sale of such goods on a commercial scale is an unlawful activity subject to criminal penalties.

3. With respect to the offences described in paragraphs 1 and 2, each Party shall provide for the following:

(a) penalties that include sentences of imprisonment as well as monetary fines sufficient to provide a deterrent consistent with the level of penalties applied for crimes of a corresponding gravity;[62]

(b) its judicial authorities have the authority to order the seizure[63] of suspected pirated copyright goods or counterfeit trademark goods, related materials and implements predominantly used in the commission of the offence, and documentary evidence relevant to the alleged offence; and

(c) its judicial authorities have the authority to order, without compensation of any kind for the defendant, the forfeiture or destruction of:

(i) pirated copyright goods or counterfeit trademark goods;

(ii) materials and implements that have been predominantly used in the creation of pirated copyright goods or counterfeit trademark goods; and

(iii) any other labels or packaging to which a counterfeit trademark has been applied and that have been used in the commission of the offence.

4. Recognising the need to address the unauthorised copying[64] of a cinematographic work on a commercial scale from a performance in a movie theatre, which causes significant harm to a right holder in the market for that work, and recognising the need to deter such harm, each Party shall adopt or maintain measures, which shall at a minimum include appropriate criminal procedures and penalties.[65]

[62] Nothing in this Article shall be construed to oblige a Party to provide for the possibility of imprisonment and monetary fines to be imposed in parallel.

[63] A Party may comply with its obligations under this subparagraph, with respect to pre-trial seizure, by providing its criminal enforcement authorities with the authority to order such seizures.

[64] For the purposes of this paragraph, a Party may treat "copying" as synonymous with "reproduction".

SUBSECTION 5
ENFORCEMENT IN THE DIGITAL ENVIRONMENT

Article 11.75: Effective Action against Infringement in the Digital Environment

Each Party confirms that the enforcement procedures set out in Subsection 2 (Civil Remedies) and Subsection 4 (Criminal Remedies) shall be available to the same extent with respect to acts of infringement of copyright or related rights and trademarks, in the digital environment.

SECTION K
COOPERATION AND CONSULTATION

Article 11.76: Cooperation and Dialogue

1. The Parties recognise the importance of the utilisation and protection of intellectual property and enforcement of intellectual property rights in further promoting trade and investment among the Parties.

2. The Parties acknowledge the significant differences in capacity between some Parties in the area of intellectual property.

3. To facilitate the effective implementation of this Chapter, each Party shall cooperate with other Parties in the area of intellectual property, and engage in dialogue and information exchange on intellectual property issues.

4. The Parties shall endeavour to cooperate in order to promote education and awareness regarding the effective utilisation and protection of intellectual property and enforcement of intellectual property rights.

[65] For the purposes of this paragraph, a Party may determine specific criminal thresholds for unauthorised copying of a cinematographic work in accordance with its laws and regulations.