedies for Infringement

Right to Demand Cease and Desist from Infringement

35.—(1) The holder of a layout-design right or the exclusive licensee either may demand that a person who has infringed or is likely to infringe the rights cease and desist from continuing the infringing activities or may take measures for preventing the infringements.

(2) In making a demand under Paragraph (1) hereof, the holder of the layout-design right or the exclusive licensee may demand that semiconductor integrated circuit, etc. made through the infringement be destroyed or may demand that other measures necessary for preventing the infringements be taken.

Right to Demand Damages

36.—(1) The holder of a layout-design right or the exclusive licensee may demand the payment of damages against a person who has intentionally or negligently infringed his rights.

(2) When the holder of a layout-design right or the exclusive licensee makes a demand pursuant to Paragraph (1) hereof, if the infringer has made a profit by the infringement, the amount of profit earned by the infringer is presumed to be the amount of the loss by the holder of a layout-design right or the exclusive licensee.

(3) When the holder of a layout-design right or the exclusive licensee makes a demand pursuant to Paragraph (1) hereof, he may demand an amount which is payable for the use of the layout-design as the damage of the holder of the layout-design right or the exclusive licensee.

(4) When the amount of loss suffered exceeds the amount presumed under Paragraph (3) hereof, payment of the excess amount may further be demanded.

(5) Deleted.

Compensation

37.—(1) The creator of a layout-design who has commercially used the layout-design before registration of establishment of the layout-design shall be entitled to compensation equivalent to an amount which is payable for the use of the layout-design from a person who has used a reproduced one from the layout-design for a business purpose from the date of the creator's use of the layout-design up to the registration date of the layout-design with the knowledge that the used layout-design was made by reproducing the layout-design. However, the creator may not demand compensation from a person to whom, in good faith and without negligence, the semiconductor integrated circuit, etc. made using the reproduced layout-design has been transferred.

(2) The right to demand payment of compensation under Paragraph (1) hereof may not be exercised until the registration of establishment of a layout-design right has been made.

(3) In the case where registration of establishment of the layout-design is canceled under Article 24 hereof, the right to demand the payment of compensation under Paragraph (1) hereof shall be deemed not to have come into force *ab initio*.

(4) The provisions in Article 760, Paragraphs (1) and (2), and Article 766 of the Civil Code shall apply *mutatis mutandis* to enforcement of the right to demand under Paragraph (1) hereof. In this regard, "the date on which the victim or his statutory agent has come to know the damages and/or the tort-feasor" under Article 766 of the Civil Code shall be "the date of registration of establishment of the layout-design right," if the owner of the right to demand the compensation knew the fact that the layout-design was reproduced and the identity of the person who used the reproduced layout-design before the registration of establishment of the layout-design.

Right to Demand Royalty from a Bona Fide Person

38.—(1) Notwithstanding the provision of Article 9, Paragraph (3), hereof, a holder of a layout-design right or an exclusive licensee may demand a payment of an ordinary amount of royalty (hereinafter referred to as "royalty") when a bona fide person does an act with respect to the semiconductor integrated circuit, etc. for profit, as provided under Article 2 (iv)(c), or retains or transports the semiconductor integrated circuit, etc. for the same, after knowing that the semiconductor integrated circuit, etc. is made by unlawful reproduction of the registered layout-design.

(2) The royalty pursuant to Paragraph (1) hereof shall be a reasonable amount which is determined by consultation as between the holder of a layout-design right or the exclusive licensee, and the bona fide person.



(3) The provision in Article 760, Paragraphs (1) and (2), and Article 766 of the Civil Code shall apply *mutatis mutandis* to exercise of the right to demand under Paragraph (1) hereof.

Chapter VI Supplementary Provisions

Hearing

39. The Commissioner of the Korean Industrial Property Office shall hold a hearing for disposition corresponding to any of the following:

- (i) Cancellation of an arbitration under Article 15, Paragraph (1), or
- (ii) Cancellation of a registration of establishment of a layout-design right under Article 24.

Fees

40.—(1) Anyone who wishes to obtain a registration of establishment under Article 21, Paragraph (1) or a registration under Article 23, Paragraphs (1) and (2), or anyone who wishes to request for an issuance of various types of certificates on a layout-design right shall pay the fees.

(2) The items and the amounts of fees pursuant to Paragraph (1) hereof shall be determined by the Decree of the Minister of Commerce, Industry and Energy.

Venue for Nonresidents

41. The address or place of business of the Layout-Design Administrator shall be deemed to be the *situs* of the *res* under Article 9 of the Code of Civil Procedure where a Layout-Design Administrator has been appointed for a registered layout-design right held by a Nonresident; however, the location of the Supreme Court shall be deemed to be the *situs* of *res* where a Layout-Design Administrator has not been appointed.

[Without Title]

42. Deleted.

Fostering of Layout-Design Technology

43.—(1) The Commissioner of the Korean Industrial Property Office shall provide measures necessary for improving technology and promoting development of the domestic layout-designs and shall also establish supporting polices with respect to taxation, financing and administration.



(2) The Commissioner of the Korean Industrial Property Office may support and foster research institutions or organizations for technology development and training of personnel in connection with layout-designs.

Obligation to Preserve Confidentiality

44. An official engaging in the registration of a layout-design or a person who was engaged in the job under the provisions of Articles 19 to 24, a Committee member or a person who has ever worked on the Committee to mediate under Article 25, Paragraph (2) hereof shall not divulge to others the secrets which he learned in the course of such job.

Chapter VII
Penal Provisions

Offense of Infringement, etc.

45.—(1) A person who infringes a layout-design right under Article 8 hereof or an exclusive license under Article 11 hereof shall be liable to imprisonment with labor not exceeding three years or to a fine not exceeding 50,000,000 Won, or both.

(2) An offense under paragraph (1) hereof shall be prosecuted only upon the filing of a complaint.

Offense of False Marking

46. A person who makes a false marking of a registration under Article 22 on a semiconductor integrated circuit containing an unregistered layout-design under Article 21 Paragraph (1) or on the packaging etc. thereof, or a person who assigns or leases a semiconductor integrated circuit bearing a false marking of a registration, shall be liable to imprisonment with labor not exceeding one year or to a fine not exceeding 3,000,000 Won.

Offense of Fraud

47. A person who was granted a registration of establishment of a layout-design under Article 21, Paragraph (1) by fraud or other unjust acts shall be liable to imprisonment with labor not exceeding one year or to a fine not exceeding 3,000,000 Won.

Offense of Divulging secrets

48. A person who violates the provisions of Article 44 hereof shall be liable to imprisonment with labor not exceeding two years or to a fine not exceeding 5,000,000 Won.



Dual Liability

49. When a representative of a corporation, an agent representing a corporation or an individual, an employer or an employee thereof commits a violative act referred to under Article 45, Paragraph (1), Article 46 or Article 47 concerning the acts of the corporation or the individual, the corporation or the individual person shall be liable to the fine prescribed in each of the corresponding Articles hereof, and the violator shall also be punished.

[Without Title]

50. Deleted.

Addendum

This Act shall be effective from January 1, 1999.
