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| Title :       | Regulations on Payment of Rewards for Reporting of Illegal Concerted Actions   |
| Date :        | 2016.04.19  |
| Legislative : | Full text including 11 articles are promulgated on 7 October 2015 by Fair Trade Commission Order Kung Fa Tzu No. 10415608631<br>Partial provisions amended on April 19, 2016 by Fair Trade Commission Order Kung-Fa-Tzu Order No. 1051560602191   |
| Content :     | <p>Article 1</p> <p>Regulations herein are enacted in accordance with the Paragraph 4 of Article 47-1 of Fair Trade Act (hereinafter referred as "the Act").</p> <p>Article 2</p> <p>Informants who provide the competent authority evidence of illegal concerted actions not known yet by it shall be given a reporting reward in accordance with these Regulations once the involved enterprise is confirmed to have violated the Paragraph 1 of Article 15 of the Act after investigation by the competent authority and is imposed fines according to Article 40 of the Act.</p> <p>Article 3</p> <p>Informants referred in the preceding article are limited to natural persons, legal persons or legally established organizations.</p> <p>Informants may report to the competent authority by written or verbal statements, emails or other means stating clearly following items:</p> <ol style="list-style-type: none"><li>1. Names, contact information, and address of informants.</li><li>2. Content of the reported illegal concerted actions, and specific description of violating conducts, relevant data and clues that may be investigated, etc. which match the criteria specified in Paragraph 1 of Article 6.</li></ol> <p>Where reports are made verbally, the competent authority shall produce a written statement for the reporting, and have the statement signed by the informant for confirmation.</p> <p>Article 4</p> |

These Regulations do not apply to informants who have any one of following conditions:

1. Those who do not disclose names, or present false name, contact information or addresses in reporting.
2. Those who report verbally and refuse to sign on the written statement for confirmation.
3. Enterprises which get involved in the concerted actions.
4. Enterprises which granted immunity or reduction of fines in accordance with “Regulations on Immunity and Reduction of Fines in Illegal Concerted Action Cases” , or directors, representatives or other authorized persons of such enterprises.
5. Those who actually coerced other enterprises to participate in or remain part of the concerted actions.
6. Staffs of the competent authority, or their spouses or relatives within a third-degree family relationship.
7. Agencies who acquire evidence of illegal concerted actions due to exercise of public authority or staffs of such authorities, or their spouses or relatives within a third-degree family relationship.

#### Article 5

The specific amount of rewards shall be decided by the competent authority with reference to the value of evidence provided by informants, and such amount shall be a specific percentage of the sum of fines for the illegal concerted action.

When “Regulations on Immunity and Reduction of Fines in Illegal Concerted Action Cases” is applicable to a specific reported case, the sum of fines mentioned in preceding paragraph shall be the amount after deduction of waived or reduced fines.

#### Article 6

The criteria for grant of reporting rewards by the competent authority are as follows:

1. In cases that informants provide evidence and data helpful to initiation of investigation proceedings by the competent authority, the reporting

rewards shall be 5% of the sum of fines and shall not exceed five hundred thousand (500,000) New Taiwan Dollars.

2. In cases that informants provide evidence and data indirectly proving the agreement in concerted actions, the reporting rewards shall be 10% of the sum of fines and shall not exceed five million (5,000,000) New Taiwan Dollars.
3. In cases that informants provide evidence and data directly proving the agreement in concerted actions without any need to do further investigation by the competent authority, the reporting rewards shall be 20% of the sum of fines and shall not exceed 10 million (10,000,000) New Taiwan Dollars.

When the sum of fines in an illegal concerted action is 200 million New Taiwan Dollars or more, but less than 500 million New Taiwan Dollars, the maximum of reward referred in the preceding paragraph shall be doubled; and if the sum of fines in an illegal concerted action is 500 million New Taiwan Dollars or more, the maximum of reward referred in the preceding paragraph shall be five times.

If evidence and data provided by informants for same cases meet two or more criteria of Paragraph 1 of this Article at the same time, reporting rewards shall be decided in accordance with the subparagraph with greater amount of reward. For a same case, an informant may receive reward only once.

If evidence mentioned in Paragraph 1 have any one of following conditions, the reporting rewards shall be distributed evenly among several informants:

1. There are several informants jointly provide evidence described in same subparagraphs, or separately provide such evidence at the same time, and it is not able to clarify the timing of individual reporting.
2. There are several informants provide evidence of same subparagraph that not known yet by the competent authority.

#### Article 7

The competent authority shall grant the reporting reward within thirty (30) days after imposing an administrative disposition for the illegal concerted actions.

In individual cases, a reporting reward shall be granted by following methods:

1. If the total amount of reward is below five hundred thousand (500,000) New Taiwan Dollars, such reward shall be granted by single payment.
2. If the total amount of reward exceeds five hundred thousand (500,000) New Taiwan Dollars and is less than twenty million (20,000,000) New Taiwan Dollars, half of such reward shall be granted when the competent

authority makes an administrative disposition.

3. If the total amount of reward exceeds twenty million (20,000,000) New Taiwan Dollars, one-fourth of such reward shall be granted when the competent authority makes an administrative disposition.

For the situations mentioned in Subparagraphs 2 and 3, remaining rewards shall be paid when the administrative disposition of fine becomes final. If a part of disposition is revoked or the competent authority remakes the administrative disposition and imposes a lesser amount of fine, the remaining reward shall be recalculated with reference to the revised amount of fine.

A right to claim a reward for reporting is extinguished by prescription if not exercised within ten years, and the reporting reward not claimed will be appropriated for the anti-trust fund.

#### Article 8

Except as provided in Article 9 of these Regulations, the rewards for reporting that are paid already shall not be recovered.

#### Article 9

If informants' reporting has any one of following conditions, the competent authority shall not grant any reward or shall recover granted rewards:

1. Situations specified in Article 4.
2. Informants disclose directly or indirectly to outsiders reported facts or any content thereof before the competent authority imposes fines.
3. Informants use counterfeited or altered evidence, and are convicted in a final and binding judgment.

#### Article 10

Identity of informants and other relevant information shall be kept confidential.

Conversation records or original documents carrying information on the identity of informants shall be sealed a file with new cover. The same measures shall be taken for other documents that may indicate the identity of informants.

Unless otherwise stipulated in laws, the conversation records and documents stated

in the preceding paragraph may not be provided to any agencies, groups or individuals other than criminal investigation authorities or judicial tribunals.

Article 11

These Regulations shall enter into force on the day it is promulgated.

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