

Law No. 424-06 on Implementation of the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR)

LEONEL FERNANDEZ
President of the Dominican Republic

Law No. 424-06

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WHEREAS on September 9, 2005, the Executive enacted Resolution No. 357-05 of September 6, 2005, of the National Congress, by which the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR), hereinafter referred to as "the Agreement", signed by the Executive on August 5, 2004, was ratified,

WHEREAS, for the proper entry into force of the Agreement, it is necessary to ensure full consistency between the domestic legal order and the commitments set out in the Agreement, so as to eliminate any possibility of conflict that may create confusion and legal uncertainty for economic actors and investment,

WHEREAS, for the entry into force of the Agreement, it is necessary to establish a legal framework that includes, specifically, regimes relating to industrial property, in particular the public prosecution of trademark infringements, including provisions of the Code of Criminal Procedure; copyright, in particular the manner of instituting civil, criminal and administrative proceedings, including provisions of the General Telecommunications Law; contractual relations between representatives, distributors and staff of Dominican and foreign companies; the customs regime in respect of fees for services charged by the customs authorities; and provisions relating to the foreign trade functions of the State Secretariat for Agriculture,

WHEREAS on May 8, 2000, Law No. 20-00 on Industrial Property was enacted, taking account of the most recent advancements relating to industrial property and the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), which forms an integral part of the Marrakesh Agreement,

WHEREAS the signature and ratification of the Agreement make it urgent for the legislature to take fresh action duly to bring the industrial property regime into line, from the legislative and institutional points of view, with the Agreement, and therefore for Law No. 20-00 to be amended,

WHEREAS it is necessary to improve the protection of industrial property rights and to strengthen the procedures for observance of those rights, while also maintaining an appropriate balance between the rights of right holders and users of the industrial property system that fosters the country's social, economic and technological development,

WHEREAS, in order to guarantee effective and efficient protection of industrial property, it is also necessary to strengthen and broaden the channels through which trademark infringements may be prosecuted, to which end it is necessary that such infringements may be prosecuted not only through private proceedings but also through public proceedings,

WHEREAS Law No. 65-00 on Copyright of August 21, 2000, sets out the general principles that protect the rights of the creators of literary and artistic works and the literary or artistic form of scientific works as human rights, in accordance with Article 8, paragraph 14, of the Constitution of the Dominican Republic, and also the rights of performers, producers of phonograms and broadcasting organizations,

WHEREAS, in order to bring the regime for the protection of copyright and neighboring rights into line, from the legislative and institutional points of view, with the provisions of the Agreement that facilitate the implementation thereof, it is necessary to make a number of amendments to Law No. 65-00 on Copyright with the aim of improving the protection of these intellectual property rights, taking account of the best national interest,

WHEREAS, in order to guarantee the effectiveness of procedures and penalties relating to telecommunications, it is vital that civil or criminal proceedings should be independent of administrative penalties,

WHEREAS Annex 11.13, Section B, in Chapter 11 of the Agreement (hereinafter referred to as "Annex 11.13") contains specific provisions for enterprises to which a goods or service supplier of the United States or any enterprise controlled by such supplier belongs,

WHEREAS it is in the national interest to establish financing mechanisms for customs in order to guarantee the effective implementation of the Agreement and of the World Customs Organization (WCO) SAFE Framework of Standards to Secure and Facilitate Global Trade, and to conclude the port certification process,

WHEREAS on September 8, 1965, Law No. 08-65, which established the new organizational structure of the State Secretariat for Agriculture and specified the functions of the Ministry of Agriculture, was enacted,

WHEREAS the Dominican Republic, as a member of the World Trade Organization (WTO), recognizes the principle of equivalence established in Article 4 of the WTO Agreement on the Application of Sanitary and Phytosanitary Measures, set out in Annex 1A to the Agreement Establishing the World Trade Organization, which provides that Members shall accept the sanitary or phytosanitary measures of other Members as equivalent, even if these measures differ from their own or from those used by other Members trading in the same product, if the exporting Member objectively demonstrates to the importing Member that its measures achieve the importing Member's appropriate level of sanitary or phytosanitary protection; and, to that end, Article 4 of that Agreement provides that Members may enter into bilateral or multilateral agreements on recognition of the equivalence of specified sanitary or phytosanitary measures,

HAVING REGARD TO the Constitution of the Dominican Republic,

HAVING REGARD TO the Civil Code of the Dominican Republic,

HAVING REGARD TO Article 5 of the General Agreement on Trade in Services (GATS), which provides for an exception to the most-favored-nation (MFN) principle,

HAVING REGARD TO Resolution No. 357-05 of September 9, 2005, by which the Agreement was approved,

HAVING REGARD TO the Dominican Republic-Central America-United States Free Trade Agreement, set out in *Official Gazette* No. 10336 of September 13, 2005,

HAVING REGARD TO Law No. 20-00 of May 8, 2000, on Industrial Property,

HAVING REGARD TO Law No. 76-02 of July 19, 2002, instituting the Code of Criminal Procedure,

HAVING REGARD TO Law No. 65-00 of August 21, 2000, on Copyright,

HAVING REGARD TO Law No. 153-98 of May 28, 1998, the General Telecommunications Law,

HAVING REGARD TO Law No. 173 of April 6, 1966, and amendments thereto, on Agents Importing Goods and Products,

HAVING REGARD TO Law No. 226-06 of July 19, 2006, Granting the General Customs Directorate (DGA) Legal Personality, Functional, Budgetary, Administrative and Technical Autonomy and its own Assets,

HAVING REGARD TO Law No. 8 of September 8, 1965, on the Ministry of Agriculture,

THE FOLLOWING LAW HAS BEEN PASSED:

**TITLE I
INDUSTRIAL PROPERTY REGIME**

**CHAPTER I
AMENDMENTS TO LAW NO. 20-00 OF 2000 ON INDUSTRIAL PROPERTY**

Article 1. Article 2 of Law No. 20-00 of May 8, 2000, on Industrial Property is hereby amended to read as follows:

"Article 2. – Subject matter excluded from patent protection for inventions.

1) Any subject matter that does not conform to the definition in Article 1 of the present Law shall not be considered an invention and, as such, shall be excluded from patent protection for inventions. In particular, the following shall not be considered inventions:

- (a) discoveries that consist in making known something that already exists in nature, scientific theories and mathematical methods;
- (b) exclusively aesthetic creations;
- (c) economic or business plans, principles or methods, and those referring to purely mental or industrial activities or to games;
- (d) presentations of information;
- (e) computer programs;
- (f) therapeutic or surgical methods for the treatment of humans or animals, and diagnostic methods;
- (g) all kinds of living matter and substances pre-existing in nature, where the invention is aimed at the living matter or substance in the form in which it exists in nature;
- (h) the juxtaposition of known inventions or mixtures of known products, or alteration of the form or dimensions thereof or materials used therein, except where they are so combined or merged that they cannot function separately or where their characteristic qualities or functions have been modified so as to produce an industrial result not obvious to a person skilled in the art;
- (i) products already patented on the grounds of having been put to a use different from that contemplated by the original patent.

"2) The following inventions may not be patented or published:

- (a) those the exploitation of which would be contrary to public order or morality;
- (b) those that clearly pose a threat to human or animal life or health or that may cause serious harm to the environment;
- (c) plants and animals other than micro-organisms, and essentially biological processes for the production of plants or animals other than non-biological and microbiological processes. Plant varieties shall be governed by a special law, in accordance with Article 27.3 (b) of the TRIPS Agreement."

Article 2. Article 27 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 27. – Patent term.

"The patent shall last for a non-renewable term of twenty (20) years from the date of filing of the application in the Dominican Republic, except where otherwise provided in the paragraphs of the present Article.

"Paragraph I. Compensation in respect of the term of validity of patents for invention.

"1) At the request of the owner of a patent for an invention, the patent term may be renewed once only by extending it for a maximum of three (3) years after an evaluation carried out by the Directorate for Inventions in cases where the Directorate has acted with unreasonable delay, meaning a delay attributable to the Directorate for Inventions in granting the registration of a patent of more than five (5) years from the date of filing of the application or three (3) years from the date of application for a substantive examination of the patent, whichever is the later.

"2) At the request of the owner of a patent for an invention, the patent term may be renewed once only by extending it for a maximum of three (3) years after an evaluation carried out by the Directorate for Inventions in cases where the competent authority for the licensing of marketing has acted with unreasonable delay in the process of preliminary approval for the marketing of a pharmaceutical product that is protected by a valid patent for invention and where a reduction in the exclusive marketing period for the product as a result of the delay is confirmed. For the purposes of this paragraph, the competent authority shall be deemed to have acted with unreasonable delay where a period of more than two (2) years and six (6) months has elapsed since the filing of an application for marketing approval.

"3) For the purposes of the preceding paragraphs:

(a) the application shall be filed, on pain of lapse, within sixty (60) days of:

(i) the granting of the patent, as referred to in paragraph 1;

(ii) authorization of marketing, as referred to in paragraph 2;

(b) these provisions shall apply only to patents in force in the Dominican Republic;

(c) the Directorate for Inventions shall compensate for each day of delay with one (1) day, up to the maximum provided for in paragraphs 1 and 2;

(d) periods attributable to the applicant's actions shall not be taken into account when computing the compensation provided for in paragraph 1."

Article 3. Article 30 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 30. – Limitation and exhaustion of patent rights.

"A patent shall not confer the right to prevent:

- (a) acts carried out in the private sphere and for non-commercial purposes;
- (b) acts carried out exclusively for the purposes of experimentation with respect to the patented invention;
- (c) acts carried out exclusively for the purposes of teaching or scientific or academic research;
- (d) the sale, leasing, use, usufruct, import or any other form of marketing of a product protected by the patent or obtained by the patented process once the product has been put on the market in any country with the consent of the owner or of a licensee or in any other lawful manner. Products or processes that infringe industrial property law shall be considered to be on the market unlawfully;
- (e) acts referred to in Article 5 of the Paris Convention for the Protection of Industrial Property;
- (f) where the patent protects biological material that is capable of being reproduced, the use of the material as an initial basis for obtaining a new viable biological material, except where the patented material must be used repeatedly in order to obtain the new material;
- (g) those uses necessary in order to obtain health approval and to market a product after the expiry of the patent that protects it.

The acts referred to in this Article shall be subject to the condition that they do not unreasonably conflict with the normal exploitation of the patent and do not unreasonably prejudice the legitimate interests of the patent owner, taking account of the legitimate interests of third parties."

Article 4. Article 34, paragraph 6(a), of Law No. 20-00 on Industrial Property is hereby amended.

"Article 34. Nullity and forfeiture of a patent.

"1) All patents granted in infringement of the provisions of the present Law shall be null and void. Proceedings for nullity or forfeiture may be brought by any interested person. In particular, the National Industrial Property Office may, at any time, at the request of any interested person or competent authority, declare a patent to be null and void in any of the following cases:

- (a) where the subject matter of the patent does not constitute an invention under Articles 1 and 2, paragraph 1;
- (b) where the patent has been granted for an invention to which the prohibition in Article 2, paragraph 2, applies or which does not meet the patentability requirements set out in Articles 3, 4, 5 and 6;
- (c) where the patent does not disclose the invention as required by Articles 13 and 14;
- (d) where the claims included in the patent do not meet the requirements set out in Article 15;
- (e) where the patent granted discloses more information than was contained in the original application.

"2) The National Industrial Property Office shall cancel a patent where it has been granted to a person that was not entitled to obtain it pursuant to Articles 7, 8 or 9. In such a case, cancellation may be requested only by the person that claims to own the right to the patent.

"3) Where grounds for nullity affect only a certain claim or a certain part of a claim, nullity shall be declared only with respect to that claim or part, as the case may be. Where appropriate, nullity may be declared in the form of a limitation of the relevant claim.

"4) A request for nullification or cancellation may also be presented as a defense or counterclaim in any patent infringement proceedings.

"5) A patent shall be forfeited automatically in the following cases:

- (a) when its term expires;
- (b) in the event of non-payment of the fees for keeping it in force. The owner shall have a grace period of one hundred and eighty (180) days to pay the fee owed, on expiry of which the patent shall be forfeited.

"6) The National Industrial Property Office may declare a patent forfeited in the following cases:

(a) where the granting of compulsory licenses would not have been sufficient to prevent the practices referred to in Articles 41 and 42. In such cases, no proceedings for forfeiture or revocation of a patent may be instituted before the expiration of two (2) years from the granting of the first compulsory license;

(b) where it is necessary in order to protect public health and human, animal or plant life, or to avoid serious harm to the environment;

(c) where the applicant conceals information from or provides false information to the National Industrial Property Office for the purpose of obtaining a patent that does not meet patentability requirements."

Article 5. Article 54 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 54. – Definition of industrial design.

1) Any arrangement of lines or combination of colors or any two-dimensional or three-dimensional outward shape embodied in an industrial or handicraft product, including, *inter alia*, parts intended to be assembled into a complex product, packaging, presentation, graphic symbols and typefaces, except computer programs, intended to give the product a special appearance without the intended use or purpose of the product being thereby changed, shall be considered an industrial design.

2) For the purposes of the preceding paragraph, a product consisting of multiple replaceable components that allow it to be dismantled and reassembled shall be considered a complex product.

3) The protection conferred on an industrial design pursuant to this Law shall not rule out or affect the protection that may be conferred on the same design pursuant to other legal provisions, in particular those relating to copyright."

Article 6. Article 55 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 55. – Excluded subject matter.

1) An industrial design the appearance of which is determined solely by a technical function and does not embody any arbitrary contribution on the part of the designer shall not be protected.

- 2) An industrial design that consists of a form the exact reproduction of which is necessary in order to enable the product incorporating the design to be mechanically assembled or connected to another product of which it constitutes an integral part or component shall not be protected.
- 3) An industrial design that is contrary to public order or morality shall not be protected.
- 4) An industrial design that incorporates a trademark or other distinctive sign already protected in the Dominican Republic, the owner of which is entitled, in accordance with that protection, to prohibit the use of the sign in the registered design shall not be protected.
- 5) An industrial design that involves an unauthorized use of a work that is protected by copyright in the Dominican Republic shall not be protected.
- 6) An industrial design that involves an improper use of one of the elements referred to in Article 6 of the Paris Convention for the Protection of Industrial Property, or of badges, emblems and crests other than those referred to in Article 6 that are of public interest, such as the coat of arms, flag and other emblems of the Dominican Republic, unless duly authorized, shall not be protected."

Article 7. Article 58 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 58. Requirements for protection.

- 1) An industrial design shall be protected if it is new and has individual character.
- 2) An industrial design shall be considered new if it has not been disclosed or made accessible to the public in any place in the world, by means of publication, marketing, use or any other means, prior to the date on which the person entitled to obtain protection files an application for registration of the industrial design in the Dominican Republic or, where appropriate, the recognized priority date.
- 3) For the purposes of determining novelty, disclosure that has occurred within the 12 months prior to the date of the registration application shall not be taken into account, where such disclosure resulted directly or indirectly from acts carried out by the designer or his successor in title or from a breach of confidence, a breach of contract or an unlawful act committed against one of them.
- 4) An industrial design shall not be considered new solely because it differs in minor ways from other prior designs.
- 5) An industrial design shall be considered to have individual character where the overall impression that it produces on an informed user differs from the overall

impression produced on such user by any other industrial design that has been made available to the public before the date of filing of the registration application or, where priority is claimed, before the priority date.

6) In determining whether or not an industrial design has individual character, the degree of freedom of the author at the time of developing the design shall be taken into account.

7) A design applied to or incorporated in a product that constitutes a component of a complex product shall be considered to be new and to have individual character only in the following cases:

(a) where the component, once incorporated into the complex product, remains visible during normal use of the complex product; and

(b) where the visible features of the component in themselves are new and have individual character.

8) Normal use, for the purposes of subparagraph (a) of the preceding paragraph, means use by the end user, excluding maintenance, servicing and repair work."

Article 8. Articles 61, 62, 63, 64, 65 and 66 of Law No. 20-00 on Industrial Property are hereby amended to read as follows:

"Article 61. – Status of the applicant.

1) An applicant for the registration of an industrial design may be a natural person or a legal person.

2) Where the applicant is not the designer, the application shall contain evidence demonstrating how the right to obtain registration was acquired."

"Article 62. – Application for multiple designs.

"A registration application may cover more than one design, up to a maximum of 20, provided that they refer to products belonging to the same class of the International Classification for Industrial Designs established by the Locarno Agreement. The application shall be accompanied by the specified fee."

"Article 63. – Registration application.

1) Registration applications for industrial designs shall be filed with the National Industrial Property Office and shall include the following:

- (a) a registration application for an industrial design, which shall include information about the applicant, the designer and the representative, as appropriate, and such information as may be required under the regulations;
- (b) a description referring to the visible features that appear in each graphic or photographic representation, in which the angle from which the illustration is seen shall be indicated;
- (c) drawings and/or photographs of the relevant views of the industrial design. On three-dimensional designs, the creation that is to be the protected subject matter shall be highlighted with clear continuous lines and the part of the subject matter excluded from protection shall be indicated with broken or intermittent lines. A sample of the product or a model in which the industrial design is incorporated may also be required in order to provide useful evidence;
- (d) the designation or title of the products to which the design shall be applied and of the relevant class and subclass of products under the International Classification for Industrial Designs established by the Locarno Agreement;
- (e) proof of payment of the specified fees;
- (f) any other item required under the Regulations.

2) Two copies of the description of the design and two sets of graphic and/or photographic views of the design that is the subject of the application shall be provided. The Regulations shall specify the dimensions of reproductions of the industrial design and may regulate other aspects thereof. Where the application includes two or more industrial designs, the respective reproductions thereof shall be numbered in an unambiguous manner.”

"Article 64. – Acceptance and date of filing of the application.

"1) The date of receipt of an application by the National Industrial Property Office shall be considered the date of filing thereof, provided that the application contains at least the following elements:

- (a) an express indication that the application is for the registration of an industrial design;
- (b) information identifying the applicant or his representative and an exact address and other information allowing notifications to be sent within the Dominican Republic;
- (c) drawings and/or photographs of the relevant views of the industrial design.

2) Where the application is filed without one of the elements referred to in paragraph 1, the National Industrial Property Office shall not accept the application for processing.

"Article 65. – Examination of the application.

"The National Industrial Property Office shall examine whether the subject matter of the application constitutes an industrial design pursuant to Article 54, whether it is covered by the prohibition set out in Article 55, and whether the application fulfills the requirements of Article 58."

"Article 66. – Examination procedure. Opposition and notification.

1) The National Industrial Property Office shall carry out a formal examination, checking whether the application fulfills the requirements of Articles 61 and 63. It shall review the classification produced by the applicant pursuant to Article 63 (d) and shall verify whether, in applications for multiple designs, the products belong to the same class of the International Classification for Industrial Designs established by the Locarno Agreement.

2) Where the classification of the products to which the designs included in a multiple application apply or in which they are incorporated, or the review of the classification given by the applicant, as the case may be, reveals that the application includes products in different classes, in infringement of Article 62, this circumstance shall be communicated to the applicant with an indication of the affected designs and the classes to which the products indicated in the application belong. The applicant may, in order to address the reason for the communication, limit the list of products or divide the application, separating out from the initial application references to designs for products belonging to other classes.

3) Where defects are not rectified within 30 days of the communication thereof, processing shall continue in respect of the largest group of designs in the multiple application that relate to products in the same class, and, where no group is larger than another, processing shall continue in respect of the first design or group of designs included in the multiple application that comply with legal limits; the application shall be considered abandoned in respect of the remaining designs. The applicant shall be notified of the abandonment decision in respect of the affected designs.

4) During the formal examination, the National Industrial Property Office shall give its opinion within 30 days of receiving the application, requesting the applicant, where necessary, to rectify any defect or omission or submitting the Formal Examination Report.

5) Once the Formal Examination Report has been prepared, the applicant shall be notified thereof so that he may, within 30 days of notification, make payment for

the publication of the application. Where no such payment is made within the period specified by the Inventions Department of the National Industrial Property Office, it shall be announced in a reasoned decision that the application is to be declared abandoned and officially archived.

6) Following publication, any interested third party may, once only, file an opposition against the registration application within 30 days of publication of the application.

7) Where no oppositions are filed within the period indicated above, the National Industrial Property Office shall carry out a formal examination of the application, provided that six months have passed since the date of the application. Once the examination has been completed, a reasoned decision shall be issued granting or refusing registration. Where registration is granted, the applicant shall be instructed to make the relevant payment for publication of the grant.

8) Where oppositions have been filed within the period indicated in paragraph 6 of the present Article, the applicant shall be informed so that he may, within 30 days and once only, file a defense to the opposition. A copy of the defense shall be sent to the opposing party, solely for information purposes.

9) The National Industrial Property Office shall rule on the opposition when it carries out the formal examination. It shall be guided, where applicable, by the provisions of paragraph 5 of the present Article. Where registration is refused, the Office shall publish the decision at the opposing party's expense.

10) The applicant shall respond to any request made by the National Industrial Property Office within 30 days, unless the notification itself specifies a different period. Where the applicant fails to observe the period indicated and does not request an extension, the National Industrial Property Office shall announce in a reasoned decision that the application is to be declared abandoned and shelved *ex officio*."

Article 9. Article 69 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 69. – Application of provisions relating to inventions.

"The provisions relating to patents for inventions contained in Articles 10, 18, 23, 25, 29, 30, 31, 32, 34, 35, 36 and 38 shall apply, where appropriate, to industrial designs."

Article 10. Article 70 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 70. – Concepts used.

"For the purposes of the present Law:

- (a) "**trademark**" means any sign or combination of signs capable of being represented graphically and of distinguishing the goods or services of one enterprise from the goods or services of other enterprises;
- (b) "**collective trademark**" means a trademark the owner of which is a collective entity that groups together persons authorized to use the mark;
- (c) "**certification mark**" means a mark applied to the goods or services of third parties, the characteristics or quality of which have been certified by the owner of the mark;
- (d) "**trade name**" means a name, denomination, designation or abbreviation that identifies an enterprise or an institution;
- (e) "**business sign**" means any visible sign used to identify particular business premises;
- (f) "**emblem**" means a figurative sign used to identify an enterprise;
- (g) "**distinctive sign**" means any sign that constitutes a trademark, trade name, business sign, emblem, geographical indication or appellation of origin;
- (h) "**geographical indication**" means an indication that identifies a good as originating in the territory of a country, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin. Any sign or combination of signs, in any form, shall be capable of constituting a geographical indication;
- (i) "**appellation of origin**" means a geographical indication consisting of the name of a particular country, region or locality that is used to designate a product originating therein, the qualities, reputation or other characteristics of which are essentially attributable to the geographical environment in which it is produced, including both natural and human factors; a name which, without being a geographical name, identifies a product as originating from a country, region or locality shall also be considered an appellation of origin;
- (j) "**well-known distinctive sign**" means a distinctive sign known by the relevant sector of the public or among entrepreneurs in the Dominican Republic or in international trade, irrespective of the manner in which, or means by which, it has been made known."

Article 11. Article 72 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 72. – Signs considered to be trademarks.

1) Trademarks may consist, *inter alia*, of words, imaginary names, names, pseudonyms, commercial slogans, letters, numbers, monograms, figures, portraits, labels, armorial bearings, stamps, vignettes, borders, lines and bands, combinations and arrangements of colors, three-dimensional shapes, sounds and smells. They may also consist of the form, presentation or preparation of the goods or their packing or wrapping, or the means or places of retail sale of the goods or corresponding services.

2) Trademarks may also consist of national or foreign geographical indications, provided that they are sufficiently distinctive in relation to the goods or services to which they apply and that their use is not likely to create confusion as to the origin, source, qualities or characteristics of the goods or services for which the trademarks are used."

Article 12. Article 73 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 73. – Trademarks inadmissible for reasons intrinsic to the sign.

1) A sign that has one of the following characteristics shall be prohibited from being registered as a trademark:

(a) it consists of the usual or common form of goods or of their packing, or of a form necessary or imposed by the very nature of the good or service in question;

(b) it consists of a form that gives a functional or technical advantage to the good or service to which it applies;

(c) it consists exclusively of a sign or indication that may be used in the trade to qualify or describe a characteristic of the good or service in question;

(d) it consists exclusively of a sign or indication which, in common language or in commercial use in the Dominican Republic, is the generic, common or usual designation of the good or service in question, or is the scientific or technical name of a good or service, used in order to distinguish such goods or services from other goods or services that are the same, analogous or similar;

(e) it consists of a simple isolated color;

(f) it lacks sufficient distinguishing capacity in relation to the goods or services to which it applies in order to distinguish them from analogous or similar goods or services;

- (g) it is contrary to morality or public order;
- (h) it consists of signs, words or expressions that deride or are likely to deride persons, ideas, religions or national symbols of third countries or international entities;
- (i) it may mislead the commercial sector or the public as to the origin, nature, method of manufacture, features, suitability for use or consumption, quantity or any other characteristic of the goods and services in question;
- (j) it reproduces or imitates an appellation of origin already registered pursuant to this Law for the same goods or for different goods where there is a risk of confusion as to the origin or other characteristics of the goods, or a risk of unfair advantage from the reputation of the appellation of origin, or it consists of a geographical indication that does not comply with the provisions of Article 72, paragraph 2;
- (k) it reproduces or imitates armorial bearings, flags and other emblems, acronyms, names or abbreviations of names of any State or international organization, without the authorization of the competent authority of the State or international organization in question;
- (l) it reproduces or imitates official signs indicating control and warranty adopted by a State or a public entity, without the authorization of the competent authority of that State;
- (m) it reproduces coins or notes that are legal tender in the territory of any country, securities or other commercial documents, seals, stamps or revenue stamps in general;
- (n) it incorporates or reproduces medals, prizes, diplomas or other items that imply that awards have been obtained in respect of the goods or services in question, unless such awards have genuinely been conferred on the registration applicant or his principal, and proof thereof is provided at the time of applying for registration;
- (o) it includes the name of a plant variety protected in the Dominican Republic or abroad, where the sign is intended for goods or services relating to that variety or where its use would be likely to cause confusion or association with that variety;
- (p) it is contrary to any provision of this Law or another law;
- (q) it is identical or similar, in such a way that it may mislead the public, to a trademark the registration of which has expired and has not been renewed or that has been cancelled at the request of its owner, and that is applied to the same goods or services or to other goods or services that by their nature could be

associated with them, unless one year has elapsed since the date of expiry or cancellation.

2) Notwithstanding the provisions of paragraph 1 (c), (d) and (e), a sign may be registered as a trademark where it is confirmed that, as a result of constant use in the Dominican Republic, the symbol has acquired sufficient distinctiveness in the commercial sector and among the public as a trademark relating to the goods or services to which it applies."

Article 13. Article 75 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 75. – Application for registration.

- 1) An applicant for registration may be a natural person or a legal person.
- 2) Applications shall be filed with the National Industrial Property Office and shall include the following:
 - (a) the name and address of the applicant;
 - (b) the name and address of his representative in the Dominican Republic, where the applicant has neither an address nor an establishment in the Dominican Republic;
 - (c) the name of the trademark the registration of which is being applied for, in the case of a word mark; reproductions of the trademark, in the case of figurative, composite or three-dimensional marks with or without color; in the case of a sound or olfactory mark, this shall be effected through a representation or description of the mark by any means known or as yet unknown;
 - (d) a list of goods or services for which trademark protection is sought, grouped by class, in accordance with the international classification of goods and services in force, with an indication of the number of each class;
 - (e) the documents or authorizations required in the cases provided for in Articles 73 and 74, where relevant;
 - (f) the signature of the applicant or his duly authorized representative, where applicable; and
 - (g) proof of payment of the specified fee."

Article 14. Article 76 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 76. – Date of filing of the application.

1) The date of receipt of an application by the National Industrial Property Office shall be considered the date of filing thereof, provided that the application contains at least the following elements:

- (a) an indication that the application is for the registration of a trademark;
- (b) information identifying the applicant or his representative and an exact address for the receipt of notifications within the Dominican Republic;
- (c) the name of the trademark the registration of which is being applied for, or reproductions thereof in the case of figurative, composite or three-dimensional marks with or without color. In the case of sound or olfactory marks, the relevant graphic representation shall be submitted;
- (d) a list of goods or services for which trademark protection is sought and an indication of the classes to which the goods or services belong.

2) Where the application is filed without one of the elements referred to in the preceding paragraph, the National Industrial Property Office shall notify the applicant in writing so that he may rectify the omission. Until the omission has been rectified, the application shall be considered not to have been filed."

Article 15. Article 78 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 78. – Formal examination.

- 1) The National Industrial Property Office shall examine whether the application fulfills the requirements of Article 75 and the relevant regulatory provisions;
- 2) Where one of the requirements of Article 75 or the relevant regulatory provisions has not been fulfilled, the Office shall notify the applicant in writing so that he may rectify the error or omission within 30 days, on pain of the application being considered abandoned and officially archived. Where the error or omission is not rectified within the specified period, the Office shall declare the application abandoned."

Article 16. Article 79 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 79. – Substantive examination.

- 1) The National Industrial Property Office shall examine whether any of the prohibitions provided for in Articles 73 and 74 (a) applies to the trademark. The

Office may examine, on the basis of the information available to it, whether the prohibition set out in Article 74 (d) applies to the trademark.

2) Where one of the aforementioned prohibitions applies to the trademark, the Office shall notify the applicant in writing, indicating the objections that prevent registration and granting him a period of 60 days in which to withdraw, amend or limit his application or to respond to the stated objections, as appropriate. Where the aforementioned period elapses without the applicant having taken such steps or where he has done so but the Office considers that the stated objections remain, registration shall be refused in writing in a reasoned decision."

Article 17. Article 80 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 80. – Publication, opposition and issuance of certificates.

1) Once an examination of the application has been carried out, the National Industrial Property Office shall order a notice of application for registration to be published at the applicant's expense through the official channels of the National Industrial Property Office. Each publication concerning an application for registration shall include a list of goods or services for which protection is sought, grouped in accordance with the classification to which the good or service belongs.

2) Any third party may file an opposition against the application for registration within forty-five (45) days of publication of the notice referred to in paragraph 1.

3) Once the period for filing oppositions has elapsed, the National Industrial Property Office shall issue a single ruling on the application and any oppositions filed, in accordance with the procedure set out in Article 154. Where it decides to grant registration, the owner shall be issued with a certificate of trademark registration, which shall contain the information specified in the regulatory provisions."

Article 18. Article 86 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 86. – Rights conferred by registration.

1) Registration of a trademark shall confer on the owner the right to take action against any third party that, without his consent, carries out any of the following acts:

(a) applying, affixing or attaching in any way a distinctive sign identical or similar to the registered trademark to goods for which the trademark has been registered, or to the packing, wrapping or preparation of such goods, or to goods that have

been produced, modified or processed using services for which the trademark has been registered or which may be connected to such services in another way;

(b) removing or modifying a trademark that has been applied, affixed or attached to the goods referred to in the preceding subparagraph by the owner of the trademark or a person authorized to do so;

(c) producing labels, packing, wrapping, packaging or other similar materials that reproduce or contain a reproduction of the registered mark, and also marketing or holding such materials;

(d) filling or reusing for commercial purposes packing, wrapping or packaging bearing the mark;

(e) using for commercial purposes a sign identical or similar to the trademark, including geographical indications and appellations of origin, for the same goods or services for which the mark was registered or for different goods or services where the use of the sign in respect of such goods or services may create confusion or a risk of association with the holder of the registration. Where an identical sign is used for identical goods or services, a risk of confusion or association shall be presumed to exist. Likewise, using for commercial purposes a sign identical or similar to the mark for different goods or services, where such use may result in association or confusion or a risk of association with the holder of the registration;

(f) using for commercial purposes a sign identical or similar to the registered trademark, where such use may mislead or confuse the public or may cause unfair financial or commercial harm to the owner of the mark as a result of a dilution of the distinctive force or commercial value of the mark or an unfair advantage gained from the prestige of the mark.

2) For the purposes of this Law, the following acts, *inter alia*, shall constitute the use of a sign for commercial purposes:

(a) trading in, selling, offering for sale or distributing goods or services that bear the sign;

(b) importing, exporting, storing or transporting goods that bear the sign;

(c) using the sign in advertising, publications, documents or written or oral commercial communications."

Article 19. Article 90 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 90. – License for use of a trademark.

1) The holder of a trademark right may grant a license to use the mark. A license relating to a mark that has been registered or is in the process of registration may be submitted to the National Industrial Property Office for the purpose of making the existence of the trademark known to the public. Submission of the license shall not be subject to a service fee. Notification of the public shall not be a requirement in order to affirm any right under license.

2) Unless otherwise stipulated in a license contract, the following rules shall apply:

(a) the licensee shall be entitled to use the mark during the whole period of validity of the registration, including renewals thereof, throughout the country and with respect to all the goods or services for which the mark is registered;

(b) the licensee may not assign the license or grant sub-licenses;

(c) the license shall not be exclusive; the licensor may grant other licenses to use the mark in the Dominican Republic as well as using the mark himself in the Dominican Republic;

(d) where an exclusive license has been granted, the licensor may not grant other licenses for use of the mark in the Dominican Republic; nor may he use the mark himself in the Dominican Republic."

Article 20. Article 124 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 124. – Use of geographical indications.

1) A geographical indication may not be used for commercial purposes in relation to a good or service, where such indication is false or misleading with respect to the origin of the good or service, or where its use may confuse the public as to the origin, quality, source, characteristics or features of the good or service.

2) Protection or recognition of a geographical indication shall be refused where:

(a) the geographical indication may be confusingly similar to a mark that is the subject of a good-faith pending application or registration; and

(b) the geographical indication may be confusingly similar to a pre-existing mark the rights to which have been acquired in accordance with national law."

Article 21. Article 127 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 127. – Registration of appellations of origin.

1) The National Industrial Property Office shall keep a register of appellations of origin in which shall be entered appellations of national origin, at the request of one or more producers, manufacturers or craftsmen that have their production or manufacturing establishment in the region or locality of the country to which the appellation of origin corresponds, or of a legal entity to which they belong, or at the request of a competent public authority.

2) Foreign producers, manufacturers or craftsmen, or the legal entities to which they belong, and also the competent public authorities of foreign countries, may register appellations of foreign origin."

Article 22. Article 128 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 128. – Prohibitions concerning registration.

"A sign may not be registered as an appellation of origin where:

- (a) it does not comply with the definition contained in Article 70 (i);
- (b) it is contrary to morality or public order or may mislead the public as to the origin, nature, manufacturing method, characteristics or features, or suitability for use or consumption of the goods in question;
- (c) it is the common or generic name of a particular good. A name is understood to be generic or common where it is considered such both by connoisseurs of that type of good and by the general public;
- (d) it may be confusingly similar to a mark that is currently registered or the good-faith registration of which is pending; or
- (e) it may be confusingly similar to a pre-existing mark the rights to which have been acquired in accordance with national law."

Article 23. Article 130 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 130. – Procedure for registering an appellation of origin.

"1) Applications to register an appellation of origin shall be examined for the purpose of verifying that:

- (a) they fulfill the requirements of Article 129, paragraph 1, and the relevant regulatory provisions;

(b) the appellation the registration of which is being applied for is not covered by any of the prohibitions referred to in Article 128; and

(c) procedures relating to examination and publication of the application, opposition and the registration of the appellation of origin shall be governed by the provisions applicable to the registration of trademarks."

Article 24. Article 154 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 154. – Proceedings before the National Industrial Property Office.

"Proceedings before the National Industrial Property Office shall be substantiated in accordance with the following rules:

(a) proceedings shall be instituted in writing with the Director of the relevant department, who shall rule thereon with the assistance of two examiners from his department;

(b) the Director of the relevant department shall notify the right holder of proceedings instituted within ten (10) days of receipt; the right holder shall respond within thirty (30) days of notification;

(c) the Director of the relevant department shall, within ten (10) days of the date of receipt, notify of the proceedings all those included in the register and any other person that holds a registered right relating to the industrial property right that is the subject of the proceedings;

(d) the party that instituted the proceedings shall be notified of the right holder's response within ten (10) days of receipt of said notification, so that he may exercise the right of reply to the right holder's arguments within thirty (30) days of receiving the notification. The Director of the relevant department shall issue a duly reasoned decision within two (2) months of expiry of the last period granted to the parties;

(e) once the procedures relating to response and evidence have been completed, the case shall be referred to the Director and the examiners for a decision and, where the nature of the claim so requires, one or more technical reports shall be prepared;

(f) the Director of the relevant department shall issue a duly reasoned decision in writing within three (3) months of expiry of the last period granted to the parties;

g) the parties shall be notified in writing of the decision issued by the Director of any department, in the manner specified in the Regulations."

Article 25. Article 164 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 164. – Classification of trademarks.

"For the purposes of classification of goods and services in respect of which trademarks are used, the International Classification of Goods and Services for the Purposes of the Registration of Marks established by the Nice Agreement of June 15, 1957, as amended and updated, shall apply. Goods or services may not be considered similar to one another solely on the grounds that they appear, in a register or publication, in the same class of the International Classification. Likewise, goods or services shall not be considered different from one another solely on the grounds that they appear, in a register or publication, in different classes of the International Classification."

Article 26. Article 166 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 166. – Penalties.

"1) Anyone that intentionally carries out one of the following acts shall incur a prison sentence of six months to three years and a fine of fifty (50) to one thousand (1,000) times the monthly minimum wage:

(a) without the consent of the owner of a distinctive sign, uses for commercial purposes an identical sign or a registered trademark, or a working copy or fraudulent imitation of such mark, in respect of the goods or services that it distinguishes or related goods or services;

(b) without the consent of the owner of a distinctive sign, makes a business sign or emblem relating to a trade name, at the same time carrying out the following acts:

(i) using for commercial purposes an identical distinctive sign for an identical or related business;

(ii) using for commercial purposes a similar distinctive sign, where this is likely to create confusion;

(c) uses for commercial purposes, in respect of a good or service, a geographical indication that is false or likely to mislead the public as to the origin of that good or service or as to the identity of the producer, manufacturer or trader of the good or service;

(d) uses for commercial purposes, in respect of a good, a false or misleading appellation of origin or an imitation of an appellation of origin, even where the true origin of the good is indicated, a translation of the appellation of origin is used, or the appellation of origin is used accompanied by expressions such as "type", "kind", "manner", "imitation" or other similar terms;

(e) continues to use an unregistered mark that is similar, in terms of the degree of confusion it may cause, to another registered mark, or after an administrative penalty imposed on those grounds has become final;

(f) offers goods for sale or places them in circulation or provides services, where those goods or services bear the marks referred to in the preceding subparagraph;

(g) imports or exports counterfeit goods.

2) A patent owner shall receive civil compensation from anyone that:

(a) manufactures or develops goods covered by a patent for invention or a utility model without the consent of the owner thereof or without the appropriate license;

(b) offers for sale or places in circulation goods covered by a patent for an invention or a utility model, in the knowledge that they have been manufactured or developed without the consent of the patent owner or registration holder or without the appropriate license;

(c) uses patented processes without the consent of the patent owner or without the appropriate license;

(d) offers for sale, sells or uses, imports or stores goods that are directly derived from the use of patented processes, in the knowledge that they have been used without the consent of the patent owner or of the holder of an exploitation license;

(e) reproduces or imitates industrial designs protected by registration without the consent of the owner thereof or without the appropriate license;

(f) without being the owner of a patent or a utility model or enjoying the rights conferred thereby, uses, in his goods or advertising, names likely to lead the public to believe mistakenly that he is the owner thereof.

"Paragraph I. – Liability for the acts described above shall extend to persons who order or arrange for them to be carried out, to the legal representatives of legal persons and to all those that, in the knowledge that the act is unlawful, take part in it, facilitate it or are complicit in it.

"Paragraph II. – Remedies in criminal proceedings.

In the case of offenses relating to industrial property rights, a judge may order:

- (a) the seizure of suspected counterfeit goods and of materials and implements used in the commission of the offense;
- (b) the seizure of any assets traceable to the infringing activity, and any documentary evidence relevant to the offense. Items that are subject to seizure pursuant to a judicial order need not be individually identified so long as they fall within general categories specified in the order;
- (c) the forfeiture of any assets traceable to the infringing activity, and;
- (d) the forfeiture and destruction of all counterfeit goods, without compensation of any kind to the defendant."

Article 27. Article 167 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 167. – Proceedings.

- 1) In cases of suspected trademark counterfeiting, any person may press criminal charges and the State may conduct investigations or exercise other enforcement measures *ex officio*, without the need for a formal complaint by a private party or right holder, at least for the purpose of preserving evidence and preventing the continuation of the infringing activity.
- 2) The provisions of ordinary criminal law shall also apply, provided that they do not conflict with the present Law.
- 3) None of the proceedings resulting from the implementation of the present Law shall be subject to the advance provision of a security, as set out in Article 16 of the Civil Code and Articles 166 and 167 of the Code of Civil Procedure and the amendments thereto.
- 4) Final judicial decisions or administrative rulings of general applicability shall be in writing and shall state any relevant findings of fact and the legal reasoning on which the decisions and rulings are based. Such decisions or rulings shall be published or, where such publication is not practicable, otherwise made publicly available.
- 5) In the event that, during proceedings, the judge appoints technical or other experts and the parties are required to bear the costs of such experts, such costs shall be closely related, *inter alia*, to the quantity and nature of work to be performed, so that they do not unreasonably deter recourse to such measures.

6) The judicial authorities, except in exceptional circumstances, shall have the authority to order, at the conclusion of civil judicial proceedings concerning trademark counterfeiting, that the prevailing party shall be awarded payment of court costs and reasonable attorney's fees by the losing party.

7) The judicial authorities, at least in exceptional circumstances, shall have the authority to order, at the conclusion of civil judicial proceedings concerning patent infringement, that the prevailing party be awarded payment of reasonable attorney's fees by the losing party."

Article 28. Article 169 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 169. – Competence of licensees to sue.

1) An exclusive licensee and a licensee under a compulsory license may institute proceedings against any third party that infringes the right covered by the license. To that end, a licensee that does not have a mandate from the right holder to act shall, on instituting proceedings, prove that he has requested that the right holder institute proceedings and that more than two months have elapsed without the right holder taking action. Even before this period has elapsed, the licensee may request that precautionary measures be taken in accordance with Article 174. The holder of the infringed right may appear in court as a party to the proceedings at any time.

2) Any licensee and any beneficiary of any trademark right or claim registered in respect of the infringed right shall be entitled to appear in court as a party to the proceedings at any time. To that end, all persons whose rights are registered in relation to the infringed right shall be notified of the claim."

Article 29. Article 173 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 173. – Remedies in civil proceedings.

"In civil proceedings under the present Law, the following measures may be requested:

(a) cessation of the infringing acts;

(b) payment of compensation;

(c) forfeiture of suspected infringing goods, any related material or implements and, at least for cases of trademark counterfeiting, documentary evidence relevant to the infringement;

(d) destruction of goods that have been identified as counterfeit;

(e) such measures as are necessary to prevent the continuation or repetition of the infringement, including destruction of the materials and implements used to produce the infringing object forfeited pursuant to subparagraph (c), without compensation of any sort. In exceptional circumstances, the judge may order, without compensation of any sort, that the materials and implements be disposed of outside the channels of commerce in such a manner as to minimize the risk of further infringements. In considering requests for destruction under this subparagraph (e), the judicial authorities shall take into account, *inter alia*, the gravity of the infringement, and also the interests of third parties holding rights *in rem*, rights to possession or contractual or secured interests;

(f) the charitable donation of counterfeit trademark goods, with the authorization of the right holder. In appropriate cases, counterfeit trademark goods may be donated to charity for use outside the channels of commerce, where the removal of the trademark eliminates the infringing characteristics of the good and the good is no longer identifiable with the trademark removed. Under no circumstances shall the simple removal of an unlawfully affixed trademark be sufficient to permit the release of goods into the channels of commerce.

"Paragraph I. – In civil judicial proceedings concerning the enforcement of rights under the present Law, the judicial authorities shall have the authority to order the infringer to provide any information that he possesses regarding any person involved in any aspect of the infringement and regarding the means of production of or distribution channels for the infringing goods or services, including the identification of third persons that are involved in the production and distribution thereof and the distribution channels therefor, and to provide this information to the right holder. The judicial authorities shall impose sanctions, in appropriate cases, on a party to a proceeding that fails to comply with valid orders."

Article 30. Article 174 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 174. – Precautionary measures.

1) Any person that institutes or intends to institute proceedings for infringement of an industrial property right may request the court to order immediate precautionary measures with the aim of guaranteeing the effectiveness of proceedings or the payment of damages.

2) The court shall order precautionary measures only where the person requesting them demonstrates, with reasonably available evidence that the court considers sufficient, that an infringement has been committed or is imminent.

3) Precautionary measures may be requested before, at the same time as or after the start of infringement proceedings. Where measures are ordered before proceedings have been instituted, they shall have no effect if proceedings are not instituted within ten (10) days of the order.

4) The competent court may order such precautionary measures as are appropriate to ensure enforcement of any sentence that may be handed down in the proceedings in question. The following precautionary measures, *inter alia*, may be ordered:

(a) immediate cessation of the allegedly infringing acts, except where, at the judge's discretion, the defendant provides a security or other assurance specified by the court that is sufficient to compensate the plaintiff in the event that the final decision is in the plaintiff's favor;

(b) provisional seizure, inventory or deposit of samples of the infringing objects and of means exclusively intended for committing the infringement;

(c) the competent court may order the plaintiff to provide a reasonable security or other assurance that is sufficient to compensate the defendant in the event that the final decision is in the defendant's favor, to prevent abuse and so as not to unreasonably deter recourse to such procedures;

(d) where the holder of a trademark right has valid grounds for suspecting that the import of goods may take place in such circumstances that his rights would be infringed, he may request the court to order the Republic's customs authorities, as a precautionary measure, to suspend the release into free circulation of such goods or the exploitation thereof, as the case may be.

5) In proceedings concerning the granting of precautionary measures in relation to enforcement of a patent, there shall be a rebuttable presumption that the patent is valid.

"Paragraph I. – Border measures.

1) Where the holder of a trademark right requests the competent customs authority to suspend the release of suspected counterfeit or confusingly similar trademark goods into free circulation, the competent customs authority shall require the right holder to provide adequate evidence to satisfy it that, under national law, there is *prima facie* an infringement of his right and to supply sufficient information that may reasonably be expected to be within the right holder's knowledge to make the goods reasonably recognizable by the competent customs authority. The requirement to provide sufficient information shall not unreasonably deter recourse to these procedures.

2) The competent customs authority may require the holder of a trademark right initiating procedures for suspension to provide a reasonable security in order to protect the defendant and the customs authority and to prevent abuse. Such security shall not unduly deter recourse to these procedures. Such security may take the form of an instrument issued by a financial services provider to hold the importer or owner of the imported merchandise harmless from any loss or damage resulting from any suspension of the release of goods in the event that the competent authorities determine that the article is not an infringing good.

3) Where the competent customs authorities have sufficient grounds to suspect that imported, exported or in-transit goods infringe a trademark right, they shall act *ex officio*, without the need for a formal complaint from a private party or the right holder, and shall suspend the release of the goods, whether on such grounds directly or because they may cause confusion among consumers.

4) Where it has been determined that goods are counterfeit, the customs authorities shall, within a period of no more than five (5) days:

(a) inform the right holder of the names and addresses of the consignor, the importer and the consignee, and of the quantity of the goods in question, so that the right holder may institute the relevant proceedings for infringement of his rights provided for in the present Law;

(b) inform the Public Prosecutor's Office that the goods have been detained on the grounds set out in the present Article for the relevant purposes.

The customs authorities shall release the goods where no claim relating to the merits of the case has been filed within no more than ten (10) working days of notification of the suspension.

5) Where there is a judicial order, the competent customs authority shall destroy the counterfeit goods, unless the right holder consents to an alternate disposition. In appropriate cases and as an exception, counterfeit trademark goods may be donated to charity in the Dominican Republic, for use outside the channels of commerce, where the removal of the trademark eliminates the infringing characteristics of the good and the good is no longer identifiable with the removed trademark. With regard to counterfeit trademark goods, the simple removal of the unlawfully affixed trademark shall not be sufficient to permit the release of the goods into the channels of commerce. In no event shall the competent authorities be authorized to permit the exportation of counterfeit goods or to permit such goods to be subject to other customs procedures, except in exceptional circumstances.

6) Where an application fee or merchandise storage fee is assessed in connection with border measures, the fee shall not be set at an amount that unreasonably deters recourse to such measures.

7) Small quantities of goods of a non-commercial nature contained in travelers' personal luggage or sent in small consignments shall be excluded from the application of the above provisions."

Article 31. Article 175 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 175. – Calculation of compensation for injury.

1) In civil judicial proceedings concerning enforcement of the rights covered by the present Law, the judicial authorities shall have the authority to order the infringer to pay the right holder:

(a) damages adequate to compensate for the injury that the right holder has suffered as a result of the infringement; and

(b) at least in cases of trademark counterfeiting, the profits of the infringer that are attributable to the infringement and are not taken into account in computing the amount of the damages referred to in subparagraph (a).

2) For the purpose of calculating damages, the portion corresponding to the lost profit for which compensation is due shall be calculated in accordance with one of the following criteria, taking into account the value of the infringed-upon good or service based on the suggested retail price or other legitimate measure of value that the right holder presents:

(a) the profits that the right holder would have expected to obtain without competition from the infringer;

(b) the price that the infringer would have had to pay to the right holder for a contractual license, taking into account the commercial value of the subject of the infringed right and the contractual licenses that have already been granted.

3) In civil judicial proceedings concerning trademark counterfeiting and at the express request of the right holder, as an alternative to the calculation of actual damages in respect of each registered trademark that has been counterfeited, the judge may specify an amount between a minimum of fifteen thousand pesos (\$RD 15,000.00) and a maximum of one million five hundred thousand pesos (\$RD 1,500,000.00). Damages pursuant to this paragraph 3 shall be determined by the judge in an amount sufficient to compensate the right holder for the harm caused by the infringement and to constitute a deterrent to future infringements.

"Paragraph. – Any person that files a claim for infringement of rights shall be liable for harm caused to the suspected infringer in the event of malicious or negligent acts or complaints."

Article 32. Article 181 of Law No. 20-00 on Industrial Property is hereby amended to read as follows:

"Article 181. – Information and protection of data for marketing authorization.

1) Where a competent national authority requires or permits, as a condition of approving the marketing of a new pharmaceutical or agricultural chemical product, the submission of undisclosed information concerning the safety or efficacy of said product, the competent national authority shall not permit third persons, without the consent of the person that provided the information, to market a product on the basis of: (1) the information, or; (2) the approval granted to the person that submitted the information for a period of five years for pharmaceutical products and 10 years for agricultural chemical products from the date of approval in the Dominican Republic.

2) Where a competent national authority, as a condition of approving the marketing of new pharmaceutical or agricultural chemical products, permits third persons to submit evidence concerning the safety or efficacy of a product that was previously approved in another territory, such as evidence of prior marketing approval, said national authority shall not permit third persons, without the consent of the person that previously obtained such approval in the other territory, to obtain authorization or to market a product on the basis of: (1) evidence of prior marketing approval in the other territory, or; (2) information concerning safety or efficacy that was previously submitted in order to obtain marketing approval in the other territory, for five years for pharmaceutical products and 10 years for agricultural chemical products from the date on which marketing approval was first granted in the Dominican Republic to the person that received approval in the other territory. In order to receive protection under this paragraph 2, the person providing the information in the other territory shall be required to seek approval in the Dominican Republic within five years of first obtaining marketing approval in the other territory.

3) The competent national authority shall protect undisclosed information against any disclosure, except where necessary to protect the public, and shall not consider information accessible within the public domain to be undisclosed data. Notwithstanding the foregoing, if any undisclosed information concerning safety and efficacy submitted to the competent national authority, or to an entity acting on behalf of the competent national authority, for the purposes of obtaining marketing approval is disclosed by such entity, the competent national authority shall protect such undisclosed information from any unfair commercial use by third parties, in accordance with the provisions of this Article.

4) For the purposes of this Article, a new product shall be one that does not contain a chemical entity that has previously been approved in the territory of the

Dominican Republic. A chemical entity shall not mean an inactive ingredient contained in a new pharmaceutical product.

"Paragraph I. – Patents and marketing authorization.

1) Any person applying for authorization to market a new pharmaceutical product shall provide the competent national authority, at the time of applying for authorization to market the new pharmaceutical product, with a notarized affidavit, which shall include a list of all product patents in force, if any, that cover said product or the approved use thereof, during the term of the patent in the Dominican Republic, including the term of said patents. The competent national authority shall establish a register in which shall be listed patents that involve pharmaceutical products, which shall be made available to the public by said authority.

2) Where, in accordance with Article 181, paragraphs 1 and 2, the competent national authority, as a condition of approving the marketing of a pharmaceutical product, permits third persons other than the person that originally submitted safety or efficacy information to base their request on evidence or information concerning the safety and efficacy of a product that was previously approved, such as evidence of prior marketing approval in the territory of the Dominican Republic or another country, that competent national authority shall require submission of one of the following:

(a) a notarized affidavit stating that there is no patent in force in the Dominican Republic covering the product that is the subject of the application or the approved use thereof;

(b) a written authorization from the patent owner in which he authorizes the marketing of the product, if there is a patent in force in the Dominican Republic;

(c) a notarized affidavit stating that a patent exists and the date of expiry of the patent, and that the applicant shall not enter the market before the patent expires.

The competent national authority shall require such affidavits and marketing authorizations to be drawn up in relation to patents, where they exist, in accordance with subparagraph 1 of this paragraph.

3) Where a request for authorization to market a product is submitted with the documentation referred to in subparagraph 2 (a) or 2 (b), the competent national authority shall proceed with marketing approval. Where the request is submitted with the documentation referred to in subparagraph 2 (c), the competent national authority shall examine the request but shall not grant marketing authorization until the term of patent protection has expired.

4) The competent national authority shall inform the patent owner of the request and the identity of any other person that applies for approval to enter the Dominican market during the term of a patent that has been identified that covers the approved product or the approved use thereof."

CHAPTER II

FINAL, TRANSITIONAL AND REPEALING PROVISIONS RELATING TO THE INDUSTRIAL PROPERTY REGIME

Article 33. Application in time.

1) The provisions of Title I, Chapter I, Article 2, of the present Law, relating to Article 27, paragraph I, of Law No. 20-00, shall enter into force one (1) year after the entry into force of the Dominican Republic-Central America-United States Free Trade Agreement.

2) The provisions of Title I, Chapter I, Articles 11, 13 and 14, of the present Law, relating to Articles 72, 75 c) and 76, paragraph 1 (c), of Law No. 20-00, on sound and olfactory marks, shall enter into force eighteen (18) months after the entry into force of the Dominican Republic-Central America-United States Free Trade Agreement.

3) The provisions of Title II, Chapter I, Articles 20 and 22, of the present Law, amending Articles 124, paragraph 2, and 128 (d) and (e) of Law No. 20-00, on geographical indications, shall enter into force two (2) years after the entry into force of the Dominican Republic-Central America-United States Free Trade Agreement.

4) Paragraph 6 of Article 174 of Law No. 20-00 of May 8, 2000, is hereby deleted.

TITLE II

CODE OF CRIMINAL PROCEDURE

SOLE CHAPTER

AMENDMENT TO ARTICLE 32 OF THE CODE OF CRIMINAL PROCEDURE

Article 34. Article 32 of Law No. 76-02 Instituting the Code of Criminal Procedure is hereby amended to read as follows:

"Article 32. Private prosecution.

"The following punishable acts may only be prosecuted on a private basis:

- 1) property infringement;
- 2) defamation and insult;

3) industrial property infringement, except where it relates to trademark infringements, which may be prosecuted privately or publicly;

4) infringement of the Law on Checks."

TITLE III COPYRIGHT REGIME

SOLE CHAPTER AMENDMENTS TO LAW NO. 65-00 OF AUGUST 21, 2000, ON COPYRIGHT

Article 35. Article 19, subparagraph 6, of Law No. 65-00 on Copyright is hereby amended to read as follows:

"**Article 19.** – 6) the communication of works to the public by any process or means known or as yet unknown, including the making available thereof to the public in such a way that members of the public may access said works at a place and time chosen by them, and in particular:

(a) stage presentations, recitals, dissertations and public performances of dramatic, dramatico-musical, literary and musical works by any means or process;

(b) the public projection or screening of audiovisual works through any type of medium;

(c) the transmission by broadcasting or any other means of wireless distribution of signs, sounds or images, including the sending of signals from a ground station to a broadcasting or telecommunications satellite;

(d) transmission by wire, cable, optic fiber or other analogous process, whether free or on subscription;

(e) the retransmission, by wire or wireless means, by an organization other than the originating organization, of the work that was the subject of the original transmission;

(f) the emission, transmission or broadcasting, in or to a place accessible to the public and by means of any appropriate apparatus, of a work transmitted by radio or television;

(g) the public display of works of art or reproductions thereof;

(h) public access to computer databases by means of telecommunication, where they incorporate or constitute protected works;

(i) in general, the dissemination of signs, words, sounds or images by any means or process."

Article 36. Articles 21, 23, 24, 25, 26 and 29 of Law No. 65-00 on Copyright, relating to the duration of economic rights, are hereby amended to read as follows:

"**Article 21.** – The economic aspects of copyright shall accrue to the author during his lifetime and to his spouse, heirs and successors in title for 70 years after his death; where the author has no spouse, heirs or successors in title, the State shall remain the right holder until the period of 70 years following the author's death has elapsed. In the case of duly established joint authorship, the period of 70 years shall commence on the death of the last joint author.

"**Paragraph.** – In the case of non-resident foreign authors, the duration of copyright may not be greater than that recognized under the laws of the country of origin; however, where those laws afford greater protection than that granted by this Law, the provisions of this Law shall apply."

"**Article 23.** – Where the author's economic rights have been transferred by *inter vivos* instrument, those rights shall accrue to the acquirers during the author's lifetime and for 70 years after his death, and for heirs, the remainder of the period up to 70 years, without prejudice to any stipulation in that regard by the author of the work and said acquirers.

"**Article 24.** - Anonymous works shall be protected for a period of 70 years from the first publication thereof. Where the work is not published within 50 years of being created, it shall be protected for a period of 70 years after it is created. Where the author reveals his identity, protection shall last for his lifetime and for a further 70 years after his death.

"**Article 25.** - Collective works and computer programs shall be protected for 70 years from publication. Where a work is not published within 50 years of being created, it shall be protected for a period of 70 years after it is created.

"**Article 26.** – For photographs, the duration of copyright shall be 70 years from first publication. Where a work is not published within 50 years of being created, it shall be protected for a period of 70 years after it is created."

"**Article 29.** - The protection granted to performers under the present Law shall last for 70 years from January 1 of the year following that of the death of the relevant right holder. However, in the case of orchestras, choirs and other performing ensembles, the term shall be 70 years from January 1 of the year following that in which the performance took place or that in which the fixation, if any, was made.

"Paragraph I. – The duration of the rights of phonogram producers shall be 70 years from January 1 of the year following publication of the phonogram; where no such publication is authorized within 50 years of the creation thereof, the duration shall be 70 years from the creation of the work.

"Paragraph II. – Broadcasting organizations shall be protected for 70 years from January 1 of the year following that in which a broadcast was made."

Article 37. Article 33 of Law No. 65-00 on Copyright is hereby amended to read as follows:

"Article 33. – Articles published in newspapers or periodicals on current economic, political or religious topics, and broadcast works of the same character may be reproduced by the press or broadcast or communicated to the public by wire in cases in which the reproduction, broadcasting or such communication thereof is not expressly reserved. Nevertheless, the source shall always be clearly indicated.

"Paragraph. – For the purpose of reporting current events by means of photography, cinematography, broadcasting or communication to the public by wire, literary or artistic works seen or heard in the course of the event may, to the extent justified by the informatory purpose, be reproduced and made available to the public."

Article 38. Article 39 of Law No. 65-00 on Copyright is hereby amended to read as follows:

"Article 39. - Works permanently located on public roads, streets or squares may be reproduced for personal use by means of painting, drawing, photography or audiovisual fixations. With regard to works of architecture, this provision shall apply only to their external aspect."

Article 39. Article 55 of Law No. 65-00 is hereby amended to read as follows:

"Article 55. – Where a commission contract refers to the execution of a painting, drawing, engraving, sculpture or other work of figurative art, the person that orders the execution thereof shall have the right to put it on public display, either free of charge or for a consideration, unless otherwise stipulated by the parties."

Article 40. Article 64 of Law No. 65-00 is hereby amended to read as follows:

"Article 64. – Unless otherwise stipulated by the parties, each of the joint authors of an audiovisual work may dispose freely of the part that constitutes his personal contribution in order to use it in a different exploitation, unless he thereby prejudices the exploitation of the joint work.

"Paragraph. – Unless otherwise stipulated by the parties, where the producer does not complete the audiovisual work by the agreed deadline or does not have it disseminated within three years of the completion thereof, the authors shall have the right to use it freely."

Article 41. Article 67 of Law No. 65-00 is hereby amended to read as follows:

"Article 67. – Notwithstanding the provisions of the preceding Article, and unless the parties have agreed otherwise, the joint authors and the main performers shall retain the right to a proportional share with the producer in the equitable remuneration collected from private copying of the audiovisual recording, in the manner determined by the Regulations."

Article 42. Article 74 of Law No. 65-00 is hereby amended to read as follows:

"Article 74. – The following shall be lawful without the authorization of the producer:

- 1) reproduction of a single copy of a program legally obtained by the purchaser of the program, exclusively for backup or security purposes;
- 2) storage of the program in the temporary or read-only memory of the equipment, solely for the personal use of the lawful user, under the terms expressly established by the relevant license;
- 3) adaptation of the program by the lawful user, provided that it is intended exclusively for his personal use and has not been prohibited by the right holder."

Article 43. Article 79 of Law No. 65-00 on Copyright is hereby amended to read as follows:

"Article 79. – Any person acquiring or holding an economic right in a work, performance or phonogram may freely and separately transfer such right to another person by contract. The provisions of the present Title shall therefore apply provided that the parties have not agreed otherwise.

"Paragraph I. – Economic rights may be assigned free of charge or for a consideration, exclusively or non-exclusively. Unless otherwise agreed or expressly provided in the law, assignment shall be presumed to have been made non-exclusively and for a consideration.

"Paragraph II. – The author may also substitute assignment with the granting of a simple license for use, non-exclusive and non-transferable, that does not transfer any ownership to the licensee but authorizes him to use the work under the terms set out in the license. In addition to their specific provisions, licenses shall be

governed, where applicable, by principles relating to assignment of economic rights.

"Paragraph III. – Contracts for assignment of economic rights and for licenses for use shall be concluded in writing, unless the law itself establishes a presumption of assignment of rights in a particular case."

Article 44. Articles 80, 81 and 82 of Law No. 65-00 on Copyright are hereby amended to read as follows:

"Article 80. – The different forms of use of the work, performances and phonograms shall be independent of each other. Authorization of one form of use shall not extend to other forms.

Paragraph. – In any case, the effects of assignment or of the license, as applicable, shall be limited to the rights expressly assigned or licensed, and to the time and territorial area contractually agreed.

"Article 81. – Legal transactions relating to copyright and related rights shall always be interpreted restrictively. Recognition of more extensive rights than those expressly granted or licensed by the author under the relevant contract shall not be permitted.

"Article 82. – Anyone that acquires a right of use as an assignee shall be bound to fulfill the obligations assumed by the assignor under his contract with the author, performer or phonogram producer. The assignor shall be answerable to the author, performer or phonogram producer, together with the assignee, for the obligations assumed by the assignee under the contract, and for compensation for injury that the assignee may cause the author/performer/phonogram producer through failure to fulfill any of said contractual obligations."

Article 45. Article 83 of Law No. 65-00 on Copyright is hereby amended to read as follows:

"Article 83. – Any person acquiring or holding any economic right in a work, performance or phonogram by virtue of a contract, including a contract of employment for the creation of works and performances, and production of phonograms, may exercise such right in that person's own name and enjoy fully the benefits derived therefrom."

Article 46. Article 84 of Law No. 65-00 on Copyright is hereby amended to read as follows:

"Article 84. – In accordance with Article 79 of the present Law, the following shall automatically be null and void, unless the parties have agreed otherwise: (1) global contracts for future production, unless they relate to one or more specific

works, performances or productions, the characteristics of which shall be clearly specified in the contract; (2) a commitment to stop or restrict future production, even for a limited time."

Article 47. Article 132 of Law No. 65-00 on Copyright is hereby amended to read as follows:

"Article 132. – The Copyright Unit shall be authorized to carry out at any time such monitoring and technical inspection visits as it deems to be relevant, with a view to ensuring compliance with legal provisions. The Unit shall be assisted by the telecommunications authority where necessary. Where it is determined that a natural or legal person transmitting or retransmitting signals or with a ground station or cable system is infringing any of the rights in the programming contained in the signal or those of the originating organization of the transmitted or retransmitted broadcast, the Unit may temporarily suspend the authorizations for such transmissions or retransmissions, pending a contrary decision by the courts in an interim order or a ruling that has the irrevocable force of *res judicata*.

"Paragraph I. – The holders of concessions and licenses for wire or wireless retransmission operations shall be obliged to provide all facilities to said authorities so that inspections may be carried out without delay, subject to full identification of the inspector, who shall be allowed to check the operation of all the parts, apparatus and components in the system; he shall also be provided, without any restriction, with all the data necessary to carry out his task, and shall be shown plans, files, books and other documents on technical matters relating to the transmission or retransmission. The data and information obtained shall be confidential and exclusive to said authorities, which may be held personally responsible for any disclosure to third parties.

"Paragraph II. – Administrative decisions concerning requests for the temporary or permanent closure of establishments transmitting unauthorized radio or cable signals shall be rendered expeditiously and not later than 60 days after the date of the request. Such decisions shall be in writing and shall state the reasons on which they are based. Any closure shall become effective immediately following the relevant decision. Temporary closure shall last for up to 30 days. Failure to cease transmission or retransmission following closure shall be considered a violation classified under Article 105 d) of the General Telecommunications Law, No. 153-98, of May 27, 1998, and shall be subject to all available penalties authorized by that Law.

"Paragraph III. – The National Copyright Office (ONDA) or another competent authority may, *ex officio*, initiate procedures for the temporary or permanent closure of establishments transmitting unauthorized broadcast or cable signals and other sanctions available under national law, without the need for a written request from an interested party or the right holder."

Article 48. Article 133 of Law No. 65-00 on Copyright is hereby amended to read as follows:

"**Article 133.** – The protection afforded by the provisions of this Title to the holders of neighboring or related rights shall in no way affect the protection of copyright in the literary, artistic and scientific works provided for in the present Law. Therefore, none of the provisions of the present Law may be interpreted as prejudicing such protection. In order to ensure that no hierarchy is established between the rights of authors, on the one hand, and the rights of performers and producers of phonograms, on the other hand, in cases where authorization is needed from both the author of a work embodied in a phonogram and the performer or producer of the phonogram, the need for the authorization of the author shall not mean that the authorization of the performer or producer is not required, and vice versa."

Article 49. Article 135 of Law No. 65-00 on Copyright is hereby amended to read as follows:

"**Article 135.** – Performers shall have the exclusive right to authorize or prohibit:

- 1) the fixation of their unfixed performances;
- 2) the reproduction, by any process and in any form, of fixations of their performance;
- 3) the broadcasting and communication to the public of their unfixed performances, except where the performance is already a broadcast performance;
- 4) the distribution to the public of the original or copies embodying their performance fixed in a phonogram, by sale, rental or in any other way."

Article 50. Article 137 of Law No. 65-00 on Copyright is hereby amended to read as follows:

"**Article 137.** – In any case, performers shall retain the exclusive right to authorize or prohibit the broadcasting or communication to the public of their performances fixed in phonograms, including the making available to the public of their performances, in such a way that they may be accessed from a place and at a time individually chosen by them."

Article 51. Article 141 of Law No. 65-00 on Copyright is hereby amended to read as follows:

"**Article 141.** – A producer of a phonogram shall have the right to authorize or prohibit:

- 1) the direct or indirect, temporary or permanent, reproduction of his phonogram, by any means or process;
- 2) the distribution to the public of the original or copies of his phonogram, by sale, rental or in any other way;
- 3) the broadcasting or communication to the public of his phonogram, by wire or wireless means, including the making available thereof to the public in such a way that it may be accessed from a place and at a time individually chosen by them."

Article 52. Article 142 of Law No. 65-00 is hereby amended to read as follows:

"**Article 142.** – Without prejudice to the provisions of Article 141, subparagraph 3, where a phonogram published for commercial purposes or a reproduction of such phonogram is used directly for non-interactive communication with the public, the person that uses it shall pay a single equitable remuneration to both the performers and the producer of the phonogram, a sum which shall be paid to the producer by the user."

Article 53. Article 143 of Law No. 65-00 on Copyright is hereby amended to read as follows:

"**Article 143.** – Unless the parties have agreed otherwise, half of the sum received by the phonogram producer pursuant to the preceding Article shall be paid by him to the performers or their representatives."

Article 54. The title of Chapter I of Title XIII of Law No. 65-00 on Copyright is hereby amended to read as follows:

"Chapter I Proceedings"

Article 55. Article 168 of Law No. 65-00 on Copyright is hereby amended to read as follows:

"**Article 168.** – A holder of copyright or of a neighboring right, his successors in title, or anyone that represents them by agreement shall be entitled to choose which of the types of proceedings provided for in the present Law – civil, criminal or administrative – they wish to institute in order to exercise the rights conferred by the Law. No exception or procedural delay with respect to the right to choose proceedings shall be admissible with regard to the continuation of proceedings instituted.

"**Paragraph I.** - Final judicial decisions or administrative rulings of general applicability shall be in writing and shall state any relevant findings of fact and the legal reasoning on which the decisions and rulings are based. Such decisions

or rulings shall be published or, where such publication is not practicable, otherwise made publicly available.

"Paragraph II. – In civil, criminal and administrative proceedings concerning copyright and related rights, it shall be presumed, in the absence of proof to the contrary, that the person whose name is indicated as the author, producer, performer or publisher of the work, performance or phonogram in the usual manner is the designated holder of rights in such work, performance or phonogram. It shall also be presumed, in the absence of proof to the contrary, that the copyright or related right subsists in such subject matter.

"Paragraph III. – The judicial authorities shall have the authority to order the infringer to provide any information that he possesses regarding any person involved in any aspect of the infringement and regarding the means of production of or distribution channels for the infringing goods or services, including the identification of third persons that are involved in the production and/or distribution thereof and the distribution channels therefor, and to provide this information to the right holder. The judicial authorities shall impose sanctions, in appropriate cases, on a party to a proceeding that fails to abide by their valid orders.

"Paragraph IV. – The judicial authorities, except in exceptional circumstances, shall have the authority to order, at the conclusion of civil judicial proceedings pursuant to this Law, that the prevailing party shall be awarded payment of court costs and reasonable attorney's fees by the losing party."

Article 56. The chapeau of Article 169 of Law No. 65-00 on Copyright is hereby amended and subparagraphs 8, 9 and 10 are hereby deleted:

"Article 169. - The following persons shall incur a prison sentence of six months to three years and a fine of 50 to 1,000 times the monthly minimum wage:"

Article 57. Article 173 of Law No. 65-00 on Copyright is hereby amended to read as follows:

"Article 173. – The competent judge shall be authorized to order:

- a) the seizure of suspected infringing goods and of materials and implements used in the commission of the offense. Items that are subject to seizure pursuant to a judicial order need not be individually identified so long as they fall within general categories specified in the order;
- b) the seizure of any assets traceable to the infringing activity, and any documentary evidence relevant to the offense;
- c) the forfeiture of any assets traceable to the infringing activity;

d) the forfeiture and destruction of all pirated goods, without compensation of any kind to the infringer;

e) the forfeiture and destruction of materials and implements used in the creation of the infringing goods.

"Paragraph I. – The Public Prosecutor may, at any time and even before the start of criminal proceedings, without the other party present (*ex parte*), carry out such investigations or assessments as he deems necessary in order to establish the existence of infringing material, in the places in which such material may be found.

"Paragraph II. – In any case, all copies reproduced, transformed, communicated or distributed to the public in infringement of copyright or neighboring rights recognized under this Law and all materials and equipment used in the unlawful acts, and also information or business documents relating to the commission of the offense, may be seized provisionally without referring to or hearing the other party, at any stage of the proceedings, even before a criminal case is instituted, at the request of the holder of the infringed right, regardless of whose possession they are in, by the Public Prosecutor's Office in the judicial district where said goods are situated.

"Paragraph III. – In the case of border offenses, referred to in Article 185 of the present Law, only the destruction of the infringing goods may be ordered, unless the right holder consents to an alternate disposition."

Article 58. Article 177 of Law No. 65-00 is hereby amended to read as follows:

"Article 177. – Any person that, without the consent of the right holder, carries out any act that is the subject of the right holder's moral or economic rights or that constitutes any other infringement of the present Law shall be liable to the right holder for the moral and material injury caused by the infringement of the right, whether or not he knowingly committed the infringement.

"Paragraph I. - The judicial authorities shall have the authority to order the infringer to pay the right holder damages adequate to compensate for the injury he has suffered as a result of the infringement and the profits of the infringer that are attributable to the infringement and are not taken into account in computing the amount of damages due in respect of the injury suffered by the right holder as a result of the infringement.

"Paragraph II. – The competent courts, in determining damages adequate to compensate for the injury the right holder has suffered as a result of the infringement, shall consider, *inter alia*:

- a) the profit that the injured party would presumably have obtained if the infringement had not taken place;
- b) the remuneration that the right holder would have received if he had authorized the exploitation;
- c) the value of the infringed-upon good or service based on the suggested retail price or other legitimate measure of value that the right holder presents.

"Paragraph III. - At the request of the right holder and as an alternative to the calculation of actual damages where it is impossible to place a value on the actual injury, the judge shall be authorized to specify damages in respect of each work of between twenty thousand pesos (\$RD 20,000.00) and two million pesos (\$RD 2,000,000.00), for the purpose not only of compensating the right holder for the harm caused by the infringement but also of deterring future infringements."

Article 59. Article 179 of Law No. 65-00 on Copyright is hereby amended to read as follows:

"Article 179. – Where the holder of any of the rights recognized under the present Law has good reason to suspect an infringement of his right or to suspect that some or all of the evidence of an unlawful act may disappear, he may request the judge, without prior reference to the other party, to authorize the preventive seizure or confiscation of the following goods, to be handed over to himself or to a third party:

- 1) copies of any work, performance, production or broadcast reproduced without the authorization of the holder of the relevant right, and equipment or devices that have been used to commit the unlawful act, and also any information or business documents relating to the act;
- 2) the proceeds of the sale, rental or any other form of distribution of infringing copies;
- 3) income obtained from unauthorized acts of public communication; and
- 4) devices or products suspected of being related to one of the activities prohibited under Article 187 and Article 189 of this Law.

"Paragraph I. – The affected right holder may also request the immediate suspension of the unlawful activity, in particular reproduction, distribution, public communication or unlawful importation, as the case may be.

"Paragraph II. – The judicial authorities shall have the authority to require the right holder to provide any reasonably available evidence in order to satisfy themselves with a sufficient degree of certainty that the right holder's right is

being infringed or that such infringement is imminent, and to order the right holder to provide a reasonable security or equivalent assurance set at a level sufficient to protect the defendant and to prevent abuse, and so as not to unreasonably deter recourse to such procedures."

Article 60. Article 183 of Law No. 65-00 on Copyright is hereby amended to read as follows:

"**Article 183.** - In a final judgment establishing that an infringement has taken place, the judge shall have the authority to order:

(a) the seizure of suspected infringing goods and of any materials and implements that have been used in the commission of the infringement, where they have not already been seized;

(b) the destruction of copies unlawfully reproduced or used;

(c) the destruction of materials and implements that have been used in the manufacture or creation of infringing goods, without compensation of any sort, or, in exceptional circumstances, the judge may order that, without compensation of any sort, they be disposed of outside the channels of commerce in such a manner as to minimize the risk of further infringements. To that end, the judicial authorities shall take into account, *inter alia*, the gravity of the infringement, and also the interests of third parties holding rights *in rem*, rights to possession or contractual or secured interests;

(d) the charitable donation of goods that infringe copyright and related rights, provided that the right holder has given authorization;

(e) publication of the operative part of the judgment, at the infringer's expense, in one or more national newspapers, at the request of the injured party.

"**Paragraph I.** - In the event that, during proceedings, the judge appoints technical or other experts and the parties are required to bear the costs of such experts, such costs shall be closely related, *inter alia*, to the quantity and nature of work to be performed, so that they do not unreasonably deter recourse to such measures.

"**Paragraph II.** - In the case of border offenses, referred to in Article 185 of the present Law, only the destruction of the infringing goods may be ordered, unless the right holder consents to an alternate disposition."

Article 61. Article 185 of Law No. 65-00 on Copyright is hereby amended to read as follows:

"Article 185. – Where a holder of copyright or of a neighboring right, his successors in title, anyone that represents any of them by agreement, or the relevant collective management society have valid grounds to suspect that the importation or exportation of goods that infringe copyright or neighboring rights is taking place, or that such goods are in transit, they may request that the release into free circulation of such goods be suspended. The relevant application shall be filed with the General Customs Directorate or the competent public prosecutor's office and shall be accompanied by adequate evidence to satisfy the competent authorities that there is *prima facie* an infringement of the rights in question, together with sufficient information that may reasonably be expected to be within the right holder's knowledge to make the goods easily recognizable by said authorities. The requirement to provide sufficient information shall not unreasonably deter recourse to these procedures. The authorities may, *ex officio*, suspend the release of goods that are suspected of being infringing goods.

"Paragraph I. - In no event shall the competent authorities be authorized to permit the exportation of pirated goods or to permit such goods to be subject to other customs procedures, except in exceptional circumstances.

"Paragraph II. – Where the General Customs Directorate or the competent public prosecutor's office orders the suspension of imported or exported goods or goods in transit, it shall be obliged within a period of no more than five (5) days to notify the applicant and the importer of the period for which the suspension has been granted, so that the applicant may file the relevant substantive application or request other measures or a criminal court may be authorized to hear the case, and so that the owner, importer or recipient of the goods may request the judge of first instance in civil or criminal matters, as appropriate, to modify or revoke the measures taken.

"Paragraph III. – The authorized judge may require the applicant to provide a security or assurance sufficient to protect the defendant and the competent authorities and to prevent abuse. Such security or assurance shall not unduly deter recourse to these procedures. Such security may take the form of an instrument issued by a financial services provider to hold the importer or owner of the imported merchandise harmless from any loss or damage resulting from any suspension of the release of goods in the event that the competent authorities determine that the article is not an infringing good.

"Paragraph IV. – An applicant that has secured such a measure shall file a substantive application within no more than ten (10) clear days of the date on which the measure was ordered, and may request the authority that ordered it to extend the period for a further ten (10) days; the authority shall admit such request, where it considers an extension to be justified.

"Paragraph V. – The authorized court may order the destruction of pirated goods that are the subject of a border measure, unless the right holder requests an alternate disposition.

"Paragraph VI. – Where an application fee or merchandise storage fee is assessed in connection with border measures, the fee shall not be set at an amount that unreasonably deters recourse to such measures.

"Paragraph VII. – Where it has been determined that goods are pirated, the competent authority shall inform the right holder of the names and addresses of the consignor, the importer and the consignee, and of the quantity of the goods in question."

Article 62. Title XIV of Law No. 65-00 on Copyright is hereby amended to read as follows; the present Title XIV (The Copyright Unit) shall become Title XV, and so on, and all subsequent articles shall be renumbered accordingly:

"Title XIV

Prohibitions relating to technological measures, rights management information and encrypted program-carrying satellite signals

"Chapter I

Effective technological measures

"Article 186. – For the purposes of the present Law, "effective technological measure" means any technology, device or component that, in the normal course of its operation, controls access to a protected work, performance, phonogram or other protected subject matter, or protects any copyright or any right related to copyright.

"Article 187. – The unauthorized circumvention of any effective technological measure that controls access to a protected work, performance, phonogram or other protected subject matter shall be prohibited.

"Paragraph I. – Exceptions to the activities prohibited under the present Article shall be limited to the following activities, provided that they do not impair the adequacy of legal protection or the effectiveness of legal remedies against the circumvention of effective technological measures:

a) non-infringing reverse engineering activities with regard to a lawfully obtained copy of a computer program, carried out in good faith with respect to particular elements of that computer program that were not available to the person engaged in said activity, for the sole purpose of achieving interoperability of an independently created computer program with other programs;

- b) non-infringing good-faith activities, carried out by an appropriately qualified researcher who has lawfully obtained a copy, performance or sample of a work, unfixed performance or phonogram, and who has made a good-faith effort to obtain authorization for such activities, to the extent necessary for the sole purpose of identifying and analyzing flaws and vulnerabilities of technologies for the scrambling and descrambling of information;
- c) the inclusion of a component or part for the sole purpose of preventing the access of minors to inappropriate online content in a technology, product, service or device that itself is not prohibited;
- d) non-infringing good-faith activities that are authorized by the owner of a computer, computer system or computer network for the sole purpose of testing, investigating or correcting the security of that computer, computer system or computer network;
- e) access by a non-profit-making library, archive or educational institution to a work, performance or phonogram not otherwise available to it, for the sole purpose of making decisions on acquisition;
- f) non-infringing activities for the sole purpose of identifying and disabling a capability to collect or disseminate undisclosed personally identifying information that reflects the online activities of a natural person in a way that has no other effect on the ability of any person to gain access to any work;
- g) non-infringing uses of a work, performance or phonogram in a particular class of works, performances or phonograms, where an actual or likely adverse impact on those non-infringing uses is demonstrated in a legislative or administrative proceeding by substantial evidence; it is hereby established that, in order for any such exception to remain in effect for more than four years, it shall be reviewed at least every four years for the purpose of demonstrating by substantial evidence that the impact on the particular non-infringing uses persists; and
- h) lawfully authorized activities carried out by government employees, agents or contractors for law enforcement, intelligence, national defense, essential security or similar governmental purposes, in connection with the circumvention of effective technological protection measures.

"Chapter II Rights management information

"Article 188. – For the purposes of the present Law, "rights management information" means information that identifies a work, performance or phonogram, the author of the work, the performer of the performance or the producer of the phonogram, or the holder of any right in the work, performance or phonogram, and information about the terms and conditions of use of the work,

performance or phonogram; or any number or code that represents such information, where any of these items is attached to a copy of the work, performance or phonogram or appears in connection with the communication or making available of a work, performance or phonogram to the public.

"Article 189. - Any person that, without authority and knowing or, with respect to civil remedies, having reasonable grounds to know, that it could induce, enable, facilitate or conceal an infringement of copyright or a related right:

- a) removes or alters any rights management information;
- b) distributes or imports for distribution rights management information, knowing that the rights management information has been removed or altered without authority; or
- c) distributes, imports for distribution, broadcasts, communicates or makes available to the public copies of a work, performance or phonogram, knowing that rights management information has been removed or altered without authority.

"Paragraph I. - Exceptions to the activities prohibited under the present Article shall be limited to lawfully authorized activities carried out by government employees, agents or contractors for law enforcement, intelligence, national defense, essential security or similar governmental purposes, in connection with rights management information.

"Chapter III Encrypted program-carrying satellite signals

"Article 190. – It shall be prohibited to manufacture, assemble, modify, import, export, sell, lease or otherwise distribute a tangible or intangible device or system, knowing or having reason to know that the device or system serves primarily to decode an encrypted program-carrying satellite signal without the authorization of the lawful distributor of such signal.

"Article 191. – It shall be prohibited intentionally to receive and further distribute a program-carrying signal that originated as an encrypted satellite signal, knowing that it has been decoded without the authorization of the lawful distributor of the signal.

"Chapter IV Civil and criminal remedies

"Article 192. – Violations of effective technological measures referred to in Chapter I of this Title shall constitute a separate civil case or criminal offense, independent of any infringement of copyright or related rights that might occur under the present Law.

"Article 193. – The right holder in cases concerning the circumvention of effective technological measures and rights management information, and any person injured by any prohibited activity relating to encrypted program-carrying satellite signals, including any person that holds an interest in the encrypted programming signal or its content, shall be entitled to civil remedies, which shall include at least:

- (a) precautionary measures, including forfeiture of devices and goods suspected of being involved in the prohibited activity;
- (b) actual damages (plus any profit attributable to the prohibited activity not taken into account in computing the actual damages) or pre-established damages, as provided for in Article 177 of the present Law;
- (c) payment to the prevailing right holder, at the conclusion of civil judicial proceedings, of court costs and fees and reasonable attorney's fees by the party engaged in the prohibited conduct; and
- (d) destruction of devices and goods found to be involved in the prohibited activity, at the discretion of the judicial authorities, as provided in Article 183 (b) and (c).

"Paragraph I. – In cases concerning the circumvention of effective technological measures and rights management information, no civil damages shall be awarded against a non-profit-making library, archive, educational institution or public broadcasting organization, which sustains the burden of proving that it did not and had no grounds to know that its acts constituted a prohibited activity.

"Article 194. - Where, during criminal proceedings concerning the circumvention of effective technological measures and rights management information, a person is found to have engaged, intentionally and in order to obtain a commercial advantage or private financial gain, in unauthorized circumvention of any effective technological measure that controls access to a protected work, performance or phonogram or other protected subject matter, or in a prohibited activity relating to rights management information, he shall incur a prison sentence of between six months and three years and a fine of 50 to 1,000 times the monthly minimum wage and shall be subject to the proceedings provided for in Articles 171 to 175 of the present Law.

"Paragraph I. – Criminal penalties shall not be imposed on a non-profit-making library, archive, educational institution or public broadcasting organization.

"Article 195. – Any person that infringes the provisions of Articles 190 and 191 of the present Law shall incur a prison sentence of between six months and three

years and a fine of 50 to 1,000 times the monthly minimum wage and shall be subject to the proceedings provided for in Articles 171 to 175 of the present Law."

CHAPTER II

FINAL, TRANSITIONAL AND REPEALING PROVISIONS RELATING TO THE COPYRIGHT REGIME

Article 63. The powers conferred on the Public Prosecutor's Office and the National Copyright Office (ONDA) under Articles 173, 184, 185, 188 and 189 of Law No. 65-00 shall be exercised in accordance with the provisions of the Code of Criminal Procedure, the Constitution of the Dominican Republic and the provisions of public international law that protect the rights of parties to proceedings with respect to due legal process.

Article 64. Rights in works, performances, phonograms and broadcast programs protected under Law No. 65-00 on Copyright shall enjoy the longer periods of protection established by the present Law, provided that, at the time of its enactment, they have not fallen into the public domain.

Article 65. Article 17, subparagraph 4, of Law No. 65-00, enacted on July 24, 2000, is hereby repealed.

TITLE IV THE TELECOMMUNICATIONS REGIME

SOLE CHAPTER INDEPENDENCE OF CIVIL AND CRIMINAL PROCEEDINGS

Article 66. Article 111 of the General Telecommunications Law, No. 153-98, is hereby amended to read as follows:

"Article 111. – Independence of civil and criminal proceedings.

"The administrative penalties referred to in the present Title shall be applied irrespective of the civil or criminal liability that may be incurred by those that commit the infringement."

TITLE V PROTECTION REGIME FOR AGENTS IMPORTING GOODS AND PRODUCTS

SOLE CHAPTER EXEMPTION REGIME FOR THE IMPLEMENTATION OF LAW NO. 173 OF 1966 ON PROTECTION FOR AGENTS IMPORTING GOODS AND PRODUCTS

Article 67. For the purposes of the present regime:

(a) **COVERED CONTRACT** means a concession contract, as defined in Law No. 173 on Agents Importing Goods and Products of April 6, 1966, and the amendments thereto, hereinafter referred to as "Law No. 173", to which a goods or service supplier of the United States or any enterprise controlled by such supplier is a party;

(b) **TERMINATION DATE** means the date specified in the contract, or the end of a period of extension of a contract agreed upon by the parties to the contract.

Article 68. Law No. 173 shall not apply to any covered contract signed after the date of entry into force of the Agreement, unless the contract explicitly provides for the application of Law No. 173 and, in place of Law No. 173, the provisions of Annex 11.13, paragraph 1 (a), (b), (c), (d), (e), (e) (i), (e) (ii), (e) (iii), (e) (iv), (f) and (g), shall apply to covered contracts.

Paragraph. – Nothing in Annex 11.13, paragraph 1 (c), shall prevent parties from demanding indemnification, where appropriate, in the form, type, and amount agreed in the contract.

Article 69. Where Law No. 173 applies to a covered contract, either because the contract was signed before the entry into force of the Agreement or because the contract explicitly provides for the application of Law No. 173, and the contract is registered with the Central Bank of the Dominican Republic in accordance with Article 10 of Law No. 173, it shall be applied in a manner consistent with Articles 46 and 47 of the Constitution of the Dominican Republic, in accordance with Annex 11.13, paragraph 2 (a), (b) and (c).

Article 70. For all covered contracts:

(a) a goods or service supplier shall not be required to pay damages or an indemnity for terminating a covered contract for just cause, as established in Law No. 173, or for allowing such contract to expire without renewal for just cause; and

(b) a contract shall be interpreted as establishing an exclusive distributorship only to the extent that the terms of the contract explicitly state that the distributor has exclusive rights to distribute a product or service.

Article 71. The requirement that the parties to a contract seek a negotiated settlement of any dispute through conciliation, and all other provisions of Law No. 173, shall retain all their validity and force for all contractual relations not subject to paragraph 1 of Annex 11.13.

TITLE VI**THE CUSTOMS REGIME****SOLE CHAPTER****AMENDMENTS TO LAW NO. 226-06 OF JULY 19, 2006, GRANTING THE
GENERAL CUSTOMS DIRECTORATE (DGA) LEGAL PERSONALITY,
FUNCTIONAL, BUDGETARY, ADMINISTRATIVE AND TECHNICAL
AUTONOMY AND ITS OWN ASSETS**

Article 72. Article 14 ii) of Law No. 226-06 of July 19, 2006, Granting the General Customs Directorate (DGA) Legal Personality, Functional, Budgetary, Administrative and Technical Autonomy and its own Assets is hereby amended to read as follows:

"ii) by payments of fees and charges of whatever nature applied by the General Customs Directorate, which shall be limited in amount to the approximate cost of services rendered. Such fees and charges shall be specific, not *ad valorem*, and shall not be used to protect domestic products indirectly or to tax imports or exports for fiscal purposes."

Article 73. A second paragraph is hereby added to Article 14 of Law No. 226-06 of July 19, 2006, to read as follows:

"**Paragraph II.** – The way in which specific fees for services are applied shall be established in the Regulations and the amount thereof shall depend on the approximate cost of such services."

Article 74. Paragraph II of Article 14 of Law No. 226-06 of July 19, 2006, shall become Paragraph III.

TITLE VII**THE AGRICULTURAL REGIME****SOLE CHAPTER****AMENDMENTS TO LAW NO. 08-65 ON THE FUNCTIONS OF THE MINISTRY
OF AGRICULTURE**

Article 75. A subparagraph (y) is hereby added to Article 1 of Law No. 08-65, to read as follows:

(y) evaluate and accept as equivalent to national measures the sanitary, phytosanitary and food safety measures of the member countries of the World Trade Organization or of any other country seeking to export goods to the Dominican Republic, even if those measures differ from national measures, where

the exporting country demonstrates objectively that its measures reach appropriate levels of protection."

**TITLE VIII
TRANSITIONAL PROVISIONS**

**SOLE CHAPTER
TRANSITIONAL PROVISIONS FOR THE IMPLEMENTATION OF THE
PRESENT LAW**

Article 76. The amendments contained in the present Law shall enter into force on, and therefore shall be applicable only from, the entry into force of the Agreement.

DONE at the Meeting Hall of the Chamber of Deputies, Palace of the National Congress, in Santo Domingo de Guzmán, National District, capital of the Dominican Republic, on November 9, 2006, the 163rd year of Independence and the 144th year of the Restoration.

Julio César Valentín Jiminián
President

María Cleofia Sánchez Lora
Secretary

Alfonso Crisóstomo Vásquez
Ad Hoc Secretary

DONE at the Meeting Hall of the Senate, Palace of the National Congress, in Santo Domingo de Guzmán, National District, capital of the Dominican Republic, on November 14, 2006, the 163rd year of Independence and the 144th year of the Restoration.

Reinaldo Pared Pérez
President

Amarilis Santana Cedano
Secretary

Diego Aquino Acosta Rojas
Secretary

LEONEL FERNANDEZ
President of the Dominican Republic

In exercise of the powers conferred on me by Article 55 of the Constitution of the Republic,

I hereby **ENACT** the present Law and order it to be published in the *Official Gazette* so as to make it known and ensure compliance therewith.

DONE at Santo Domingo de Guzmán, National District, capital of the Dominican Republic, on November 20, 2006, the 163rd year of Independence and the 144th year of the Restoration.

LEONEL FERNÁNDEZ REYNA