

The Protection of Layout-Designs of Integrated Circuits Law

LAW NO. 10 FOR THE YEAR 2000

Article 1

This law shall be known as “ The Protection of Layout- Designs of Integrated Circuits Law for the year 2000,” and shall come into force thirty days after the date of its publication in the Official Gazette.

Article 2

The following words and phrases, wherever mentioned in this Law shall have the meanings designated hereunder, unless otherwise indicated by context:

<u>Ministry:</u>	Ministry of Industry and Trade.
<u>Minister:</u>	Minister of Industry and Trade.
<u>Integrated Circuit:</u>	A product, in its final form or intermediate form, in which the elements, at least one of which is an active element, and whereby the interconnections are integrally formed in and/or on a piece of material, which is intended to perform an electronic function.
<u>Layout-Design:</u>	A three-dimensional disposition of the elements composing an integrated circuit, or a three-dimensional disposition specifically prepared to produce an integrated circuit intended for manufacture.
<u>Protected Layout-Design:</u>	A layout-design that is accorded protection pursuant to the provisions of this Law.
<u>Right Holder:</u>	The creator of a protected layout-design or his successor in title.
<u>Registrar:</u>	The Registrar of Layout– Designs of Integrated Circuits in the Ministry, nominated by the Minister.
<u>Register:</u>	The Register of Layout Designs of Integrated Circuits.

Article 3

The Register

A- A Register, known as the "Layout-Designs of Integrated Circuits Register," shall be established at the Ministry under the supervision of the Registrar, in which records shall be maintained of all the information related to layout-designs, names of right holders, their addresses, certificates issued therein, and any changes thereto resulting from procedures and legal acts thereof, including the following:

- 1- Any assignment, transfer of ownership, or license granted by the right holder to others.

- 2- The hypothecation or attachment placed upon a layout-design or any restriction on its use.
- B- The Register shall be available for the public, in accordance with Instructions issued by the Minister for this purpose, which shall be published in the Official Gazette.
- C- The Ministry may maintain computerised records for the registration of layout-designs and related data thereto. Such data and documents retrieved therefrom and certified by the Registrar shall be valid proof against others, unless proven otherwise by the interested party.

Registration of Lay-Out Designs

Article 4

A layout-design may be registered if the following conditions are met:

- A- If it is original, in the sense that it is the result of its creator's own intellectual effort, and is not commonplace among creators of layout-designs and manufacturers of integrated circuits at the time of its creation.
- B- If an application for the registration of a lay-out design is filed in the Kingdom within two years from the date of the first commercial exploitation thereof anywhere in the world.

Article 5

The right of registering a Layout Design of Integrated Circuits shall be as follows:

- A- To the creator or to whomever the right of the layout design passes thereafter.
- B- To the persons participating in the creation, if it is the result of their joint effort, provided that it is registered jointly and equally, unless they agree otherwise.
- C- To the creator who is the first to file an application for registration, if the creation of the layout design is independently made by more than one person.
- D- To the employer, if the creation is a result of an employment contract, which requires the employee to accomplish such a creation, unless otherwise stipulated by contract.

Article 6

An application for the registration of a layout-design shall be submitted to the Registrar, on the form designated for this purpose, attached with all the required information, samples, and drawings needed. The application for registration of a layout-design shall relate to only one layout-design.

Article 7

- A- The date the Registrar receives the application shall be considered the filing date, provided that the application fulfills all the legal requirements, and attached thereto all the data identifying the identity of the applicant, and the illustrative data of the layout design.
- B- Where the Registrar finds that the application has not fulfilled the requirements

stated in paragraph (A) of this Article, he shall invite the applicant to fulfill such requirements, or make the necessary amendments, provided that such amendments do not exceed the information disclosed in the original application, and within the period determined in the Regulation issued in accordance with the provisions of this Law. The date of fulfilling or amending such requirements shall be the date of filing the application. Otherwise, the Registrar shall issue a decision in this regard that would deem the applicant to have abandoned the application. The Registrar's decision may be appealed to the High Court of Justice within sixty days from the date of its notification.

Article 8

- A- If the application for the registration of the layout-design fulfils the entire legal conditions and requirements, the Registrar shall issue his decision accepting the application, and collect the prescribed fees.
- B- The Registrar shall announce the acceptance of the application in the Official Gazette. Others may oppose such acceptance within ninety days from the date of publication. The procedures of opposition shall be determined in a Regulation issued pursuant to this Law.
- C- If no opposition is submitted against the acceptance of the application for registration, the Registrar shall adopt a decision for registering the layout design, and issue a certificate thereto, after collecting the prescribed fees.

Protection of Lay-Out Designs

Article 9

- A- The right-holder in a layout-design, after registration thereof, shall have the right to protect the layout-design, by preventing others not having his consent from committing the following:
 - 1. The act of reproducing, whether by incorporation in an integrated circuit or otherwise, a protected layout- design, in its entirety or any part thereof.
 - 2. The act of importing, selling or otherwise distributing, for commercial purposes, a protected layout-design, or an integrated circuit in which a protected layout-design is incorporated, or any article incorporating such a circuit in as much as it contains in a constant manner an unlawfully reproduced layout- design.
- B- Any person committing any of the acts stated in Paragraph (A) of this Article shall be considered committing an act of infringement upon the right holder's rights and shall be subject to legal liability.
- C- A lay-out design that consists of a combination of elements and interconnections that are commonplace, taken as a whole, had fulfilled the originality requirements and other conditions stated in this Law, shall be accorded the protection stated in Paragraph (A) of this Article.

Article 10

Notwithstanding what is stated in Article 9 of this Law, the following acts shall not be considered an infringement of the rights of the right holder in a protected layout-design, without the authorisation thereof:

A- To perform the act of reproduction referred to in Clause (1) Paragraph (A) of Article 9 in any of the following cases:

1- Where the act of reproduction is performed for personal purposes, or for the sole purpose of evaluation, analysis, research, or teaching.

2- Where the act of reproduction relates to a part of the layout- design, which does not meet the requirement of originality.

B- If the act relates to the following:

1- Another layout-design that meets the requirements of originality which is created as a result of an evaluation or analysis pursuant to Clause (1) Paragraph (A) of this Article.

2- Another identical layout-design that meets the requirements of originality which is independently created.

3- To perform any act referred to in Clause (2) Paragraph (A) of Article 9 of this Law in respect of a layout- design or integrated circuit, in which a layout-design is incorporated, that has been put on the market by, or with the consent of the right holder.

4- To perform any act stated in Clause (2) Paragraph (A) of Article 9 of this Law, in respect of an integrated circuit incorporating an unlawfully reproduced layout-design, or in respect of an article incorporating such a circuit, if the person performing such an act did not know and had no reasonable grounds to know, when acquiring the said integrated circuit or article, that it incorporates an unlawfully reproduced layout design, provided that Article 11 of this Law is taken into consideration.

Article 11

If a person commits any of the acts stated in Clause (4) Paragraph (B) of Article 10 of this Law, and has been notified by the right holder with a notarised notice of such, he may perform any of the acts with respect to the stock on hand or contracted upon prior to the time of notification, provided that the right holder is reimbursed with an amount equal to the royalties such as would be payable under a freely negotiated license for such use.

Article 12

A- The protection of a layout design shall commence on the date of filing an application for registration in the Kingdom.

B- The term of protection of a layout-design shall be ten years counted from the date of the first commercial exploitation of a layout-design anywhere in the world, provided that such term does not, in any case, exceed fifteen years from the date of the creation of the layout-design.

Article 13

- A- Any interested party may request the Registrar to cancel the registration of a layout-design in any of the following cases:
- 1- The layout-design is not registrable, for not fulfilling any of the conditions stated in Article 4 of this Law.
 - 2- The application for registration does not include the necessary information, or where the documents and information attached thereto are incorrect, or in violation of the provisions of the Law.
- B- The Registrar's decision with respect to the request of the cancellation of a registered lay-out design pursuant to paragraph (A) of this Article, may be appealed to the High Court of Justice within sixty days from the date of notification.

Transfer, Hypothecation and Attachment of Layout- Designs

Article 14

- A-1- The ownership of a layout-design may be transferred completely or partially, with or without consideration, and may be subject to hypothecation or attachment, which shall be published, in the Official Gazette.
- 2- Transfer of ownership or hypothecation of a layout design shall not be deemed as valid proof against others prior to its recording in the Register.
- B- Rights in a layout-design may pass by succession.

Article 15

The procedures of transfer of a layout-design, its hypothecation and attachment, and all other legal acts related thereto, shall be determined in Instructions issued by the Minister for this purpose, which shall be published in the Official Gazette.

License To Exploit Layout-Designs

Article 16

The right holder may grant others license to exploit the protected layout-design by virtue of a written contract to be recorded with the Registrar, who shall keep the provisions of confidentiality in the contract.

Article 17

The Minister may grant licenses for the exploitation of a layout-design to other than the right holder of a layout design and without his consent, in any of the following cases, exclusively:

- A- If use by the relevant government bodies, or others who are licensed by such bodies to use the layout-design, is for national security, emergency situations, or public non-commercial benefit, provided that the right-holder is notified whenever possible.

- B- If it is found by a judicial or administrative decision that the right-holder practices his rights in a manner that deters others from fair competition.

Article 18

The following shall be taken into account upon issuing licenses in accordance with Article 17 of this Law:

- A- The merit of the application for license on a case by case basis.
- B- The scope and duration of the license shall be limited to the purpose for which the license is granted. In case the license application is in respect of semi-conductor technology, a license shall only be granted for public non-commercial use or to remedy a practice determined by a judicial or administrative authority to be anti-competitive.
- C- The license to exploit a layout-design shall not be exclusive.
- D- The license shall not be capable of assignment.
- E- The license shall be granted to meet the local market demands, except for what is stated in Paragraph (B) of Article 17 of this Law.
- F- The right-holder shall be paid by the Licensee adequate remuneration, which takes into account the economic value of the layout-design license.

Article 19

The Minister may, upon his own initiative or upon the request of the right-holder, cancel the license granted in accordance with Article 17 of this Law, if the reasons for granting such license are no longer applicable, and whereby reoccurrence is not probable, without prejudice to the related rights of others having interest in the license granted.

Article 20

The procedures of licensing, to be granted pursuant to the provisions of Article 17 of this Law, shall be determined in a Regulation issued in accordance with this Law.

Article 21

The interested party may challenge any decision issued by the Minister with respect to licensing to the High Court of Justice, within sixty days from the date of notification or acknowledgement thereof, as the case may be.

Provisional Measures and Penalties

Article 22

- A- The right holder when filing a civil lawsuit to prevent the infringement upon the layout-design, or during the course of the hearings, may petition the competent Court to take any of the following measures, provided that the petition is attached with a bank guaranty or cash deposit accepted by the Court:
 1. Cease the infringement.

2. Place a provisional seizure on the articles, subject of infringement, wherever found.
 3. Preserve the relevant evidence to the infringement.
- B-1- The right holder may, prior to filing a lawsuit, petition the Court to take any of the measures provided for in Paragraph (A) of this Article, without notifying the counter-party, provided that the petition is attached with a bank guaranty or cash deposit accepted by the Court. The Court may approve the petition if the right holder proves any of the following:
- That the layout design had been infringed upon.
 - That such infringement is imminent and is likely to cause damages of irreparable harm.
 - That there is a demonstrable risk of evidence being destroyed or disappeared.
- 2- If the right-holder fails to file the lawsuit within eight days from the date the Court approves his petition, all measures taken in this regard shall be nullified.
 - 3- The counter-party may appeal the court's decision with respect to the provisional measures to the Court of Appeal within eight days of his notification or acknowledgement thereof. The Court's decision in this regard shall be final.
 - 4- The counter-party may claim compensation for damages he suffered, if he proves that the plaintiff's claims with respect to the provisional measures are invalid, or if the plaintiff failed to file the lawsuit within the specified period in Clause (2) of this Paragraph.
- C- The defendant may claim compensation for damages he suffered, if the Court decides that the plaintiff's claims are invalid.
- D- The Court may seek, in all case, opinion of experts.
- E- The Court may order the seizure of the articles subject matter of the infringement, tools, and main materials used in infringing the layout-designs incorporated in such articles. The Court may also order destruction of such articles, tools and materials, or use of such outside the channels of commerce.

Article 23

The Council of Ministers shall issue the necessary Regulations for implementing the provisions of this Law, including the prescribed fees to be collected.

Article 24

The Prime Minister and the Ministers shall be responsible for implementing the provisions of this Law.

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