Content

Title：	Regulations for Calculation of Administrative Fines for Serious Violations of Articles 9 and 15 of the Fair Trade Act Ch
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Content：

Article 1

These Regulations are enacted in accordance with Paragraph 3, Article 40 of the Fair Trade Act (hereinafter referred to as the Act).

Article 2

The serious violations stated in Paragraph 2, Article 40 of the Act refer to unlawful conduct that has seriously affected market competition and order.

The competent authority shall take the following into consideration to determine whether market competition and order has been seriously affected as stated in the preceding paragraph:

(1) The scope and extent of the market competition and order affected;

(2) The duration of the damage to market competition and order;

(3) The market status of the enterprise in violation and the structure of the corresponding market;

(4) The total sales and profits obtained from the unlawful conduct during the violation period;

(5) The type of concerted action - joint product or service price decision, or quantity, trading counterpart or trading area restriction.

Conduct leading to one of the following circumstances may be deemed serious violations:

(1) The total product or service sales achieved during the violation period by a monopolistic enterprise or one of the participating enterprises in the concerted action exceeds NT$100,000,000.

(2) The total profits obtained from the unlawful conduct exceed the upper limit for administrative fines specified in Paragraph 1, Article 40 of the Act.

Article 3

The total sales income of an enterprise in the previous fiscal year stated in Paragraph 2, Article 40 of the Act refers to the total sales income of the enterprise in the fiscal year before the year in which the competent authority finalizes the sanction.

Article 4

Administrative fines to be imposed in accordance with Paragraph 2, Article 40 of the Act shall be determined based on the basic amount and adjustment

factors.

Article 5
The Basic amount stated in the preceding article shall be thirty percent of the total product or service sales achieved during the violation period.

Article 6
The adjustment factors stated in Article 4 include the reasons for administrative fine increase and reduction to be taken into consideration by the competent authority when determining the administrative fine amount.
The reasons for fine increase stated in the preceding paragraph include the following:
(1) The enterprise in concern has organized or encouraged the unlawful conduct.
(2) The enterprise in concern has implemented supervision or sanctioning measures to ensure that the concerted action is upheld or executed.
(3) The enterprise in concern has been sanctioned for violation of Article 9 or 15 of the Act within the past five years.
The reasons for fine reduction stated in Paragraph 1 include the following:
(1) The enterprise in concern has immediately ceased the unlawful act when the competent authority began the investigation.
(2) The enterprise in concern has shown real remorse and cooperated in the investigation.
(3) The enterprise in concern has established compensation agreements with the victims or has taken remedial measures.
(4) The enterprise in concern has participated in the concerted action under coercion.
(5) Fine reduction is encouraged or approved by other agencies or can be granted in accordance with other Acts.
Subparagraphs 1 and 2 of the preceding paragraph shall not apply to enterprises that have acquired the approval of the competent authority to reduce the administrative fine in accordance with Article 35 of the Act.

Article 7
Administrative fines imposed according to Article 4 may not exceed ten percent of the previous fiscal year’s total sales income of the enterprise to be sanctioned.

Article 8.
These Regulations shall enter into force on the day they are promulgated.

Data Source：Fair Trade Commission Laws and Regulations Retrieving System