

法規名稱：ARRANGEMENT BETWEEN THE ASSOCIATION OF EAST ASIAN RELATIONS AND THE INTERCHANGE ASSOCIATION FOR THE MUTUAL COOPERATION ON THE LIBERALIZATION, PROMOTION AND PROTECTION OF INVESTMENT

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Article 1

THE ASSOCIATION OF EAST ASIAN RELATIONS AND THE INTERCHANGE ASSOCIATION (hereinafter referred to as “ both Sides ”), having regard to paragraphs 3(1) and 3(7) of the Arrangement between the Association of East Asian Relations and the Interchange Association for the Establishment of the Respective Overseas Offices of 26 December 1972, shall cooperate with each other in order to obtain necessary consent from the relevant authorities with regard to the matters as contained in Articles 2 through 26 below.

Article 2

For the purposes of this Arrangement,

- (1) The term “ investment ” means every kind of asset owned or controlled, directly or indirectly, by an investor, which has the characteristics of an investment, including:
- (a) an enterprise and a branch of an enterprise;
 - (b) shares, stocks or other forms of equity participation in an enterprise, including rights derived therefrom;
 - (c) bonds, debentures, loans and other forms of debt, including rights derived therefrom;
 - (d) rights under contracts, including turnkey, construction, management, production or revenue-sharing contracts;
 - (e) claims to money and to any performance under contract having a financial value;
 - (f) intellectual property rights, including copyrights and related rights, patent rights and rights relating to utility models, trademarks, industrial designs, layout-designs of integrated circuits, new varieties of

plants, trade names, indications of source or geographical indications and undisclosed information;

- (g) rights conferred pursuant to laws and regulations or contracts such as concessions, licenses, authorizations and permits, including those for the exploration and exploitation of natural resources; and
- (h) any other tangible and intangible, movable and immovable property, and any related property rights, such as leases, mortgages, liens and pledges.

An investment includes the amounts yielded by investments, in particular, profit, interest, capital gains, dividends, royalties and fees. A change in the form in which assets are invested does not affect their character as investments.

- (2) The term “ investor ” means the following natural person and enterprise that seeks to make, is making, or has made investments in the Area of the other Side.

- (a) With respect to the Interchange Association:

- (i) a natural person having the nationality of Japan; and
- (ii) an enterprise which is a legal person or any other entity duly constituted or organized under the applicable laws and regulations in Japan, whether for profit or not, and whether private or not, including any corporation, trust, partnership, sole proprietorship, joint venture, association, organization or company.

- (b) With respect to the Association of East Asian Relations:

- (ii) a natural person having the citizenship of Taiwan; and
- (iii) an enterprise which is a legal person or any other entity duly constituted or organized under the applicable laws and regulations in Taiwan, whether for profit or not, and whether private or not, including any corporation, trust, partnership, sole proprietorship, joint venture, association, organization or company.

- (3) The term “ investment activities ” means establishment, acquisition, expansion, operation, management, maintenance, use, enjoyment and sale or other disposal of investments.

- (4) The term “Area” means:
- (a) with respect to the Interchange Association, Japan; and
 - (b) with respect to the Association of East Asian Relations, Taiwan.
- (5) The term “existing” means being in effect on the date of entry into force of this Arrangement.
- (6) The term “freely usable currency” means freely usable currency as defined under the Articles of Agreement of the International Monetary Fund.
- (7) The term “the WTO Agreement” means the Marrakesh Agreement Establishing the World Trade Organization, done at Marrakesh, April 15, 1994.

Article 3

1. Investors of either Side and their investments shall within the Area of the other Side be accorded treatment no less favorable than the treatment accorded in like circumstances to investors of the other Side and to their investments with respect to investment activities.
2. Notwithstanding paragraph 1, it is understood that special formalities may be prescribed in connection with investment activities of investors of the other Side, provided that such special formalities do not impair the substance of the treatments which both Sides consider under this Arrangement to be accorded to such investors.

Article 4

1. Investors of either Side and their investments shall within the Area of the other Side be accorded treatment no less favorable than the treatment accorded in like circumstances to investors of any other countries or regions and to their investments with respect to investment activities.
2. For greater certainty, the treatment referred to in paragraph 1 does not include treatment accorded to investors of any other countries or regions and to their investments in regard

to dispute settlement mechanisms that are contained in international treaties or agreements.

Article 5

1. Investments of investors of either Side shall within the Area of the other Side be accorded treatment in accordance with international law, including fair and equitable treatment and full protection and security.
2. The operation, management, maintenance, use, enjoyment, and sale or other disposal of investments of investors of either Side shall within the Area of the other Side not be impaired in any way by arbitrary measures.
3. Any obligation which the authorities in the Area of either Side may have entered into with regard to investments and investment activities of investors of the other Side shall be observed.

Article 6

Investors of either Side shall within the Area of the other Side be accorded treatment no less favorable than the treatment accorded in like circumstances to investors of the other Side or investors of any other countries or regions with respect to access to the courts of justice and administrative tribunals and agencies in all degrees of jurisdiction, both in pursuit and in defense of such investors' rights.

Article 7

1. Any of the following requirements shall not be imposed or enforced within the Area of either Side, as a condition for investment activities of an investor of the other Side:
 - (a) to export a given level or percentage of goods or services;
 - (b) to achieve a given level or percentage of local content;
 - (c) to purchase, use or accord a preference to goods produced or services provided in the Area of that Side, or to purchase goods or services from natural or legal persons or

- any other entity in the Area of that Side;
- (d) to relate in any way the volume or value of imports to the volume or value of exports or to the amount of foreign exchange inflows associated with investments of that investor;
 - (e) to restrict sales of goods or services in the Area that investments of that investor produce or provide by relating such sales in any way to the volume or value of its exports or foreign exchange earnings;
 - (f) to restrict the exportation or sale for export;
 - (g) to appoint, as executives, managers or members of boards of directors, individuals of any particular nationality or citizenship;
 - (h) to transfer technology, a production process or other proprietary knowledge to a natural or legal person or any other entity in the Area of that Side, except when the requirement:
 - (i) is imposed or enforced by a court, administrative tribunal or competition authority to remedy an alleged violation of competition laws; or
 - (ii) concerns the transfer of intellectual property rights which is undertaken in a manner not inconsistent with the Agreement on Trade-Related Aspects of Intellectual Property Rights in Annex 1C to the WTO Agreement (hereinafter referred to as “ the TRIPS Agreement ”);
 - (i) to locate the headquarters of that investor for a specific region or the world market in the Area of that Side;
 - (j) to hire a given number or percentage of employees with any particular nationality or citizenship;
 - (k) to achieve a given level or value of research and development in the Area of that Side; or
 - (l) to supply one or more of the goods that the investor produces or the services that the investor provides to a specific region or the world market, exclusively from the Area of that Side.

2. Notwithstanding Paragraph 1, it is understood that, in connection with investment activities of an investor of either Side, the receipt or continued receipt of an advantage may be conditioned on compliance with any of the requirements set forth in subparagraphs 1(g) through (l).

Article 8

1. It is understood that Articles 3, 4 and 7 do not cover:
 - (a) any existing non-conforming measure that is maintained by the following, as set out in the Schedule of each Side in Annex I:
 - (i) the central authorities;
 - (ii) a prefecture of Japan; or
 - (iii) a municipality, city, or county of Taiwan;
 - (b) any existing non-conforming measure that is maintained by a local authority other than referred to in sub-paragraphs (a)(ii) and (a)(iii) above;
 - (c) the continuation or prompt renewal of any non-conforming measure referred to in subparagraphs (a) and (b); or
 - (d) an amendment or modification to any non-conforming measure referred to in subparagraphs (a) and (b), provided that the amendment or modification does not decrease the conformity of the measure as it existed immediately before the amendment or modification with Articles 3, 4 and 7.
2. It is understood that Articles 3, 4 and 7 do not cover any measure adopted or maintained with respect to sectors, sub-sectors or activities set out in the Schedule of each Side in Annex II.
3. In the Area of either Side, under any measure adopted after the date of entry into force of this Arrangement and covered by the relevant Schedule in Annex II, an investor of the other Side shall not be required to sell or otherwise dispose of its investments that exist in the Area of the former Side wherein the measure is adopted at the time the measure becomes effective, by reason that the investor is the

investor of the other Side.

4. Either Side shall, in cases where an amendment or a modification is made to any existing non-conforming measure set out in its Schedule in Annex I or where any new or more restrictive measure is adopted with respect to sectors, sub-sectors, or activities set out in its Schedule in Annex II after the date of entry into force of this Arrangement, prior to the implementation of the amendment or modification or the new or more restrictive measure, or in exceptional circumstances, as soon as possible thereafter:
 - (a) notify the other Side of detailed information on such amendment or modification, or such measure; and
 - (b) hold, upon request by the other Side, consultations in good-faith with that other Side with a view to achieving mutual satisfaction.
5. Where appropriate, efforts shall be taken in the Area of either Side to reduce or eliminate the reservations specified in the relevant Schedules in Annexes I and II respectively.
6. It is understood that Articles 3, 4 and 7 do not cover any measure covered by the exceptions to, or derogations from, obligations under Articles 3 and 4 of the TRIPS Agreement, as specifically provided in Articles 3 through 5 of the TRIPS Agreement.
7. It is understood that Articles 3, 4 and 7 do not cover any measure adopted or maintained in the Area of either Side with respect to:
 - (a) government procurement;
 - (b) subsidies or grants provided by the authorities or an enterprise owned or controlled by the authorities in the Area of either Side, including loans, guarantees and insurance supported by the authorities.

Article 9

1. The laws, regulations, administrative procedures and administrative rulings and judicial decisions of general

- application in the Area of either Side shall be promptly published, or otherwise made publicly available.
2. Either Side shall, upon request by the other Side, promptly respond to specific questions and provide information on matters set out in paragraph 1, including that relating to contract which the authorities in the Area of that Side enter into with regard to investment.
 3. Paragraphs 1 and 2 shall not be construed so as to oblige either Side to disclose confidential information, the disclosure of which would impede law enforcement of the authorities in the Area of either Side or otherwise be contrary to the public interest, or which would prejudice privacy or legitimate commercial interests.

Article 10

Except in cases of emergency or of purely minor nature, a reasonable opportunity shall be provided for comments by the public in accordance with the laws and regulations in the Area of either Side before the adoption, amendment or repeal of regulations of general application that affect any matter covered by this Arrangement .

Article 11

Where a natural person of either Side applies for the entry, sojourn and residence in the Area of the other Side for the purpose of investment activities therein, a sympathetic consideration shall be given to the application of such natural person, in accordance with the applicable laws and regulations in the Area of the other Side.

Article 12

1. Expropriation or any measure equivalent to expropriation (hereinafter referred to as “ indirect expropriation ”) shall not be taken with respect to investments of investors of either Side, except:

- (a) for a public purpose;
 - (b) in a non-discriminatory manner;
 - (c) upon payment of prompt, adequate and effective compensation pursuant to paragraphs 4 through 6; and
 - (d) in accordance with due process of law and Article 5.
2. Indirect expropriation referred to in paragraph 1 refers to an action or a series of actions by the authorities, which has an effect equivalent to expropriation without formal transfer of title or outright seizure.
3. The determination of whether an action or a series of actions by the authorities of either Side, in a specific fact situation, constitutes an indirect expropriation requires a case-by-case, fact-based inquiry that considers, among other factors:
- (a) the economic impact of the action, although the fact that such action by the authorities has an adverse effect on the economic value of an investment, standing alone, does not establish that an indirect expropriation has occurred;
 - (b) the extent to which the action interferes with distinct, reasonable expectations arising out of investment;
 - (c) the character of the action; and
 - (d) the objectives of the action, including whether such action is taken for legitimate public objectives, such as protecting the public welfare, safety and health, and protecting and preserving the environment.
4. The compensation shall be equivalent to the fair market value of the expropriated investments at the time when the expropriation was publicly announced or when the expropriation occurred, whichever is the earlier. The fair market value shall not reflect any change in value occurring because the expropriation had become publicly known earlier.
5. The compensation shall be paid without delay and shall include interest at a commercially reasonable rate, taking into account the length of time until the time of payment. It shall be effectively realizable, freely transferable and

shall be freely convertible into freely usable currencies, at the market exchange rate prevailing on the date of expropriation.

6. Without prejudice to the provisions of Article 17, the investor affected by expropriation shall have a right of access to the courts of justice or administrative tribunals or agencies in the Area where the expropriation has taken place to seek a prompt review of the investor's case and the amount of compensation in accordance with the principles set out in this Article.

Article 13

1. Investors of either Side that have suffered within the Area of the other Side loss or damage relating to their investments due to armed conflict or a state of emergency such as revolution, insurrection, disturbance or any other similar event, shall be accorded treatment, as regards restitution, indemnification, compensation or any other settlement, that is no less favorable than that accorded to the investors of the other Side or to investors of any other countries or regions, whichever is more favorable to those investors suffered.
2. Any payment as a means of settlement referred to in paragraph 1 shall be effectively realizable, freely transferable, and freely convertible at the market exchange rate prevailing at the time of payment into freely usable currencies.

Article 14

1. If any authority or its designated entity in the Area of either Side makes a payment to any investor of that Side under an indemnity, guarantee, or insurance contract, pertaining to investments of such investor in the Area of the other Side, the following shall be recognized:
 - (a) the assignment to such authority or entity of any right or claim of the investor on account of which such payment is

made; and

- (b) the right of such authority or entity to exercise by virtue of subrogation any such right or claim to the same extent as the original right or claim of the investor.
2. Payment to be made to any authority or entity in the Area of either Side, by virtue of the assignment of a right or claim and the assignment of a payment as provided for in paragraph 1, shall be made in accordance with the principles as set out in the relevant provisions in Articles 12, 13 and 15.

Article 15

1. All transfers relating to investments in the Area of either Side of an investor of the other Side shall be allowed to be freely made into and out of the Area of that Side without delay. Such transfers shall include, in particular, though not exclusively:
- (a) the initial capital and additional amounts to maintain or increase investments;
 - (b) profits, interest, capital gains, dividends, royalties, fees and other current incomes accruing from investments;
 - (c) payments made under a contract including loan payments in connection with investments;
 - (d) proceeds of the total or partial sale or liquidation of investments;
 - (e) earnings and remuneration of personnel engaged from the Area of the other Side who works in connection with investments in the Area of the former Side;
 - (f) payments made in accordance with Articles 12 and 13; and
 - (g) payments arising out of the settlement of a dispute under Article 17.
2. Transfers shall be made without delay in freely usable currencies at the market exchange rate prevailing on the date of each transfer.
3. Notwithstanding paragraphs 1 and 2, it is understood that a transfer may be delayed or prevented through equitable,

non-discriminatory and good-faith application of the laws and regulations relating to:

- (a) bankruptcy, insolvency or the protection of the rights of creditors;
- (b) issuing, trading or dealing in securities, futures, options or derivatives;
- (c) criminal or penal offences;
- (d) reports or record keeping of transfers of currency or other monetary instruments; or
- (e) ensuring compliance with orders or judgments in adjudicatory proceedings.

Article 16

Referring to Article 1, either Side shall accord sympathetic consideration to, and shall afford adequate opportunity for consultations regarding, such representations as the other Side may make with respect to any matter affecting the interpretation, application or implementation of this Arrangement.

Article 17

1. For the purposes of this Article, an investment dispute is a dispute between the authorities in the Area of either Side and an investor of the other Side that has incurred loss or damage with respect to investments and investment activities of the investor in the Area of the former Side.
2. An investment dispute shall, as far as possible, be settled amicably through consultations or negotiations between the investor who is a party to an investment dispute (hereinafter referred to in this Article as “disputing investor”) and the authorities concerned in the Area of the other Side that is a party to the investment dispute (hereinafter collectively referred to in this Article as “the disputing parties”).
3. It is confirmed that nothing in this Article prevent a

- disputing investor from seeking administrative or judicial settlement within the Area of the other Side.
4. If an investment dispute cannot be settled through such consultations or negotiations within three months from the date on which the disputing investor requested in writing the authorities concerned for consultations or negotiations, the investment dispute, subject to the mutual consent between the disputing parties, may be submitted to an international conciliation or arbitration, including arbitration under the Arbitration Rules of the United Nations Commission on International Trade Law, arbitration under Rules of Arbitration of the International Chamber of Commerce and any arbitration in accordance with other arbitration rules agreed upon by the disputing parties.
 5. Either Side shall facilitate that the authorities concerned in the Area of that Side consents to the submission of an investment dispute by a disputing investor to a conciliation or arbitration set forth in paragraph 4 chosen by the disputing investor.
 6. No investment disputes may be submitted to a conciliation or arbitration set forth in paragraph 4, if more than three (3) years have elapsed since the date on which the disputing investor acquired or should have first acquired, whichever is the earlier, the knowledge that the disputing investor had incurred loss or damage with respect to its investments and investment activities in the Area of the other Side.
 7. (a) In the event that an investment dispute has been submitted to courts of justice or administrative tribunals or agencies or any other binding dispute settlement mechanism in the Area of the other Side, any conciliation or arbitration set forth in paragraph 4 can be sought only if the disputing investor withdraws, in accordance with the laws and regulations in the Area of the other Side, its claim from such domestic remedies before the final decision is made therein.

- (b) In the event that an investment dispute has been submitted to a conciliation or arbitration as set forth in paragraph 4, the same investment dispute shall not be brought to the courts of justice, administrative tribunals or agencies, or any other binding dispute settlement mechanism in the Area of the other Side.
8. In the event that, pursuant to paragraph 4, an investment dispute has been submitted to an arbitration and that an arbitral tribunal has been established:
- (a) the arbitral tribunal shall decide the issues in dispute in accordance with this Arrangement;
 - (b) unless the disputing parties agree otherwise, the arbitration shall be held in the Area of either Side or a country that is a party to the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards, done at New York, June 10, 1958 (hereinafter referred to in this Article as “ the New York Convention ”);
 - (c) the decision or the award rendered by the arbitral tribunal shall be binding upon the disputing parties, and the decision or the award will be executed in accordance with the applicable laws and regulations as well as relevant international law concerning the execution which is in force in the place where such execution is sought; and
 - (d) the remedy under the decision or the award rendered by the arbitral tribunal shall be limited to monetary damages or restitution of property.
9. The claim that is submitted to an arbitration pursuant to paragraph 4 shall be considered to arise out of a commercial relationship or transaction for purpose of Article 1 of New York Convention with respect to recognition and enforcement within the Area of either Side.
10. Where an investment dispute has been submitted to an international conciliation or arbitration, both Sides shall, to the extent possible, be informed of any relevant information including the issues in the dispute, state of

play of the proceedings and other substantive and procedural matters.

11. Either Side may, upon written notice to the disputing parties, provide any relevant information or make submissions on a question of interpretation of this Arrangement, to the conciliation body or arbitral tribunal.

Article 18

1. It is understood that the following measures may be adopted or enforced in the Area of either Side, to the extent that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination against the investor of the other Side, or a disguised restriction on investments of the investor of the other Side;
 - (a) measures necessary to protect human, animal or plant life or health;
 - (b) measures necessary to protect public morals or to maintain public order;

Note: The public order exception may be invoked only where a genuine and sufficiently serious threat is posed to one of the fundamental interests of society.
- (a) measures necessary to secure compliance with the laws or regulations which are not inconsistent with the provisions of this Arrangement including those relating to:
 - (i) the prevention of deceptive and fraudulent practices or to deal with the effects of a default on contract;
 - (ii) the protection of the privacy of the individual in relation to the processing and dissemination of personal data and the protection of confidentiality of personal records and accounts; or
 - (iii) safety;
- (b) measures considered to be necessary for the protection of the essential security interests:
 - (i) taken in time of war, or armed conflict, or other

- emergency; or
- (ii) relating to the implementation of policies or international agreements respecting the non-proliferation of weapons; or
- (c) measures taken with the aim of contributing to the efforts under the United Nations Charter for the maintenance of international peace and security.
2. In cases where any measure as referred to in paragraph 1 is taken in the Area of either Side, that Side shall, prior to the entry into force of the measure or as soon thereafter as possible, provide the other Side with information regarding the following elements of the measure:
- (a) sector and sub-sector or matter;
- (b) any provisions of this Arrangement affected by the measure;
- (c) legal source of the measure;
- (d) succinct description of the measure; and
- (e) purpose of the measure.

Article 19

1. It is understood that, in either Side, measures not conforming with Article 3 relating to cross-border capital transactions and Article 15 may be adopted or maintained:
- (a) in the event of serious balance-of-payments and external financial difficulties or threat thereof within the Area of that Side; or
- (b) in cases where, in exceptional circumstances, movements of capital cause or threaten to cause serious difficulties for macroeconomic management, in particular, monetary and exchange rate policies in the Area of that Side.
2. Measures referred to in paragraph 1:
- (a) shall be consistent with the Articles of Agreement of the International Monetary Fund;
- (b) shall not exceed those necessary to deal with the circumstances set out in paragraph 1;
- (c) shall be temporary and shall be eliminated as soon as

conditions permit;

(d) shall be promptly notified to the other Side; and

(e) shall avoid unnecessary damages to the commercial, economic and financial interests of the investors of the other Side.

Article 20

It is understood that measures may be taken in the Area of either Side relating to financial services for prudential reasons, including measures for the protection of investors, depositors, policy holders or persons to whom a fiduciary duty is owed by an enterprise supplying financial services, or to ensure the integrity and stability of the financial system, provided that such measures are not used as a means of undermining the investment activities of an investor of the other Side.

Article 21

1. In the Area of either Side, intellectual property rights shall be protected adequately and effectively, and the intellectual property protection system shall be administered in an efficient and transparent manner. For this purpose, both Sides shall promptly consult with each other at the request of either Side, so that the factors which are recognized as having adverse effects to investments of investors may be removed.
2. It is understood that this Arrangement does not affect the exercise of rights or the implementation of obligations under multilateral agreements in respect of protection of intellectual property rights in force in the Area of either Side .
3. Notwithstanding Article 4, it is understood that the treatment accorded to investors of any other countries or regions and to their investments in the Area of either Side by virtue of multilateral agreements in respect of protection of intellectual property rights may not be extended to

investors of the other Side and to their investments, when such multilateral agreements are not in force in the Area of the other Side.

Article 22

Nothing in this Arrangement covers taxation measures.

Article 23

1. Both Sides shall establish a Joint Committee (hereinafter referred to as “ the Committee ”)with a view to accomplishing the objectives of this Arrangement. The functions of the Committee shall be:
 - (a) to discuss the implementation and operation of this Arrangement;
 - (b) to discuss the exceptional measures maintained, amended, modified or adopted in the Area of either Side as referred to in paragraph 1 of Article 8, for the purpose of contributing to the reduction or elimination of such exceptional measures;
 - (c) to discuss the exceptional measures adopted or maintained in the Area of either Side as referred to in paragraph 2 of Article 8, for the purpose of encouraging favorable conditions for investors; and
 - (d) to discuss any other investment-related matters concerning this Arrangement.
2. The Committee may, as necessary, make appropriate decisions or recommendations by consensus to both Sides for the more effective functioning or the attainment of the objectives of this Arrangement.
3. The Committee shall be composed of representatives of each Side. The Committee may, upon mutual consent of both Sides, invite representatives of relevant entities with the necessary expertise relevant to the issues to be discussed, and hold joint meetings with the business sector.
4. The Committee shall determine its own rules of procedure to

carry out its functions.

5. The Committee may establish sub-committees and delegate specific tasks to such sub-committees.
6. The Committee and the sub-committees established pursuant to paragraph 5 shall meet upon the request of either Side.

Article 24

Either Side recognizes that it is inappropriate to encourage investment by investors of the other Side and of any other countries or regions by relaxing the health, safety or environmental measures, or by lowering the labor standards.

Article 25

1. It is understood that the benefits of this Arrangement may be denied by either Side to an investor of the other Side that is an enterprise of the other Side and to its investments, if the enterprise is owned or controlled by an investor of any other country or region and the authorities in the Area of the denying Side adopts or maintains measures with respect to the other country or region:
 - (a) that prohibit transactions with the enterprise or that would be violated or circumvented if the benefits were accorded to the enterprise or to its investments; or
 - (b) that prohibit or restrict investment in accordance with the existing laws and regulations in the Area of the denying Side.
2. It is understood that the benefits of this Arrangement may be denied by either Side to an investor of the other Side that is an enterprise of the other Side and to its investments, if that enterprise is owned or controlled by an investor of any other country or region and that enterprise has no substantial business activities in the Area of the other Side.

Note 1: For the purposes of this Article, unless otherwise stipulated in the existing laws and regulations

referred to in sub-paragraph 1(b), an enterprise is:

- (a) “owned” by an investor if more than fifty (50) percent of the equity interest in it is owned by the investor; and
- (b) “controlled” by an investor if the investor has the power to name a majority of its directors or otherwise to legally direct its actions.

Note 2: Either Side, when there arises a change in conditions for the denial of benefits as referred to in paragraphs 1 and 2, shall notify the other Side of the change in advance. In that event, both Sides shall consult with each other with a view to reviewing and amending, if necessary, this Article.

Article 26

1. This Arrangement shall enter into force on the date that both Sides inform each other that respective procedures have been completed. It shall remain in force for a period of ten years after its entry into force and shall continue in force unless terminated as provided in paragraph 6 of this Article.
2. This Arrangement also covers all investments of investors of either Side acquired in the Area of the other Side in accordance with the applicable laws and regulations in that Area prior to the entry into force of this Arrangement.
3. It is understood that claims arising out of events which occurred or had been settled prior to its entry into force shall be put outside the scope of this Arrangement.
4. The Annexes to this Arrangement shall form an integral part of this Arrangement.
5. Either Side may at any time request consultations with the other Side for the purpose of amending this Arrangement.
6. Either Side may, by giving one year ' s advance notice in writing to the other Side, terminate this Arrangement.

This Arrangement has been made in the English language. In



witness whereof, the representative of the Association of East Asian Relations and the representative of the Interchange Association, signed this Arrangement in Taipei, on September 22, 2011.

FOR THE ASSOCIATION OF EAST ASIAN RELATIONS: FOR THE INTERCHANGE ASSOCIATION:

Chairman
R.T.Peng

Chairman
Mitsuo Ohashi