LAW OF THE REPUBLIC OF ARMENIA

Adopted by the National Assembly February 3, 1998

Law on Legal Protection of Topographies of Integrated Circuits

Article 1. General Provisions

The main terms used in this Law are defined as follows:

integrated circuit (hereinafter "IC") is a microelectronic article of finished or semi-finished form, determined to fulfill the functions of an electronic circuit, the elements and links of which are inseparably incorporated in the volume and (or) on the surface of the material that is the basis of the manufactured product.

topography of integrated circuits (hereinafter "topography") is a spatial-geometrical disposition of the totality of units of an integrated circuit and links between them, fixed on a support material.

usage with commercial purposes (hereinafter "usage") is the utilization, selling, renting or otherwise distributing for commercial purposes, and an offer to implement these actions.

The rightful holder is the author, his successor, as well as any other natural or legal person with exclusive property rights obtained by law or agreement.

Article 2. Legislation on Legal Protection of Topographies

The legislation on legal protection of topographies consists of the Constitution of the Republic of Armenia, this Law, other laws and legal acts.

Article 3. Subject of Regulation of the Law

This Law regulates the relations connected with creation, legal protection and utilization of topographies.

Article 4. Legal Protection of Topography

The right on topography is protected by the Government of the Republic of Armenia.

The exclusive right on utilization of topography shall be in force for no less than 10 years.

Its date of registration

- a) is counted from the date of filing an application for registration or from the first registered commercial exploitation wherever in the world it occurs.
- b) is determined by the authorized state body of the Armenian Government (hereinafter "authorities") dealing with registration issues.

In case of independent creation of similar original topography by another author, the period of validity of exclusive right on utilization of topography shall not exceed 10 years.

Article 5. Subject and Terms of Legal Protection

This Law provides the protection of original topography only.

Topography is considered to be original if it is a result of the creative work of the author. Topography is considered to be original if not proved to the contrary.

If topography consists of a totality of units well-known to its producers and manufacturers by the date of its creation, it is not protected by this Law.

If topography consists of a totality of units well-known to its producers and manufacturers by the date of its creation, it is protected by the Law only in case such totality of units meets the demands of paragraph 2 of this Article.

Due to this Law legal protection is not provided to such ideas, methods, systems, technologies, encoded information, that may be implemented in topography.

Article 6. Authorship on Topography

The author of topography is considered to be a natural person, whose creative activities resulted in originating this topography.

If the topography is created by several natural persons jointly, each of these persons is considered to be its author.

The natural person, who had no individual creative input in origination of the topography, who rendered only technical, organizational or financial assistance to the author, as well as the person who facilitated the procedures of registration of the right on utilization of topography, is not recognized as the author of topography.

Right on authorship is an inalienable right, and it is permanently protected by the Law.

The author preserves the right not to be mentioned as an "author" in the published information about the certificate on registration of topography.

Article 7. Property Rights

The author or any other rightful holder has the exclusive right on utilization of topography, that gives him the opportunity to manufacture and to distribute such kind of topographies of integrated circuits, as well as to prohibit its usage in cases contradicting the Law.

In case the exclusive right on utilization of topography belongs to several persons, the interrelations between them are determined by a mutual agreement. In case of absence of such an agreement each of them has the right to use topography on his own discretion, but he is deprived of transferring the rights on utilization of topography to another person or giving permission on usage without consent of other rightful holders.

The exclusive right on utilization of topography, created as a result of discharging official duties or by an order of the employer, belongs to the employer if the agreement signed between the author and the employer makes no provisions for other cases.

The amount of fee and the procedure of remuneration to the author may be determined also by this agreement.

According to the agreement between the author and the customer (other than the employer) the exclusive right on utilization of topography belongs to the customer if the agreement makes no provisions for other cases.

The following activities carried out without consent of the author or of the rightful holder are considered to be an infringement of the exclusive right on utilization of topography:

- a) copying of the topography or of any of its part by means of using it in an integrated circuit or by any other means, excluding the case of copying of the part not being original.
- b) utilization, importing, selling, renting or otherwise distributing for commercial purposes a protected topography or an integrated circuit with this topography, as well as an offer to implement these actions.

If one rightful holder cannot use the topography without infringement of the exclusive right of another rightful holder, according to the agreement, he has the right to demand for a license on utilization from the latter. In case of disagreement the problem may be solved judicially.

Article 8. Transfer of Property Rights

According to the agreement the property rights on topography can be wholly or partially transferred to other natural or legal persons. The agreement is destined to determine the methods and the extent of utilization of topography, the amount of payment, the procedures of remuneration and the period of validity of the agreement. According to the Law the property right on topography is inheritable.

The agreements on surrender of the exclusive property rights on topography shall be registered by an authorized state body.

The agreement without registration is considered to be invalid.

Due to consent of the parties the agreements on transferring the property rights on topography can be registered by an authorized state body.

Article 9. Cases not Recognized as Infringements of Exclusive Right on Utilization of Topography

The following cases are not recognized as infringements of the exclusive right on utilization of topography:

- a) utilization of legally acquired integrated circuits (IC-s) or products containing such IC-s, if the person carrying out this activity did not know and had no reasonable ground to know that these IC-s or the articles containing such IC-s are manufactured and distributed with infringement of the exclusive right on utilization of topography. On receiving a sufficient notice from the rightful holder of the topography this person shall be liable to pay an adequate compensation for each IC or for each article containing such IC;
- b) utilization for individual purposes without deriving a profit of it, as well as usage for the purposes of estimation, analysis, investigation or education;
- c) distribution of such IC-s with protected topography which are legally put into economic turnover.

If the infringement was committed in respect of an identical original topography created independently by another author it is not recognized as a violation of the exclusive rights on utilization of topography, indicated in paragraph 5 Article 7 of the Law.

Article 10. State Registration of Topography

The author of topography or any other rightful holder thereof, either himself or via his representative, may request registration of the topography of integrated circuits.

If the topography was used before the request, the registration may be declared not later than 2 years from the date of the first utilization of the topography.

The request shall relate only to one topography and shall contain:

a) a petition for state registration of the topography of IC, containing the indication of the name of the rightful holder, as well as of the author if he agrees to be mentioned in it, the place of location or residence and the date of the first utilization (if it has been used).

b) topography identification materials, including an abstract.

The required documents are determined by the authorized state body.

On receiving the request for registration the authorized state body examines the existence of the relevant documents and their correspondence to the requirements mentioned in paragraphs 3-5 of this Article.

If the result is positive after the examination, the authorized state body registers the topography in the Armenian State Register of Topographies of Integrated Circuits (hereinafter "State Register") within a 5 day period, gives a certificate of state registration of topographies of IC-s (hereinafter "Certificate") and publishes information on the registered topography in its official bulletin within a 3 months period.

The applicant preserves the right to do amendments, modifications and corrections in the documents of the request during 2 months from the date of application or registration by the authorized state body.

The authorized state body determines the order of state registration, the form of certificate, the list of data indicated in it, as well as the list of information to be published in the official bulletin.

Information registered in the State Register is recognized as true, until the contrary is proved. The applicant is responsible for verification of the information.

To advertise his rights the author of the topography or any other rightful holder thereof is entitled to indicate on the protected topography and on the articles containing such topography a warning sign in a form of Latin letter T, T, T, at date of beginning of the effective period of the exclusive right on the utilization of the topography, as well as information destined to identify the rightful holder thereof.

Article 11. Protection of Rights on Topography

To protect the rights on topography its author or any other rightful holder thereof can take legal steps.

The author of topography or any other rightful holder has the right to demand for:

- a) restoration of the status existing before the infringement of the rights.
- b) compensation for incurred damages, including infringer's illegal earnings.
- c) implementation of other measures foreseen by the legislation, which are connected with the protection of the rights.

By decision of the court the illegally manufactured IC-s and articles containing them, as well as the materials and the facilities determined to manufacture them, can be confiscated, destroyed, sold, and the amount received from their realization may be transferred to the state budget or to the plaintiff on his request for compensation.

Article 12. Protection of Rights on Topography in Foreign Countries

The author or any other rightful holder of topography created in the Republic of Armenia can solicit foreign countries for legal protection.

Article 13. Rights of Foreign Natural and Legal Persons

According to the international agreements of the Republic of Armenia foreign natural and legal persons enjoy the rights provided by the Law and have the same responsibilities as all Armenian citizens, enterprises and organizations.

Article 14. State Fees

For actions connected with the state registration and legal protection of topographies of IC-s state fees are levied; the types, amounts and form of payment are determined by the Law.

Article 15. International Agreements

If the standards defined in the existing international agreements of the Republic of Armenia differ from the standards provided by this Law, the standards of international agreements shall be used.

Acting President of the Republic of Armenia, Prime Minister of the RA R. Kocharyan

Yerevan March 8, 1998