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GENERAL NOTICE

NOTICE 1805 OF 2000 DEPARTMENT OF TRADE AND INDUSTRY DEPARTMENT VAN HANDEL EN NYWERHEIED (a)COPYRIGHT ACT; 1978 (ACT NO.98 OF 1978) (b)PERFORMER'S PROTECTION ACT;1967 (ACT NO.11 OF 1967) (c)TRADE PRACTICE ACT;1976 (ACT NO.76 OF 1976) (d)COUNTERFEIT GOODS ACT;1997(ACT NO.37 OF 1997) (e)MERCHANDISE MARKS ACT;1941(ACT NO.17 OF 1941)

(f)PATENTS ACT;1978 (ACT NO.57 OF 1978)

I; Alexander Erwin; Minister of Trade and Industry; do hereby publish for comment; amendments to the following Acts i.e: sections 1 ;9;12;23;24;26 and 27 of the Copyright Act No.98 of 1978; sections 5 and 8 of the Performer's Protection Act No. 11 of 1967; sections 9 and 19 of the Trade Practice Act No.76 of 1976; sections 1;5 and21 of the Counterfeit Goods Act No.37 of 1997; sections 1;2;6;7;8;9 and 14 of the Merchandise Marks Act No.17 of 1941 and sections 9(b) and 19 of the Patents Act No.57 of 1978. In reading section 9(c) of the Copyright Act and section 8(3) (a) (iii) of the Performer's Protection Act read also attached document marked "A".

Interested persons are invited to make written comments on these amendments within a period of 14(fourteen) working days from the date of publication to:

The Registrar: South African Patents and Trademarks Office : Attention

Mr. A. Tuwe Private Bag X 400

COPYRIGHT AMENDMENT

Amendment of Definitions of section 1 of Act 98 of 1978

Section 1 of the principal Act is hereby amended by the insertion after the definition of 'reproduction' of the following definition:

"restricted act' means any act in respect of a work which falls within the scope of the exclusive rights comprised in the copyright in that work."

Amendment of section 9 of Act 98 of 1978

Section 9 of the principal Act is hereby amended by the insertion of the following at the end thereof:

- "(c) without payment of a royalty for -
 - (i) broadcasting the sound recording:
 - (ii) causing the sound recording to be transmitted in a diffusion service, unless that service transmits a lawful broadcast, including the sound recording, and is operated by the original broadcaster:
 - (iii) <u>communicating the sound recording to the public;</u>

provided that

- (aa) the amount of the aforesaid royalty shall be determined by the Copyright <u>Tribunal in terms of Chapter III in the absence of the owner of the copyright and</u> <u>the user of the sound recording reaching agreement on it;</u>
- (bb) anv payment made by the user of the sound recording in terms of this paragraph shall be deemed to have discharged anv obligation which that user might have to make anv payment in respect of his use of a corresponding fixation of a performance in terms of section 5(b) of the performers Protection Act, 1967.

(cc) the person receiving Payment of the royalty shall share such royalty with any performer whose performance is featured on the sound recording in question and who

would have been entitled to receive a royalty in that regard in terms of section 5(b) of the Performers Protection Act, 1967, on a basis determined by the Copyright Tribunal in terms of Chapter III in the absence of the Parties reaching agreement on such basis.

Amendment of section 12 of Act 98 of 1978

Section 12(1) of the principal Act is hereby amended as follows:

"12. General exceptions from protection of literary and musical works

- Copyright shall not be infringed by <u>doing a restricted act in respect of</u> [any fair dealing with] a literary or musical work <u>if doing such act is compatible with fair practice and is</u>
- (a) for the purposes of research or private study by, or the personal or private use of, the person, <u>being a natural Person, doing such act</u> [using the work];
- (b) for the purposes of criticism or review of that work or of another work; or
- (c) for the purpose of reporting current events -
 - (i) in a newspaper, magazine or similar periodical; or
 - (ii) by means of broadcasting or in a cinematography film;

Provided that, in the case of paragraphs (b) and (c)(i), the source shall be mentioned, as well as the name of the author if it appears on the work."

Section 12 of the principal Act is hereby amended by the insertion of a new section 12(14) after section 12(13):

- "(14) In deciding whether doing any act in relation to a work is compatible with fair Practice for Purposes of this section, the court shall take account of inter alia the following factors -
- (a) the Purpose and character of the act done;
- (b) the nature of the copyrighted work;
- (c) the amount and substantiality of the Portion of the work in relation to which the act is done;
- (d) the effect upon the Plaintiff's Potential market;

(e) whether the work can be obtained within a reasonable time at a normal commercial price."

Amendment of section 23 of Act 98 of 1978

Section 23(2) of the principal Act is amended by the insertion of paragraph (e) immediately following the existing paragraph (d);

"(e) possess or has under his or her control in the course of business."

Amendment of section 24 of Act 98 of 1978.

Section 24(3) of the principal Act is amended as follows:

- "(3) Where in an action under this section an infringement of copyright is proved or admitted, and the court having regard, in addition to all other material consideration, to -
- (a) the flagrancy of the infringement; and
- (b) any benefit shown to have accrued to the defendant by reason of the infringement,

is <u>of the view that justice and a sufficient deterrent against infringement of copyright will not</u> <u>have been achieved unless the defendant is ordered to make a suitable monetary agament</u> [satisfied that effective relief would not **otherwise** be available] to the plaintiff, the court shall in assessing damages for the infringement have power to award such additional damages as the court may deem fit, which damages shall not exceed RIO 000.00 for each article to which the infringement relates."

Amendment of section 26 of Act 98 of 1978

The following new subsections (13) and (14) are inserted after subsection (12) of the principal Act:

- "(13) In any proceedings by virtue of this chapter relating to the alleged infringement of copyright in a work:
 - (a) <u>copyright shall be Presumed to subsist in the work to which the action</u> relates if the defendant does not put in issue the question whether <u>copyright subsists therein, and</u>
 - (b) where the subsistence of the copyright is proved or admitted, or is presumed in pursuance of the preceding paragraph, the person claimed to be the owner of the copyright shall be Presumed to be the owner of the copyright if the defendant or accused does not put in issue the guestion of his ownership thereof.
- (14) For the purposes of subsection (13) a question shall not be deemed to have been put in issue unless the person seeking to challenge it asserts facts which serve to place doubt on the correctness of the relevant averments made by the plaintiff or the State."

Amendment of section 27 of Act 98 of 1978

Section 27(1) of the principal Act is amendment by the insertion of paragraph (g) immediately following the existing paragraph (9:

- "(0 distributes for any other purposes to such an extent that the owner of the copyright is prejudicially affected[,];

articles which he knows or has reason to suspect are [to be] infringing copies of the work, shall be guilty of an offence."

PERFORMERS' PROTECTION AMENDMENT

Amendment of section 5 of Act 11 of 1967

Section 5 of the principal Act is hereby amended as follows:

- **"5.** Restrictions on use of performances
- (1) Subject to the provisions of this Act, no person shall [without the consent of the performer -]
- (a) without the consent of the performer
 - (i) broadcast or communicate to the public [a] <u>an unfixed performance of such</u> performer, unless the performance used in the broadcast or the public communication is itself already a broadcast performance [or is made from a fixation of the performance or from a reproduction of such a fixation; or]
- [(b)] (ii) make a fixation of the unfixed performance of such performer; or
- [(c)] (iii) make a reproduction of a fixation of a performance of such performer
 - [(i)] (aa) if the original fixation, other than a fixation excluded by section 8 from the necessity for obtaining the consent of a performer, was itself made without his consent; or
 - [(ii)] (bb) if the reproduction is made [from] for purposes other than those in respect of which such performer gave his consent to the making of the original fixation or of a reproduction thereof; or
 - [(iii)] (cc) if the original fixation was made in accordance with the provisions of section 8, and the reproduction is made for purposes not covered by those provisions.
- (b) by means of directly or indirectly using a fixation of the performance published for commercial purposes, without payment of a royalty to the performer
 - (i) broadcast the performance;
 - (ii) cause the performance to be transmitted in a diffusion service unless such service transmits a lawful broadcast, including the performance, and is operated by the original broadcaster:
 - (iii) cause any communication of the performance to the public:

provided that the amount of the aforesaid royalty shall be determined by the Copyright Tribunal established by the Copyright Act, 1978, in the absence of the performer and the user of the fixation reaching agreement on it.

- (4) In the absence of an agreement to the contrary, a performer's consent to the broadcasting of his performance shall be deemed to include his consent to the rebroadcasting of his performance, the fixation of his performance for broadcasting purposes, and the reproduction for broadcasting purposes of such fixation.
- (3) In the absence of any agreement to the contrary, where a performer has authorised the fixation of his Performance he shall be deemed to have granted to the person who makes the arrangements for making the fixation the exclusive right to exact payment of a royalty for performing the acts set forth in paragraph (b) of subsection [1) where such acts are performed by use of the fixation of his performance or a reproduction thereof, and shall be entitled to share in any Payment made to such person or his successor in title for the performance of such acts in the manner agreed upon between the Parties, or in the absence of any such agreement, as determined by the Copyright Tribunal established by the Copyright Act, 1978: Provided that any payment made by a user of a fixation of a performance in terms of this section shall be deemed to have discharged any obligation of that user to pay a royalty to the owner of any copyright subsisting in that fixation, in terms of section 9 of the Copyright Act, 1978."

Amendment of section 8 of Act 11 of 1967

Section 8(3) of the principal Act is hereby amended by the substitution of the following:

- '(3) (a) A broadcaster may make by means of his or her own facilities a fixation of a performance and reproductions of such fixation without the consent required by section 5, provided that, unless otherwise stipulated -
 - the fixation [and the] <u>or any</u> reproduction[s] thereof is <u>intended</u> <u>exclusively for lawful</u> [are used solely in the] broadcasts <u>of the</u> <u>broadcaster to which the performer has consented</u> [made by the broadcaster];
 - (ii) the fixation and <u>any</u> [the] reproductions thereof, if they are not of an exceptional documentary character, are destroyed before the end of the

period of six months commencing on the day on which the fixation was first made <u>or such longer period as may be agreed to by the performer.</u> [; and]

- [(iii) the broadcaster pays to the performer, whose performance is so used, in **respect** of each use of the fixation or of any reproduction thereof, an equitable remuneration, which, in the absence of agreement, shall be determined in accordance with the provisions of the Arbitration Act, 1965 (Act No 41 of 1965), or alternatively, at the option of the performer, by the Copyright Tribunal established by the Copyright Act, 1978 (Act No 98 of 1978).]
- (b) The fixation and the reproductions] thereof made under the provisions of @ [this] subsection may, on the grounds of their exceptional documentary character[,] be preserved in the archives of the <u>broadcaster</u> [Corporation] but shall, subject to the provisions of this Act, not be further used without the consent of the performer.

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REPUBLIC OF SOUTH AFRICA

THE TRADE PRACTICES ACT AMENDMENT ACT

ACT

To amend the Trade Practices Act 76 of 1976, to provide for the prohibition of the practice known as "ambush marketing" in the context of sponsored events, and to increase the penalties for contravention.

BE IT ENACTED by the Parliament of the Republic of South Africa, as follows:-

Amendment of section 9 of the Trade Practices Act 76 of 1976

- Section 9 of the Trade Practices Act 76 of 1976 (hereinafter referred to as the principal Act) is hereby amended by the insertion of a new paragraph (d) as follows:
 - "(d) For purposes of paragraphs (a), (b) and (c), the false or misleading advertisement, statement, communication, description or indication referred to shall include any which is intended, directly or indirectly. to represent, imply or suggest a contractual or other connection or association with any event, person, organisation or place by virtue of patronage or sponsorship.".

Substitution of section 19 of Act 76 of 1976

- 2. Section 19 of the principal Act is hereby amended by the substitution for the section of the following section:
 - "9.(I) <u>Anv person who contravenes or fails to comply with anv</u> provision of this Act, shall be quilty of an offence.
 - (2) <u>Anv person convicted of an offence in terms of this Act will be</u> punishable:
 - (a) in the case of a first conviction, with a fine not exceeding R5000 or with imprisonment for a period not exceeding two years or with both such fine and such imprisonment;
 - (b) in the case of a second or any subsequent conviction. with a fine not exceedina RIO 000 or with imprisonment not exceeding five years or with both such fine and such imprisonment.".

REPUBLIC OF SOUTH AFRICA

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THE COUNTERFEIT GOODS ACT AMENDMENT

To amend the Counterfeit Goods Act 37 of 1997, so as to correct and clarify the Act.

BE IT ENACTED by the Parliament of the Republic of South Africa, as follows:-

Amendment of section 1 of the Counterfeit Goods Act, 37 of 1997

- Section 1 of the Counterfeit Goods Act 37 of 1997 (hereinafter referred to as the principal Act) is hereby amended by the substitution for paragraph (xi) of subsection (1) of the following paragraph:
 - "(xi) 'intellectual property right'-
 - (a) means the rights in respect of a trade mark conferred by the Trade Marks Act, 1993 (Act No. 194 of 1993) including <u>unregistered rights conferred by section 35 thereof;</u>
 - (b) means the copyright in any work in terms of the Copyright Act, 1978 (Act No. 98 of 1978);
 - (c) in the case where, by a notice issued under section 15 of the Merchandise Marks Act 1941, the use of a particular mark in relation to goods, except such use by a person specified in the notice, has been prohibited, means the concomitant exclusive right of that specified person so to use that mark; (ix)".

Amendment of section 5 of Act, 37 of 1997

- 2. Section 5 of the principal Act is hereby amended by the substitution for paragraph (a) of subsection (4) of the following paragraph:
 - "(a) any acts performed by an inspector by virtue of subsection (2) will cease to have any legal effect unless a magistrate or a judge of a High Court having jurisdiction in the area where the acts were performed, confirms those acts on the application of an inspector brought within 10 days of the day on which those acts had been performed;".

Amendment of section 21 of Act 37 of 1997

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3. Section 21 of the principal Act is hereby amended by the substitution for the section of the following section:

"21. Subject to the Constitution of the Republic of South Africa, 1996 (Act no. 108 of 1996), and the Criminal Procedure Act, 1977, the provisions of this Act will not detract from a person's civil or criminal liability, in terms of any other law, on account of his or her infringement of any intellectual property right [and] <u>Or</u> from the capacity or competence in terms of any law to institute civil or criminal proceedings in respect of such infringement <u>Or</u> from the capacity or competence in terms of the <u>Criminal Procedure Act</u>, <u>1977, to proceed urider any provisions of that Act</u>."

REPUBLIC OF SOUTH AFRICA

THE MERCHANDISE MARKS ACT AMENDMENT

To amend the Merchandise Marks Act, 1941 to clarify the scope of the Act in its application to trade mark rights to remove any perceived overlap with the provisions of the Counterfeit Goods Act 37 of 1997, to prohibit the unauthorised use of the national flags, armorial bearings and other official signs of Convention countries, and to provide for matters connected therewith.

BE IT ENACTED by the Parliament of the Republic of South Africa, as follows:-

Amendment of section 1 of Act 17 of 1941, as amended by section 1 of Act 39 of 1952, section 1 of Act 47 of 1954, section 1 of Act 49 of 1966, section 1 of Act 54 of 1987 and section 1 of Act 38 of 1997.

- 1. Section 1 of the Merchandise Marks Act, 1941 (hereinafter referred to as the principal Act) is hereby amended-
 - (a) by the insertion before the definition of "covering" of the following definition:

"<u>convention country</u>" means any country or group of countries in respect of which there is in force a proclamation under section 63 of the Trade Marks Act. 1993 (Act 194 of 1993) declarina such country or group of countries to be a convention country or convention countries for the purposes of that Act;";

(b) by the substitution for the definition of "device" of the following definition:

"'device' means any visual representation or illustration capable of being reproduced upon a surface, whether by printing or otherwise <u>but excludina a trade mark;</u>";

(c) by the substitution for the definition of "mark" of the following definition:

"'mark' [includes a trade mark and, for the purposes of

subsection (1) of section eight and section nine, a mark used upon or in connection with goods for the purpose of indicating that they are the goods of the proprietor of the mark by virtue of manufacture, production, selection, dealing with or offer for sale] <u>excludes a trade mark;</u>";

(d) by the substitution for the definition of "name" of the following definition:

"'name' includes an abbreviation or addition to a name <u>but</u> <u>excludes a trade mark;</u>";

(e) by the substitution for the definition of "trade description" of the following definition:

"'trade description' means any description, statement or other indication, direct or indirect, as to the number, quantity, measure, gauge or weight of any goods, or as to the name of the manufacturer or the producer or as to the place or the country in which any goods were made or produced, or as to the mode of manufacturing or producing of any goods, or as to the material of which any goods consist, or as to any goods being the subject of an existing patent, privilege, or copyright, and includes any figure, word or mark which, according to the custom of the trade, is commonly taken to be an indication of any of the aforementioned matters, <u>but excludes a trade mark</u>, and

(f) by the substitution for the definition of "trade mark" of the following definition:

"'trade mark' means [a registered trade mark as defined in section 2(1) of] <u>the rights in respect of a trade mark conferred</u> by the Trade Marks Act, 1993 (Act 194 of 1993), <u>including</u> <u>unregistered rights conferred by section 35 thereof;</u>". Amendment of section 2 of Act 17 of 1941 as substituted by section 2 of Act 38 of 1997

- 2. Section 2 of the principal Act is hereby amended-
 - (a) by the substitution for the title of section 2 of the following title:
 - "2. What acts amount to applying <u>false</u> trade description";
 - (b) by the substitution for subsections (1) and (2) of section 2 of the following subsections:
 - "(1) A person shall be deemed to apply a <u>false</u> trade description to goods who-
 - (a) applies it to the goods themselves; or
 - (b) applies it to any covering, label or reel in or with which the goods are sold; or
 - (c) places, encloses or annexes the goods in, with or to any covering, label, reel or other thing to which that <u>false</u> trade description has been applied; or
 - (d) uses in connection with the goods a <u>false</u> trade description in such manner as to be likely to lead to the belief that the goods are designated or described by that description.
 - (2) Goods delivered in pursuance of an offer or request in which reference is made to a <u>false</u> trade description contained in any sign, advertisement, invoice, wine list, business letter, business paper or other commercial communication, shall, for the purposes of paragraph (d) of subsection (1), be deemed to be goods in connection with which that <u>false</u> trade description is used.".

Amendment of section 6 of Act 17 of 1941 as amended by section 1 of Act 26 of 1951 and as substituted by section 6 of Act **38** of 1997

- 3. Section 6 of the principal Act is hereby amended by the substitution for the title of the section of the following title:
 - "6. Applying false trade description and alteration of trade mark".

Amendment of section 7 of Act 17 of 1941 as substituted by section 7 of Act 38 of 1997

- 4. Section 7 of the principal Act is hereby amended by the substitution for the section of the following section:
 - "7. Sale and hiring out of goods bearing false trade description

Any person who sells or lets or offers for sale or hire any goods to which any false trade description is applied, <u>or in relation to which a</u> <u>trade mark has been altered</u>, whether by addition or effacement or in <u>any other manner</u>, shall be guilty of an offence, if-

- (a) at the time of the commission of the alleged of fence, the person knew or had reason to suspect that the trade description was not genuine <u>or that the trade mark had been</u> <u>altered</u>; or
- (b) the person did not take all reasonable steps in order to avoid the commission of the alleged offence. ".

Amendment of section 8 of Act 17 of 1941 as amended by section 8 of Act 38 of 1997

- 5. Section 8 of the principal Act is hereby amended by the substitution for the section of the following section:
 - "8. Sale of imported goods bearing name or make of South African manufacturer or trader, unaccompanied by indication of origin
 - (1) Any person who sells or, for the purpose of advertising goods, distributes in the Republic any goods which were not made or produced in the Republic, and to which there is applied any

name or mark being or purporting to be the name or mark of any manufacturer, producer or trade in the Republic or the name of any place or district in the Republic, shall be guilty of an of fence, unless there is added to that name or mark, in a conspicuous manner, the name of the country in which the goods were made or produced, with a statement that there were made or produced there.

(2) This section shall not have effect in respect of the application of a name or [trade] mark to articles used or to be used for any of the following purposes, that is to say, as coverings, labels, reels, or otherwise as articles in or with which goods manufactured or produced in the Republic are or are to be sold, if the name or mark so applied is the name or [trade] mark of a manufacturer, producer of or trader in those goods in the Republic, and the name or [trade] mark was applied with his consent.".

Amendment of section 9 of Act 17 of 1941 as substituted by section 9 of Act 38 of 1997. -

- 6. Section 9 of the principal Act is hereby amended by the substitution for the section of the following section:
 - "9, Sale or imported goods bearing marks in official language, unaccompanied by indication of origin

Any person who sells or, for the purpose of advertising goods, distributes in the Republic and goods which were not made or produced in the Republic, and to which there is applied any [trade mark], mark or trade description in any official language of the Republic, shall be guilty of an offence, unless there is added to that mark or description, in a conspicuous manner, the name of the country in which the goods were made or produced, with a statement that they were made or produced there.".

Amendment of section 14 of Act 17 of 1941 as amended by section 2 of Act 39 of 1952 and section 1 of Act 55 of 1967, substituted by section 2 of Act 54 of 1987, amended by section 1 of Act 49 of 1996 and substituted by section 10 of Act 38 of 1997.

- 7. Section 14 of the principal Act is hereby amended by substituting for subsection (1) of the following subsection:
 - "(1) Any person who uses in connection with his or her trade, business, profession or occupation, or in connection with a trade mark or mark or trade description applied by him or her to goods made, produced or sold by him or her without authority in writing signed by or on behalf of the Minister-
 - (a) a mark or trade mark which consists of or contains the national flaa of a convention Country, or an imitation from a heraldic point of view, without the authorization of the competent authority of the convention country, unless it appears that use of the flag in the manner proposed is permitted without such authorization;
 - (b) a mark or trade mark which consists of or contains the armorial bearinas or any other state emblem of the Republic or a convention country, or an imitation from a heraldic point of view, without the authorization of the competent authority of the Republic or convention country, as the case may be;
 - (c) a mark or trade mark which consists of or contains an official sian or hallmark adopted by the Republic or a convention country, or an imitation from a heraldic point of view, and which indicates control and warranty, in relation to goods or services of the same or a similar kind as those in relation to which it indicates control and warranty, without the authorization of the competent authority of the Republic or convention country, as the case may be; or
 - (d) a mark or trade mark which consists of or contains the flag, the armorial bearings or any other emblem, or an imitation from a heraldic point of view, or the name, or the abbreviation of the name. of any international organization of which one or more convention countries are members, without the authorization of the organization concerned, unless it appears

that use of the flag, armorial bearings, other emblem or imitation or the name or abbreviation in the manner proposed, is not such as to suggest to the public that a connection exists between the organization and the mark, or is not likely to mislead the public as to the existence of a connection between the organization and the proprietor of the mark,

shall be guilty of an offence: Provided that this subsection shall not apply to a trade mark registered before and in existence on 1 February 1941[.], and

provided further that-

- (i) paragraphs (b), (c) and (d) shall apply to a state emblem and an official sian or hallmark of a convention country and an emblem, the name, or the abbreviation of the name, of any international organization only if and to the extent that-
 - (aa) the convention country or international organization, as the case may be, has notified the Republic in accordance with Article 6*ter* of the Paris Convention that it desires to protect that emblem, official sian or hallmark, name or abbreviation, as the case may be;
 - (bb) Such notification remains in foree: and
 - (cc) the Republic has not objected toit inaccordance with Article 6ter of the Paris convention or anv such objection has been withdrawn:
- (ii) <u>paragraph (b) or (c) shall not prevent the use of a trade mark</u> by a citizen of any country who is authorized to make use of a state emblem or official sian or hallmark of that country, notwithstanding the fact that it is similar to that of another <u>Country.</u>".

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Amendment of section 19 of Act 57 of 1978

Section 19 of the Patents Act, 1978, is hereby amended by the substitution for subsection
(3) of the following subsection:

"(3) A party to any proceedings before the Commissioner may appear in person or be represented thereat by an advocate or an agent <u>Or an attorney who has been aranted</u> the right of appearance in the High Court in terms of section 4 of the Right of Appearance In Courts Act 62 of 1995."

Amendment of section 9 (b) of Act 57 of 1978

2. Section 9 (b) of the Patents Act; 1978 (Provides that: no complete specification shall be accepted in terms of Section 34 and no application for an amendment of a complete specification shall be allowed unless it has been signed by an agent), is hereby amended by deleting the provisions in brackets.