

ICLG to: Aviation Law 2013

Chapter 27: Taiwan

Patricia Lin, Mark Yu*
Lee and Li, Attorneys-at-Law

1. General

1.1 Please list and briefly describe the principal legislation and regulatory bodies which apply to and/or regulate aviation in Taiwan.

The Civil Aviation Law is the principal legislation governing aviation in Taiwan. The regulatory body under the Civil Aviation Law is the Civil Aeronautics Administration ("CAA"), Ministry of Transportation and Communication ("MOTC"). The CAA is responsible for the regulation of all civil aviation activities in the ROC including, *inter alia*, registration of aircraft, licensing, certification and regulation of aircraft, aircrews and airports, together with the control of air traffic and the provision of air navigation services.

1.2 What are the steps which air carriers need to take in order to obtain an operating licence?

The main steps for establishing a civil air transport enterprise in Taiwan and carrying on the business of civil air transportation are as follows:

- (1) obtain approval from the MOTC for setting up a civil air transport enterprise; this takes about 2 months;
- (2) obtain approval from the Ministry of Economic Affairs for incorporating a company; this takes about 1 month; and
- (3) obtain a permit from the CAA for the civil air transport enterprise; this takes about 2 months.

Additional steps may be required, such as obtaining operations specifications, by the CAA before the CAA eventually issues the permit set forth in step 3 above. In addition, the establishment of a civil air transport enterprise in Taiwan is subject to various qualifications and requirements under the Civil Aviation Law and the CAA. For instance, 50% of the share capital of the civil air transport enterprise must be held by Taiwanese persons, the chairman of the enterprise should be a Taiwanese person, the majority of the board members should be Taiwanese persons and no individual foreign shareholder may hold more than 25% of the share capital of the enterprise.

Instead of establishing a civil air transport enterprise in Taiwan, a foreign civil air transport enterprise may establish a branch office in Taiwan to conduct civil air transportation by following similar steps set forth above.

1.3 What are the principal pieces of legislation in Taiwan which govern air safety, and who administers air safety?

The principal piece of legislation in Taiwan which governs air safety is the Civil Aviation Law. Under the Civil Aviation Law, the CAA administers air safety.

1.4 Is air safety regulated separately for commercial, cargo and private carriers?

Yes. The MOTC issued the Regulation Governing Flight Operations with guidelines for flight operations divided into three categories as follows: (i) guidelines for civil air transport enterprises which carry passengers and cargo for consideration; (ii) guidelines for general air transport enterprises which engage in businesses other than carrying passengers and cargo for consideration, such as air spraying and search; and (iii) guidelines for flights other than those specified in items (i) and (ii) above.

1.5 Are air charters regulated separately to commercial, cargo and private carriers?

Yes. Air carriers in Taiwan are generally divided into two categories: the civil air transport enterprises which carry passengers and cargo for consideration; and the general air transport enterprises which engage in businesses other than carrying passengers and cargo for consideration. The MOTC issued (i) the Regulations Governing the Civil Air Transport Enterprises, and (ii) the Regulations Governing the General Air Transport Enterprises, to stipulate requirements on air charters of civil air transport enterprises and general air transport enterprises, respectively.

1.6 As regard to international air carriers operating in Taiwan, are there any particular limitations to be aware of, in particular when compared with 'domestic' or local operators? By way of example only, restrictions and taxes which apply to international but not domestic carriers.

For instance, no foreign aircraft or foreign air carrier operating as a civil air transport enterprise may carry passengers, cargo and mail between two points in Taiwan with or without remuneration, or operate as a general air transport enterprise in Taiwan, unless it complies with either of the following: (i) a foreign private aircraft which is permitted by MOTC to engage in flights of non-profit activities within the territory of Taiwan; or (ii) permission is otherwise provided under a treaty or agreement.

1.7 Are airports state or privately owned?

All airports in Taiwan are owned by the government.

1.8 Do the airports impose requirements on carriers flying to and from the airports in Taiwan?

No. All the regulations and rules which impose requirements on carriers flying to and from airports in Taiwan are issued by the CAA, which include, among others, the following:

- (1) Regulations Governing Aircraft Takeoff and Landing Quota in Domestic Airports (applicable to domestic carriers);
- (2) Guidelines for the Screening of International Air Traffic Rights Allocation (applicable to international carriers); and
- (3) Fee-charging Standards for the Use of State-operated Airport, Navigation Aids and Related Facilities (applicable to both domestic and international carriers).

1.9 What legislative and/or regulatory regime applies to air accidents? For example, are there any particular rules, regulations, systems and procedures in place which need to be adhered to?

The principal pieces of legislation in Taiwan governing air accidents are as follows:

- (a) the Civil Aviation Law;
- (b) the Regulations for Aircraft Flight Safety-related Events; and
- (c) the Aviation Occurrence Investigation Act.

Items (a) and (b), which are administered by the CAA, cover the publication of bulletins, fire-fighting, search and rescue, taking of emergency measures upon aviation safety events, and the investigation, statistics and analysis of non-aircraft accidents and major incidents. Item (c), which is administered by the Aviation Safety Council, covers the investigation of aviation occurrence. An aviation occurrence means an occurrence associated with the operation of an aircraft which takes place between the time any person boards the aircraft with the intention of flight until such time as all such persons have disembarked, in which:

- (1) a person sustains death or serious injuries;
- (2) the aircraft sustains substantial damage or goes missing; or
- (3) death or serious injuries of a person or substantial damage to the aircraft nearly occurred.

2. Aircraft Trading, Finance and Leasing

2.1 Does registration of ownership in the aircraft register constitute proof of ownership?

Aircrafts should be registered with the CAA in accordance with the Regulations for Registration of Aircraft ("Registration Regulations") issued by the MOTC. The CAA maintains an aircraft register database.

The CAA provides two types of registration for an aircraft: (i) the aircraft nationality registration; and (ii) the registration of other rights (such as ownership, mortgage and lease). Under the Civil Aviation Law, without being registered with the CAA, the owner (in case of ownership registration), the mortgagee (in case of mortgage registration) or the lessee (in case of lease registration) may not invoke such ownership, mortgage or lease (as the case may be) against any third party.

To apply for an ownership registration, an application form must be completed and sent to the CAA, together with such other information it may require as mentioned below. No other consents are required from other official bodies in the ROC with regard to the registration. The following documents are required for the ownership registration of the aircraft:

- (1) an application in prescribed form which can be downloaded from the CAA's website;
- (2) documents evidencing the ownership of the aircraft; and
- (3) documents indicating that the liability insurance is maintained for the aircraft.

Please note that an aircraft not owned by Taiwanese persons (for a corporate entity, with limited foreign shareholding) may not qualify for ownership registration with the CAA. Although the owner of the aircraft would be notated on the nationality certificate issued by the CAA, such notation is not an ownership registration (i.e., the ownership cannot be claimed against any third party), but rather a *prima facie* evidence of the aircraft's ownership.

2.2 Is there a register of aircraft mortgages and charges? Broadly speaking, what are the rules around the operation of this register?

Once the nationality of the aircraft has been registered with the CAA, either the owner or the Taiwanese operator may apply to the CAA for mortgage registration. In practice, such applications are usually handled by Taiwanese operators given that the CAA has daily contact with Taiwan operators and the CAA prefers to deal with Taiwanese operators.

The following documents are required for the registration of an aircraft mortgage:

- (1) an application in prescribed form which can be downloaded from the CAA's website;
- (2) the ownership registration certificate or the aircraft registration certificate (if no ownership registration certificate has been obtained); and
- (3) an original or copy of the aircraft mortgage agreement, which if not in the Chinese language, must be accompanied by a Chinese summary translation.

Generally, the mortgage registration with the CAA may be completed within 10 to 14 business days of the application to the CAA. Currently, the fee for registration of aircraft mortgage is NT\$18,000 per aircraft for each registration.

2.3 Are there any particular regulatory requirements which a lessor or a financier need to be aware of as regards aircraft operation?

According to Article 89 of the Civil Aviation Act, where casualties or damage to property occurs as a result of an accident involving the relevant aircraft, the owner of the aircraft shall be liable to pay compensation, regardless of whether such an accident is due to wilful action or negligence. The owner of the aircraft shall also be liable for damage caused by *force majeure* and damage caused by falling or dropping objects which originate from the aircraft. Where the damage referred to is caused by an aircraft operated on a lease, the owner and the lessee shall be jointly and severally liable. Nevertheless, Article 90 of the Civil Aviation Act provides that if the lease has been registered, the owner will not be jointly liable with the lessee and the lessee shall be singly liable, unless the owner is found to be negligently at fault.

2.4 Is Taiwan a signatory to the main international conventions (Montreal, Geneva and Cape Town)?

The ROC is not a signatory to any of these international conventions.

2.5 How are the Conventions applied in Taiwan?

The international conventions set forth in question 2.4 are not applicable in Taiwan.

3. Litigation and Dispute Resolution

3.1 What rights of detention are available in relation to aircraft and unpaid debts?

In case of maintenance or repair of an aircraft or its engines or appurtenances, the mechanics or repairmen have the right to retain the aircraft, engines or appurtenances, as the case may be, until the service fees are paid. Furthermore, if the service fee is not duly paid by the party who mandates the mechanics or repairmen or the owner of the retained property within one month after demand, the mechanics or repairmen are entitled to enjoy the priority of payments in terms of the proceeds realised from foreclosure of the retained property or may acquire the ownership of the property, to satisfy the claim for payment of service fees and expenses relating to retention.

3.2 Is there a regime of self-help available to a lessor or a financier of aircraft if it needs to reacquire possession of the aircraft or enforce any of its rights under the lease/finance agreement?

3.2.1. Lessor

The owner as the lessor can enforce the lease by taking physical possession of the aircraft, as long as there is no resistance or dispute from the lessee. In case of any

such resistance or dispute, the assistance of the court will be needed. In case of resistance or dispute by the lessee, the owner will have to bring a trial proceeding in a Taiwan court and apply for the enforcement of the final judgment obtained from the trial proceeding or apply to a Taiwan court for recognising a final judgment obtained from foreign courts.

3.2.2. Financier (e.g., the Mortgagee)

Upon the occurrence of an event of default under the mortgage, the mortgagee may peacefully take possession of the aircraft without going through judicial proceedings immediately after the occurrence of the event of default: (a) without any prior notice to the mortgagor (or the third party possessing the mortgaged property); or (b) by giving a three days' prior notice to the mortgagor (or the third party possessing the mortgaged property) as per Article 18 of the Chattel Secured Transaction Act.

In case of (a) above, the mortgagor (or the third party possessing the mortgaged aircraft) has the right to redeem the aircraft if it remedies the event of default within 10 days of the mortgagee taking possession of the aircraft and if it pays the mortgagee the expenses in taking possession of the aircraft. However, the mortgagee may, immediately after taking possession, sell or otherwise dispose of the aircraft if the value of the aircraft would depreciate to an extent to adversely impact the mortgagee's mortgage interest or if the cost of maintaining the aircraft is, in the mortgagee's reasonable opinion, excessively high.

In case of (b) above, the mortgagee must indicate in the notice the reasons for taking possession of the aircraft and specify a grace period for the mortgagor's performance of its obligations. If, after the expiration of the said grace period, the mortgagor still fails to perform its obligations, the mortgagee may sell the aircraft. After sale of the aircraft, the mortgagor may not request for return of the aircraft.

Other than the immediate sale due to the value depreciation or maintenance cost as set forth in the preceding paragraph, unless the mortgagor has exercised its redemption right, the mortgagee may, by making at least a five-day public announcement, sell the aircraft by public auction (attended by a notary public, police, commercial association or self-regulatory organisation) within 30 days of its possession of the aircraft. The public auction shall be made at the place where the aircraft is located, and a prior written notice (at least ten days prior to the auction) by the mortgagee to the mortgagor (or the third party possessing the mortgaged property) of such auction is required.

In addition, in the event that the mortgagor or any third party shall refuse to deliver the aircraft to the mortgagee, the mortgagee may apply to the court forthwith for compulsory execution pursuant to paragraph 2 of Article 17 of the Chattel Mortgage Transactions Act if the mortgage agreement contains a clause to the same effect and the mortgage has been duly registered with the CAA.

3.3 Which courts are appropriate for aviation disputes? Does this depend on the value of the dispute? For example, is there a distinction in Taiwan regarding the courts in which civil and criminal cases are brought?

There are no specialised courts dedicated to settling aviation disputes in Taiwan. Like other civil disputes, a dispute in relation to aviation should be brought in the civil tribunal of a district court. As to which district court has jurisdiction over the case, it is subject to various rules in the Code of Civil Procedures.

3.4 What type of remedies are available from the courts or arbitral tribunals in Taiwan, both on an i) interim and a ii) final basis?

For example, in an aircraft lease case, if the lessee refuses to return the aircraft involved to the lessor when the lease expires, the lessor may claim against the lessee in court, or by way of arbitration if there is an arbitration clause:

1. Court

(1) Before Judgment

Before the court renders its judgment, the lessor may apply for a provisional injunction to prevent the disposal or moving of the aircraft. To obtain a provisional injunction, a petition must be filed with the court and a bond will be required to be deposited with the court.

(2) Subsequent to Judgment

Please refer to our response to question 3.2.

2. Arbitration

The choice by the parties of arbitration as the dispute resolution mechanism would be upheld by Taiwan courts; provided that such choice is not contrary to the public order or good morals of Taiwan. If the dispute is resolved through arbitration in Taiwan, there is no interim remedy, such as provisional injunction, available to the parties. What the prevailing party can do is to submit the arbitration award to a Taiwan court for recognition and thereafter enforce such arbitration award against the losing party.

Regarding the recognition of the arbitration award, the court shall reject the application in any of the following circumstances:

- (1) the arbitral award concerns a dispute not contemplated by the terms of the arbitration agreement, or exceeds the scope of the arbitration agreement, unless the offending portion of the award may be severed and the severance will not affect the remainder of the award;
- (2) the reasons for the arbitral award were not stated, as required, unless the omission was corrected by the arbitral tribunal; or
- (3) the arbitral award directs a party to act contrary to the law.

3.5 Are there any rights of appeal to the courts from the decision of a court or arbitral tribunal, and, if so, in what circumstances do these rights arise?

1. Court

The trial proceeding, if taken in Taiwan, generally takes three instances, that is, district court, high court and supreme court. The party who loses the lawsuit may appeal against the judgment to the next higher level court.

2. Arbitration

The counterparty may apply to the court to set aside the arbitral award within 30 days of the arbitral award being issued or delivered if the statutory circumstance occurs.

4. Commercial and Regulatory

4.1 How does Taiwan approach and regulate joint ventures between airline competitors?

According to the Regulations Governing the Joint Operation of Civil Air Transportation Enterprises, if two or more civil air transportation enterprises enter into arrangements regarding joint operation of domestic air routes, they must apply to the MOTC for prior

approval. In addition, if the joint operation involves code-sharing, transfer of tickets without endorsement, joint marketing and other joint operation arrangements which would affect the supply/demand market of production, products or services, such joint operation may constitute a concerted action under the Fair Trade Act and requires prior approval of the Fair Trade Commission ("FTC").

4.2 How do the competition authorities in Taiwan determine the "relevant market" for the purposes of mergers and acquisitions?

Among other things, the FTC has issued the Guidelines for Handling the Notifications of Mergers and Concerted Actions of Civil Air Transport Enterprises ("Guidelines") to deal with the notifications of mergers and concerted actions among domestic civil air transport enterprises. According to the Guidelines, the definition of markets for civil air carriers' merger filings will take into account "city to city" as a smallest market unit and the following factors:

1. substitutability of other air routes originating from areas close to the point of departure and arrival;
2. substitutability between air, high-speed rail, conventional rail, road, and water transportation modes; and
3. other factors relevant to the definition of domestic air transportation markets.

When assessing substitutability between different routes or different modes of transportation, the following factors should be considered:

1. distance travelled and time required for journey;
2. passenger characteristics and time cost of journey; and
3. whether service providers have the ability to collectively or individually make small but significant non-temporary price adjustments without adversely affecting their profitability.

4.3 Does Taiwan have a notification system whereby parties to an agreement can obtain regulatory clearance/anti-trust immunity from regulatory agencies?

Yes. Regarding concerted actions among the enterprises, the parties involved should obtain the FTC's prior approval before they can engage in such concerted actions. As for mergers, according to the Fair Trade Act, any of the following transactions constitutes a merger:

1. where an enterprise and another enterprise are merged into one;
2. where an enterprise holds or acquires the shares or capital contributions of another enterprise amounting to more than one-third of the total voting shares or total capital of such other enterprise;
3. where an enterprise assumes or leases from another enterprise the whole or substantial part of the business or properties of such other enterprise;
4. where an enterprise operates jointly with another enterprise on a regular basis or is entrusted by another enterprise to operate the latter's business; or
5. where an enterprise directly or indirectly controls the business operations or the appointment or discharge of personnel of another enterprise.

Any merger that falls within any of the following circumstances shall be notified to the FTC in advance, which requires no filing fee:

1. as a result of the merger the enterprise(s) will have a one-third market share;
2. one of the enterprises in the merger will have a one-fourth market share; or

3. the enterprises' turnover for the preceding fiscal year exceeds the threshold amount publicly announced by the central competent authority.

Upon expiration of the 30-day period following submission of the application by the enterprise(s), the approval for the merger will be deemed granted by the FTC if the FTC does not make any request for supplemental filing or extend said 30-day period. Where the FTC has decided to extend said 30-day period, such extension may not exceed 30 days.

In addition, the aforementioned requirements for notification do not apply in the following circumstances:

1. where any of the enterprises participating in a merger already holds no less than 50% of the voting shares or capital contribution of another enterprise in the merger and merges such other enterprise;
2. where enterprises of which 50% or more of the voting shares or capital contribution is held by the same enterprise merge;
3. where an enterprise assigns all or a substantial part of its business or assets, or all or part of its business that could be separately operated, to another enterprise newly and solely established by the former enterprise; or
4. where an enterprise, pursuant to the Company Act or Securities and Exchange Act, redeems its shares held by shareholders so that the shareholding of its original shareholders exceeds one-third of the total voting shares or total capital of such enterprise.

In addition, if the merger which has occurred offshore falls within the concept of merger and triggers the notification threshold mentioned above, and has direct, actual and reasonably foreseeable impact on the Taiwan market, such merger will be regulated by the Fair Trade Act as well.

4.4 How does Taiwan approach mergers, acquisition mergers and full function joint ventures?

Please refer to question 4.3.

4.5 Please give an outline of the procedure, including time frames for clearance and details of any costs of notifications.

Please refer to question 4.3.

4.6 Are there any sector specific rules which govern the aviation sector in relation to financial support for air operators, including (without limitation) state aid?

A civil air transport enterprise, which operates a regular offshore island route in such areas as Lian-Jiang County, Qi-Mei Township and Wang-An Township of Penghu County or Lan-Yu Township and Lu-Dao Township of Taitung County and meets the following criteria, may apply to the CAA for financial support:

1. it has made significant contributions to maintaining the convenience of air travel in those areas;
2. it has achieved outstanding results in dedicating great efforts to aviation safety and service quality in those areas; and
3. it has otherwise contributed to the improvement of the aviation transportation standards in those areas.

To apply for said financial support, the civil air transport enterprise shall fill out an application form and submit an application to the CAA prior to November 30th each year.

4.7 Are state subsidies available in respect of particular routes? What criteria apply to obtaining these subsidies?

A civil air transport enterprise, which operates a regular route in Qi-Mei Township, Wang-An Township, Lan-Yu Township, Lu-Dao Township or other offshore islands and meets the following criteria, may apply to the CAA for subsidies:

1. it has regular flight schedule and operates with fixed-wing aircrafts; and
2. the average daily flight schedule is more than two one-way flights, except for the route between Kaohsiung and Wang-An.

To apply for subsidy, the civil air transport enterprise should submit 25 copies of application letter, together with the required documents including the audited financial statements for the recent three years of said enterprise, to the CAA.

The CAA accepts and processes applications in connection with such subsidies for the period from December of the previous year to May of the current year, no later than June 30 (inclusive) of the current year, and applications for the period from June to November of the current year, no later than December 25 (inclusive) of the current year.

4.8 What are the main regulatory instruments governing the acquisition, retention and use of passenger data, and what rights do passengers have in respect of their data which is held by airlines?

The main legislation in Taiwan which governs personal data protection is the Personal Information Protection Act.

The personal data under the Personal Information Protection Act means the name, date of birth, I.D. Card number, passport number, characteristics, fingerprints, marital status, family, education, occupation, medical record, medical treatment, genetic information, sex life, health examination, criminal record, contact information, financial conditions, social activities and other information which may be used to identify a natural person, directly or indirectly.

In order to collect, process, use and transmit the personal data of an individual passenger, the carrier is required to obtain the written consent from the passenger. Further, upon the carrier collecting the personal data of a passenger, it should advise the passenger precisely of the following items:

1. name of the carrier;
2. purpose of collection;
3. classification of the personal data;
4. time period, area, target and method of use of personal data;
5. rights of the passenger and the method to exercise them; and
6. impact on the passenger's rights and interests if he chooses not to provide his personal data.

The Taiwan government may limit international transmission of data by a carrier to a third party located outside Taiwan if any of the following events occurs:

1. the international transmission involves major national interests;
2. an international treaty or agreement specifies otherwise;
3. the country receiving personal data lacks proper regulations governing the protection of personal data and hence the international transmission of data might impair the rights and interests of the passenger; or
4. the international transmission is made indirectly to circumvent the application of the Personal Information Protection Act.

With respect to the personal data held by the carrier, the passenger has the following rights:

1. to make inquiries and request for a review of the personal data;
2. to request to make duplications of the personal data;
3. to request to supplement or correct the personal data;
4. to request to discontinue collection, processing or use of personal data; and
5. to request to delete the personal data.

4.9 In the event of a data loss by a carrier, what obligations are there on the airline which has lost the data and are there any applicable sanctions?

According to the Personal Information Protection Act, when the personal data held by the carrier is stolen, disclosed, altered or infringed in other ways due to the violation of such Act, the carrier should notify the individual involved after an inspection.

Moreover, the carrier which keeps personal information files should adopt proper security measures to protect such information from being stolen, altered, damaged, destroyed or disclosed. If a carrier violates the abovementioned requirements, the MOTC may order said carrier to take corrective measures within a specified time period. If they are not taken within that period, an administrative fine of no less than NT\$20,000 but no more than NT\$200,000 should be imposed upon the carrier for each violation. The carrier may appeal against such administrative fine to the Administrative Yuan, and further, to the courts in Taiwan.

Separately, a carrier should be liable for damages and compensation arising from illegal collection, processing and use of personal data, or infringement on the rights of the individual involved due to violation of the Personal Information Protection Act, unless the carrier has strong proof that such event is unintentional or non-negligent.

4.10 What are the mechanisms available for the protection of intellectual property (e.g. trademarks) and other assets and data of a proprietary nature?

Intellectual properties in Taiwan are basically divided into the following three categories: trademarks; patents and copyrights; and intellectual property rights. These are enforced by the Intellectual Property Office of the Ministry of Economic Affairs.

The main legislation governing trademarks is the Trademark Act. Registration with the Intellectual Property Office is required to secure trademark rights.

The main legislation governing patents is the Patent Act. Registration with the Intellectual Property Office is required for patent protection.

The main legislation governing copyrights is the Copyright Act. The author of a work shall enjoy copyright upon completion of the work.

The Intellectual Property Court is the special court handling issues regarding intellectual properties disputes or infringements.

4.11 Is there any legislation governing the denial of boarding rights?

Yes. In order to ensure the safety of international air transport in Taiwan, the CAA has issued rules governing the denial of boarding rights which generally follow the rules established by the International Civil Aviation Organization (ICAO).

4.12 What powers do the relevant authorities have in relation to the late arrival and departure of flights?

According to the Regulations Governing the Mediation of Disputes Arising from the Transportation between Civil Aviation Passengers and Aircraft Carriers, if a carrier is

convinced that any aircraft will not be able to depart according to scheduled time so that a flight is expected to be delayed for more than 15 minutes (domestic routes) or for more than 30 minutes (international routes), or that air route or place of takeoff and/or landing will be changed, it shall forthwith explain to passengers in detail the reasons therefor, as well as the manners in which it will deal with the situation.

Also, in cases of late arrival and departure of flights or change of the route or place of takeoff and/or landing that consequently affects the rights or interests of passengers, the carrier shall timely provide free of charge the following services as dictated by actual situations and the needs of passengers:

- (1) means of communications as necessary;
- (2) meals and/or accommodations as necessary;
- (3) articles to keep out the cold or first-aid articles as necessary; or
- (4) connecting flights or other vehicles as necessary.

A carrier shall attend to the rights and interests of passengers in a reasonable manner; and if the provision of any of the foregoing services is not possible due to local conditions, the carrier shall forthwith explain to passengers in detail the reasons therefor, and properly handle the situation.

4.13 Are the airport authorities governed by particular legislation? If so, what obligations, broadly speaking, are imposed on the airport authorities?

As mentioned in question 1.7, the government owns all the airports in Taiwan.

Among the airports in Taiwan, Taiwan Taoyuan International Airport ("Taoyuan Airport") is operated by Taoyuan International Airport Corporation ("Airport Corporation") which is wholly owned by the government. The main pieces of legislation for Taoyuan Airport are the "International Airport Park Development Act" (which governs the authority of Airport Corporation) and the "Act for the Establishment of State-Run International Airport Park Corporation Limited" (which governs the establishment and organisation of Airport Corporation).

Other airports are directly governed by the CAA. The main legislation for such airports is the "General Rules for Airports Governed by Civil Aeronautics Administration of Ministry of Transportation and Communication" which governs the authority and organisation of such airports.

4.14 What global distribution suppliers (GDS) operate in Taiwan?

The three GDS systems generally adopted by the tourism industry in Taiwan are Abacus, Amadeus and Galileo.

4.15 Are there any ownership requirements pertaining to GDS's operating in Taiwan?

No there are not.

	*Patricia Lin	
	Lee and Li, Attorneys-at-Law 7F, 201 Tun Hua N. Road Taipei 10508 Taiwan, R.O.C.	<i>Tel: +886 2 2715 3300</i> <i>Fax: +886 2 2713 3966</i> <i>Email: patricialin@leeandli.com</i> <i>URL: www.leeandli.com</i>

Ms. Patricia Lin is a senior counselor at Lee and Li. Her practice focuses on banking, securities, capital market, international corporate finance, financings (including syndicated financing, structured financing and aircraft/ship financing) and mergers & acquisitions.

Ms. Lin has assisted many international capital market transactions, including issuance of global depositary receipts, American depositary receipts, Taiwan Depositary Receipts, Euro-convertible bonds and Euro exchangeable bonds and has successfully helped Want Want Holding and DNI indirectly listed in Hong Kong and to list the Taiwan Depositary Receipts in Taiwan. She has also assisted Deutsche Bank to successfully launch the first USD-denominated corporate bonds in Taiwan.

Ms. Lin is also an expert in merger & acquisition transactions and has been involved in M&A transactions in both general industries and highly-regulated industries (such as financial industries and telecom industries).

Moreover, Ms. Lin is an expert in aircraft/ship financing. She has assisted for more than a decade international banks and local airlines in connection with the financing with respect to lease, sale and lease back, conditional sale and other structured financing.

Ms. Lin received her Bachelor of Law degree in 1993 from National Cheng-Chi University and a Master of Laws degree in 1995 from Boston University. Ms. Lin is a member of the New York State Bar Association.

Education

Boston University (LL.M., 1995).

National Cheng Chi University (LL.B., 1993).

	*Mark Yu	
	Lee and Li, Attorneys-at-Law 7F, 201 Tun Hua N. Road Taipei 10508 Taiwan, R.O.C.	<i>Tel: +886 2 2715 3300</i> <i>Fax: +886 2 2713 3966</i> <i>Email: markyu@leeandli.com</i> <i>URL: www.leeandli.com</i>

Mr. Mark Yu is a senior attorney at Lee and Li. He graduated from the law school of National Taiwan University. He also completed two LLM programmes respectively at Soochow University (Taiwan) and Northwestern University (U.S.). Currently, he is studying SJD programme at the law school of Soochow University. He is admitted to practice law in New York State (U.S.) and Taiwan. Before joining Lee and Li, he was an associate in the tax and legal department of PricewaterhouseCoopers Taiwan.

He focuses his practice on mergers and acquisitions, corporate financing, foreign investment, capital markets and aircraft financings. Recently, he worked on the acquisition of RBS N. V. by ANZ, the tender offer of Galaxy Far East Corp., the syndicated loan to Taiwan High Speed Railroad Corporation and the IPO cases of Kino Biotech and Sino Horizon.

Education

Northwestern University (LL.M., 2007).

Soochow University (LL.M., 2004).

National Taiwan University (LL.B., 2001).