Law The Civil Code of the Republic of Moldova no. 1107-XV of 06.06.2002

Book I General provisions

(Extract) (art.8 par. 2 (e), art.21, par.2 (b))

Article 8. Grounds for arising of civil rights and duties

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(2) Civil rights and obligations arise from:

. . .

e) development of scientific works, creation of works of art, literature, from inventions as well as from other results of intellectual activity;

Article 21. Exercise capacity of minors that reached fourteen years of age

. . .

(2) Minors that reached the age of 14 may, without consent of their parents, adoptive parents or trustees:

. . .

b) exercise their copyrights over works of science, literature and art, inventions and other results of intellectual activity protected by law;

. . .

Book II Real Rights

(Extract) (art. 301, art. 470 par.2 (f))

Article 301. Protected Results of Intellectual Activity

- (1) In the case and in the manner set by the law, it shall be recognized the exclusive right of natural person and legal entity to the results of intellectual activity and to the attributes of identification of legal entities, as well as to the elements for individualization of production, works or services delivered (firm name, commercial emblem, trademark, etc.).
- (2) The results of intellectual activity and the elements for identification and individualization are objects of exclusive right, can be used by third parties only subject to the consent of the entitled person.

Article 470. Registration of pledge

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(2) The pledge shall be registered as follows:

. . .

f) the pledge of intellectual property rights shall be registered in the register of intellectual property.

Book III Liabilities

(Extract) (art. 925 par.1 (d), art.1171-1178)

Article 925. Object of Leasing

(1) Any movable or immovable property can be object of a leasing, except for:

. . .

(d) intellectual property that cannot be assigned.

. .

Article 1171. Franchise Contract

Under a franchise contract, which is one with recurring performance, one party (franchisor) and the other party (franchisee) - independent enterprises - undertake to assist each other in selling goods and providing services by way of exercising specific responsibilities.

Article 1172. Form and Provisions of Franchise Contract

- (1) The Franchise Contract is null unless it is concluded in written form.
- (2) In addition to a clear statement of the reciprocal obligations, the duration of contract, the provisions concerning termination and extension, and other essentials, the parties must incorporate into the text of the contract a full description of the franchising program.

Article 1173. Franchisor's Duties

- (1) The franchisor is bound to grant the franchisee an ensemble of incorporeal property, rights, trademarks, samples, arrangements, decorations, concepts of acquisition, sale and management, and other data and knowledge useful for sale promotion.
- (2) The franchisor is obliged to protect the common franchising program against interference of third parties, to improve it constantly and to support the franchisee by providing him with guidance, information, and by upgrading his professional skills.

Article 1174. Franchisee's Duties

The franchisee is bound to pay a recompense, the amount of which is calculated, in principle, as a fraction of the volume of sale in accordance with the contribution of the franchising program to the volume of sales. The franchisee undertakes as well to actively use the franchising program with the diligence of a good entrepreneur as well as to purchase goods and services through the franchisor or persons designated by him, if this is directly related to the object of the contract.

Article 1175. Duty to Provide Information and Keep Confidentiality

While negotiating a franchise, the parties must frankly and fully inform each other of the circumstances related to the franchising and provide each other with relevant information in good faith. The parties undertake not to reveal confidential information, even if the contract is not eventually concluded.

Article 1176. Terms of the Contract

- (1) The term of the contract is fixed by the parties taking into consideration the requirements for the sale of goods or services agreed upon.
- (2) If the term is not fixed or exceeds ten years, either party may terminate the contract in one year's notice. If neither party exercises its right of termination, each time the contract shall be extended for two years.

Article 1177. Duty of Fair Competition

- (1) The parties are bound to stay in loyal competition even after cessation of the contract. Within these limits, a local prohibition of competition may be established for the franchisee, which cannot exceed one year.
- (2) If the prohibition of competition imperils the business, a proper financial compensation must be allotted to the franchisee, irrespective of the grounds for contract cessation.

Article 1178. Franchisor's Responsibility

- (1) The franchisor bears responsibility for the existence and extension of the rights and information provided by the franchising program.
- (2) If there exist no rights mentioned at par.(1) or if the franchisor culpably violates other contractual obligations, the franchisee is entitled to reduce the recompense. In case of a dispute, the extent of reduction shall be determined on the basis of the opinion of an independent expert. Expert's fees shall be borne by the party whose estimation is most far from that determined by the expert.

Book V International Private Law *** (Extract)

Article 1607. Personal Non-Property Rights

- (1) Acquisition, content and extinction of copyrights over a creative work are governed by the law of the country on the territory of which this work was for the first time made publicly available by exhibition, distribution, publication, representation or by any other method.
- (2) The copyrights over a creative work that has not been made public shall be regulated by the author's national law.
- (3) The acquisition, content and extinction of intellectual property rights shall be regulated by the law of the state on whose territory those rights are registered.
- (4) The claim for compensation of material or moral damage is regulated by the law of the country on the territory of which the copyright or the intellectual property right has been infringed.
- (5) Foreign citizens and stateless persons shall be granted on the territory of the Republic of Moldova, national treatment with regard to copyrights and intellectual property rights.