

16 PROPERTY RIGHTS

Chapter 1 General Provisions

- Article 1 These Detailed Rules are hereby formulated in accordance with the P.R.C. Patent Law, the P.R.C. Trademark Law, the P.R.C. Copyrights Law, the P.R.C. Anti-Unfair Competition Law and the Measures for the Protection of IP Rights in Exhibitions, in order to strengthen the protection of intellectual property rights (hereinafter "IP rights") during **Zhejiang International Trade Fair For Textile & Garment Industry**, including The 20th China Yiwu International Trade Fair For Knitting & Hosiery Machinery, The 9th China Yiwu International Trade Fair For Sewing & Automatic Garment Machinery, The 6th China Yiwu International Trade Fair For Digital Printing Technology & Application (hereinafter the "Exhibition"), to maintain order at the exhibition, to enhance the exhibitor enterprises' awareness of IP rights and to ensure the legitimate rights and interests of the exhibitor enterprises and the IP rights in the exhibition products.
- Article 2 These Detailed Rules shall apply to requests for disposition and consultation concerning the suspected IP infringement occurring within the exhibition hall during the Exhibition.
- Article 3 These Detailed Rules shall be incorporated as an important part of **Zhejiang International Trade Fair For Textile & Garment Industry Handbook** (hereinafter the "Exhibition Handbook"). All exhibitors enterprises shall perform their IP rights protection obligations strictly in accordance with the Exhibition Handbook and these Detailed Rules.
- Article 4 The IP rights in these Detailed Rules refer to the rights of patents, trademarks and copyrights.

Chapter 2 Intellectual Property Management

- Article 5 Prior to or during the Exhibition, the Exhibition organizer is entitled to require exhibitors to sign a letter of commitment of IP protection, in order to strengthen the protection for IP rights involved in the Exhibition.
- Article 6 The Exhibition organizer is entitled to conduct random inspections of the status of exhibitors' IP protection efforts and the IP rights involved in the exhibition items (including exhibits on display, display panels and relevant promotional materials, among other items).
- Article 7 During the Exhibition, the Exhibition organizer is entitled to announce the contact persons from the local IP administrative authority and their contact information, and to establish an IP rights Consulting Office (hereinafter the "Consulting Office") in charge of providing IP-related consultation and coordination and assisting with the suspected IP infringement in the exhibition hall during the Exhibition period. Any claims against the suspected infringing conduct shall be settled in accordance with the procedures under these Detailed Rules. The relevant functions of the Consulting Office are as follows:
- (1) Accepting the claims from IP obligees, dealing with such claims in accordance with these Detailed Rules; and transferring the relevant materials to the relevant IP administrative authority or providing disposal suggestions for obligees;
 - (2) Providing consulting services in connection with IP rights;
 - (3) Dealing with complaints by meeting the requirements of the IP administrative authority.
- Article 8 The exhibitors shall attend the Exhibition in accordance with the laws and regulations as well as these Detailed Rules, refrain from infringing the IP rights of any other parties, and cooperate with any investigation conducted by the Exhibition organizer. In the event of violation of any of the foregoing, the exhibitors agree to compensate the Exhibition organizer and/or co-organizer(s) for all costs and losses arising from any infringement allegation from any third party against the Exhibition organizer and/or co-organizer(s).
- Article 9 Where the exhibitors retain the IP rights of their exhibits, exhibit packaging, promotional materials, exhibition booths and other display areas, or have been licensed to exercise such rights, the exhibitors shall attend the Exhibition with their ownership or licensing certificates in case of any essential inspections by the Exhibition organizer.
- Article 10 If an applicant submits a request for disposition to the organizer and asks the organizer to dispose of the suspected infringement in accordance with these Detailed Rules, the applicant shall agree to pay the expenses incurred by executing such request.

Chapter 3 Procedures and Requirements

- Article 11 Attendees with valid proof of exhibitor identity for the current Exhibition may go to the Consulting Office and fill in a Consulting Form for the purpose of IP-related legal consultation. In the event of a simultaneous request for disposition of suspected infringement, the Consulting Office shall give priority to dealing with such suspected infringement.
- Article 12 Attendees with valid proof of exhibitor identity for the current Exhibition, upon discovering suspected infringement of exhibits, exhibit packaging and/or promotional materials at any exhibition booth, or in any other display area within the exhibition hall, may submit a request for disposition to the Consulting Office.
- In the event of an exhibitor group's attendance at the Exhibition, each exhibitor group shall designate a person familiar with IP-related services to be responsible for IP-related complaints, responses and coordination work for the group. Such complaints and responses shall first be dealt with through

coordination by the relevant exhibitor group; if such coordination fails, the exhibitor group shall submit such complaints and responses to the Consulting Office.

If the obligee or licensee contacts the suspected infringer without submitting a request for disposition to the Consulting Office, and thereby disturbs the order of the exhibition hall, the Exhibition's security office is entitled to expel the person(s) causing such disorder from the exhibition hall and dispose of the matter in accordance with the rules concerning violation of an Exhibition.

Article 13 The applicant shall first produce the ownership or licensing certificates of the relevant IP rights to the Consulting Office. After the validity of such materials and certificates is confirmed by the Consulting Office staff, the applicant shall fill in the Application Form as required

Article 14 The applicant shall meet the following conditions:

- (1) The applicant must be an attendee with valid proof of exhibitor identity for the current Exhibition;
- (2) The applicant must satisfy the following eligibility elements:
 - 1) If a trademark is involved in the application, the applicant must be the registrant of the Chinese trademark, or an agent authorized by the registrant;
 - 2) If a copyright is involved in the application, the applicant must be the copyright obligee or agent authorized by the copyright obligee;
 - 3) If a patent is involved in the application, the applicant must be the patentee of the Chinese patent, a licensee under a patent license contract (unless otherwise provided in the contract, the licensee under a non-exclusive license contract is not allowed to submit an application independently), the legitimate successor of the relevant patent rights or the agent for the same;
- (3) The applicant must own the IP rights protected under the relevant laws of the People's Republic of China.

Article 15 In any of the following circumstances, the organizer's Consulting Office shall not accept any request for disposition:

- (1) The applicant has already filed an infringement lawsuit with a People's Court;
- (2) The relevant rights have already become invalid, e.g. trademark rights have been invalidated or revoked; or patent rights have been terminated, the patentee is attempting to restore these rights;
- (3) The relevant rights are subject to a dispute over ownership, e.g. patent rights subject to pending trial proceedings in a People's Court or pending mediation proceedings by a relevant authority;
- (4) The relevant rights are in the process of administrative review procedures, e.g. the rights are in the process of a complaint procedure with a local authority, or patent rights are pending in invalidation proceedings;
- (5) The applicant and the suspected infringer have long been in dispute, and the applicant did not take other enforcement actions after filing a complaint at a previous Exhibition.

Article 16 The applicant shall submit the following materials to the Consulting Office:

- (1) Legitimate and valid certificates of ownership of relevant IP rights in China;
 - i. If a Chinese patent is involved, the applicant shall submit the patent certificate (including), patent publication documents, ID certificates or AIC registration certificate of the patentee, legal status certificate of the patent (copy of the patent rolls or search certificate provided by the patent information center). The licensee under a patent license contract shall also submit the license contract and its/his identity certificate; a legitimate successor to patent rights shall also submit a certificate proving its legal succession to such patent rights.
 - ii. If a trademark is involved, the applicant shall submit the trademark registration certificate and information on recordation of licensing of the trademark.
 - iii. If a copyright is involved, the applicant shall submit a certificate of voluntary registration of the relevant work.
 - iv. Identity certificate or business license of the obligee.
- (2) Basic information of the suspected infringing party;
- (3) Reasoning and evidence proving the suspected infringement;
- (4) If the request for disposition is filed by an agent, the relevant power of attorney and ID certificate of the agent shall also be submitted; and
- (5) Other necessary materials.

Article 17 If the documents prescribed in Article 15 of these Detailed Rules are submitted in the form of photocopies, certificates proving consistency between the photocopies and the originals shall also be submitted. If the obligee is a foreign party, the ID certificate and the materials proving ownership shall also be notarized by the foreign government and authenticated by the Chinese Embassy in such foreign country, and the documents shall be submitted in both the English and Chinese languages.

Article 18 If the applicant submits false materials in connection with a request for disposition or other false information, and therefore causes damages to the suspected infringer, the applicant shall bear corresponding legal liability.

Chapter 4 Acceptance and Disposition

- Article 19 The Consulting Office shall conduct a preliminary review of the materials submitted by the applicant. If the materials are inconsistent with these Detailed Rules, the Consulting Office shall not accept such application.
- Article 20 Upon successful review, the Consulting Office is entitled to accept such application and to dispose of the application in the following means, as the case may require:
- (1) The Consulting Office may conduct an investigation of the suspected infringer and collect evidence by taking photos, making audio-video recordings or taking samples, and it may impose temporary restrictive measures against the suspected infringing products or marks by means such as removal from the Exhibition, covering up the exhibit or temporary seizure. The Consulting Office shall also have the right to demand the suspected infringer to issue a written commitment entitled Letter of Commitment to Cessation of Infringement during the Exhibition. The Exhibition organizer is entitled to entrust the Consulting Office to forward the aforementioned materials to the applicant after recording such materials in its records.
 - (2) After carrying out an investigation against the suspected infringer, if the suspected infringer asserts a contradiction of committing the alleged infringement, it shall provide a Letter of Commitment on Non-infringement within 24 hours of receiving an oral or written notification of the results of the investigation from the Consulting Office, together with related written materials and evidence. If the presented evidence is found to be persuasive, the Exhibition organizer is entitled to lift the temporary restrictive measures. If the presented evidence is found to be unpersuasive or false, or the submission is overdue, the Exhibition organizer is entitled to maintain such temporary restrictive measures in place until the end of the Exhibition. The Exhibition organizer is entitled to entrust the Consulting Office to forward such materials to the applicant after recording them in its records.
 - (3) The Consulting Office may directly advise the applicant to file an administrative complaint, and may cooperate with the IP administrative authority to deal with such matter.
- Article 21 If the suspected infringer refuses to cooperate with the investigation by the Consulting Office, the Exhibition organizer shall have the right to terminate its qualification as an exhibitor immediately and may even cancel its exhibitor's qualification for the next Exhibition if appropriate.
- Article 22 Both the applicant and the suspected infringer shall respect the organizer and the Consulting Office and obey the handling decisions of the Consulting Office. After the Consulting Office issues a decision on disposition and the suspected infringer accepts such decision, the applicant shall not arbitrarily take any further action against the suspected infringer before the end of the current Exhibition.

Chapter 5 Administrative Complaint

- Article 23 The obligee may, directly and independently or based on advice from the Consulting Office, file a complaint to the local IP administrative authority at the Exhibition's location. The Consulting Office shall assist in dealing with the complaint by cooperating with requirements imposed by the IP administrative authority.
- Article 24 The administrative authority at the Exhibition's location shall dispatch specific personnel to the Exhibition or provide information about acceptance of complaints, as its work flow allows.
- Article 25 The complainant and the opposing party shall both fully respect the decisions of the administrative authority and the IP administrative authority at the Exhibition's location.

Chapter 6 Post-Exhibition Disposition

- Article 26 Any further legal action taken by the applicant against the suspended infringer after the current Exhibition shall in no way be related to the organizer or the Consulting Office.
- Article 27 If an exhibitor is affirmed to commit an infringement, the organizer is entitled to announce a public notice regarding such exhibitor. At the next Exhibition, if the organizer discovers that the exhibitor is displaying the same suspected infringing product, the organizer shall have the right to immediately confiscate the exhibitor certificates of all personnel and terminate the exhibition at the relevant booth.
- Article 28 If an exhibitor is found to be an infringer in response to two or more consecutive allegations, the organizer shall have the right to forbid the exhibitor from attending the next Exhibition.
- Article 29 If an obligee submitting a request for disposition or filing a complaint at the Exhibition does not take any further legal action against the opposing party until the next Exhibition, the organizer shall have the right to deny a request for disposition based on the same issue at the next Exhibition.

Chapter 7 Supplementary Provisions

- Article 30 The right to interpret these Detailed Rules shall rest with the Exhibition organizer.
- Article 31 These Detailed Rules shall come into effect on the date of publication. In the event of any conflict between these Detailed Rules and the Exhibition Handbook, these Detailed Rules shall prevail. Any other matter not prescribed in these Detailed Rules or in the Exhibition Handbook shall be dealt with in accordance with the Measures for the Protection of IP Rights in Exhibitions.