

**Decree-Law No. [ ]/2021 of [date]:**  
**Industrial Property Code of Timor-Leste**

The Constitution of the Democratic Republic of Timor-Leste recognizes the need for protection of the creation, production and commercialization of literary, scientific and artistic work, including the legal protection of copyrights. Article 1223 (1) of Civil Code establishes that copyright and industrial property rights are subject to special legislation. Both the Decree-Law No. 14/2018 of 17 August on the VIII Constitutional Government Organic Law (as amended by Decree-Law No. 27/2020 of 19 June) and Decree-Law No. 12/2019 of 14 June, Organic Law of the Ministry of Tourism, Commerce and Industry assign the General Directorate of Industry within the Ministry of Tourism, Commerce and Industry the responsibility to organize and administer a register of industrial property registry.

However, detailed legislation providing for clear and complete protection of intellectual property has not been enacted in Timor-Leste.

Intellectual property today is of enormous relevance to economic growth, job creation and the development of innovations. Intellectual property increasingly enhances the value of companies, both of technological and commercial nature, enabling return on investments made in innovation and creating competitive advantages that allow such companies to respond with more efficiency and security to the challenges imposed by the globalization of markets. However, successful commercialization of intellectual property-centered goods and activities requires modern intellectual property laws. Such laws also protect consumers from illicit and potentially dangerous goods such as counterfeit medicines and pirated software.

In addition, competitive participation in the increasingly integrated global economy requires an approach to intellectual property protection that is harmonized with international standards and practices. Formal adoption of such standards and practices is also required as a part of the forthcoming accession by Timor-Leste to the World Trade Organization (WTO) which requires acceding countries to comply with the requirements of the WTO Agreement on Trade-Related Aspects of Intellectual Property (TRIPS) as well as certain provisions in international conventions regulated by the World Intellectual Property Organization (WIPO). Adoption of common standards of intellectual property protection, combined with reliable enforcement, will enhance the competitive position of Timorese businesses and innovative industries. Proper intellectual property laws also play an important role in the facilitation of technology transfer because they assure international developers of important technologies that their property will be safeguarded from misappropriation and illicit use.

Therefore, the Government intends to establish a modern legal regime for the protection of intellectual property that will be consistent with internationally recognized best practices ascribed to by Timor-Leste's principal trading partners. While separate legislation will govern the creative fields of copyrights and related rights, this Code regulates the subset of intellectual

property known as “industrial property,” namely, the fields of **trademarks, patents, utility models, industrial designs, semiconductor product topographies, and trade secrets.**

Accordingly,

Pursuant to the legislative authorization granted under Articles 1 and 2 of Law no. XX/2022, of [day] [month], and under the terms established in Article 96 of the Constitution, the Government decrees, to be enforced as law, the following:

#### **Article 1**

##### **Approval of the Industrial Property Code**

The Industrial Property Code, which is published as an Annex to this legislation and is an integral part therewith, is hereby approved.

#### **Article 2**

##### **Repealing provision**

Any legislation of the Republic of Indonesia in the field of intellectual property in force in the Democratic Republic of Timor-Leste pursuant to United Nations Transitional Administration in East Timor Regulation 1999/1 on the Authority of the Transitional Administration in East Timor, as affirmed by Parliamentary Law No. 2/2002 of 19 May on Interpretation of Applicable Law and clarified by Parliamentary Law No. 10/2003 of 10 December on Interpretation of Section 1 of Law No. 2/2002 of 7 August 2002 and Sources of Law is hereby declared to have no further effect within Timor-Leste.

#### **Article 3**

##### **Entry into force**

This Decree-Law and the Industrial Property Code shall enter into force on the ninetieth day after its publication.

The Prime-Minister

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**Taur Matan Ruak**

The Minister of Tourism, Commerce and Industry

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**José Lucas do Carmo da Silva**

Promulgated in

To be published

The President of the Republic

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**Dr. Francisco Guterres Lú Olo**

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**ANNEX**  
**INDUSTRIAL PROPERTY CODE**

**CHAPTER I**  
**GENERAL PROVISIONS**

**Article 1**

**Purpose of the legislation**

1. This Code establishes the industrial property regime along with the principles and rules to which it is subject.

**Article 2**

**Scope of industrial property**

1. The industrial property system shall cover industry, trade and services as well as natural or manufactured products.

**Article 3**

**Scope of application**

1. This Code shall be applicable to all Timorese individuals and legal entities, nationals of Member States of international intellectual property agreements to which Timor-Leste has accessed, irrespective of official domicile, save for special provisions on competence and proceedings.
2. The Code shall also apply to legal entities having real and effective industrial or commercial establishments in Timor-Leste or in the territory of such a Member State.
3. Nationals of Member States of international organizations of which Timor-Leste is a member and nationals of any other States who have a domicile, in fact and not as a matter of form, in the territory of one of the Member States of these international organizations shall be assimilated for the purposes of this legislation.
4. The system of reciprocity shall apply to natural and legal persons not covered by the preceding paragraphs, notwithstanding any existing agreements between Timor-Leste and the person's country.

**Article 4**

**Function of industrial property**

1. The protection and enforcement of industrial property rights should contribute to the promotion of technological innovation and to the transfer and dissemination of technology, to the mutual advantage of producers and users of technological knowledge and in a manner conducive to social and economic welfare, and to a balance of rights and obligations.

2. The exercise of industrial property rights may be subject to measures necessary to protect public health and nutrition, to promote the public interest in sectors of vital importance to socio-economic and technological development in Timor-Leste, or to prevent practices which unreasonably restrain trade, provided that such measures are consistent with the provisions of this Code.

#### **Article 5**

##### **Guarantee of industrial property rights**

1. Industrial property shall enjoy the guarantees established under the law on property in general and under international conventions to which Timor-Leste is a party.

#### **Article 6**

##### **Effects**

1. Industrial property rights shall be valid throughout the whole national territory of Timor-Leste.

2. A grant of industrial property rights shall guarantee the veracity and authenticity of the titles by which they were conferred and shall assure the owners of their ownership and exclusive rights therein.

3. Notwithstanding the provisions of the preceding paragraph, the grant of industrial property rights shall imply only a legal presumption of the satisfaction of the requirements of the grant.

#### **Article 7**

##### **Provisional protection**

1. An application for a patent, utility model or registration shall provisionally grant the applicant, from the date of its publication in the Industrial Property Gazette, protection which is identical to that afforded by the granting of the right.

2. The provisional protection referred to in the preceding paragraph shall be binding even before publication on anyone who has been notified of the submission of the application and has received details of the case.

3. Court rulings relating to industrial property under provisional protection must be stayed until the final grant or refusal of the patent, utility model or registration.

#### **Article 8**

##### **Proof of rights**

1. Proof of the industrial property rights referred to in this Code shall be by means of titles.

2. The titles must contain the details necessary for accurate identification of the right to which they refer.

3. Industrial property rights certificates issued by international organizations with effect in Timor-Leste shall have the same value as the titles referred to in the preceding paragraphs.
4. Owners of industrial property rights may be issued certificates with content similar to that of the respective title.
5. The following may also be issued at the request of an applicant or owner:
  - a) application certificates; and
  - b) protection certificates for industrial property rights granted by international organizations with effect in Timor-Leste.

## **Article 9**

### **Restoration of applications**

1. An applicant for an industrial property right who, for reasons not directly attributable to him, has not met a deadline connected with the application procedure may request that the application be restored.
2. The request for restoration must be submitted in writing, duly substantiated, and submitted within a period of two months starting from the cessation of the event which prevented the meeting of the deadline but within one year of the end of the deadline missed.
3. The omitted act must be performed during the course of the two-month period referred to in the preceding paragraph.
4. The provisions of this Article shall not apply to the deadlines referred to in Article 218 of this Code if there is a pending process of declaration of lapse in relation to the same industrial property right.
5. Applicants whose applications are restored under this Article may not invoke claims against a third party who, in good faith during the period between the lapse and the restoration of the application, began the exploitation or commercialization of the subject of the application or carried out effective and serious preparations for such exploitation or commercialization. This limitation shall cease to apply immediately upon the grant or approval of the application.
6. Third parties who may avail themselves of the provision in the preceding paragraph may oppose the decision to restore rights of a registration applicant within two months of the date of notice of restoration of the application.

## **Article 10**

### **Transfers of rights in applications**

1. Rights derived from applications for patents, utility models or registrations may be assigned or licensed in whole or in part in accordance with the provisions of Article 84 with the necessary adaptations.

2. Refusal of an application shall result in expiry of a transfer referenced in the preceding paragraph.

## **CHAPTER II TRADEMARKS**

### **Section I Scope of Subject Matter**

#### **Article 11 Protectable Subject Matter**

1. A trademark may consist of any sign or any combination of signs capable of distinguishing the goods or services of one undertaking from those of other undertakings.
2. Such signs shall be eligible for registration as trademarks – in particular, words including personal names, letters, numerals, logos, figurative elements, colors and combinations of colors – as well as any combination of such signs.
3. A trademark may also consist of advertising slogans for goods or services to which they refer, irrespective of copyright protection afforded to them, provided they are of distinctive character.

#### **Article 12 Excluded Subject Matter**

1. The following are deemed not to meet the requirements provided for in the preceding Article:
  - a) signs that are not inherently capable of distinguishing the relevant goods or services;
  - b) signs that consist exclusively of indications that are or may be used in trade to designate the type, quality, quantity, purpose, value, geographic origin, period or means of production of the good or provision of the service, or other characteristics thereof;
  - c) signs that consist exclusively of designations or indications that have become customary in Portuguese or Tetum, or in bona fide and established commercial practice in Timor-Leste;
  - d) signs that consist exclusively of the shape imposed by the nature of the good itself, the shape of the good necessary for obtaining a technical result, or a shape that confers a substantial value on the good; and
  - e) single colors unless combined together or with graphics, wording or other elements in a particular and distinctive form
2. Any generic elements referred to in subparagraphs (a) – (c) of the preceding paragraph, if incorporated into composition of a trademark, shall not be for the exclusive use of the applicant.

**Article 13**  
**Collective and Certification Marks**

1. A collective mark is a specific sign belonging to an association of natural or legal persons whose members use it, or intend to use it, to distinguish the products or services of members of the association from the products or services of other entities.
2. A certification mark is a specific sign belonging to a natural or legal person who controls the products or services or establishes standards with which products or services must comply, with respect to the material, method of manufacture of the products or provision of services, quality, specifications or other characteristics of the products or services, with the exception of their geographic origin. This sign is intended to be used by a natural or legal person other than its owner on products or services subject to that control or for which standards have been established.
3. The provisions of this Chapter on trademarks shall apply to collective and certification marks, with the relevant adaptations.

**Section II**  
**Registration**

**Article 14**  
**Right to registration**

1. The right to register a trademark shall belong to the natural or legal person who is using or who intends to use the trademark in commerce, in particular:
  - a) industrialists or manufacturers, for the purpose of distinguishing the goods they manufacture;
  - b) traders, for the purpose of distinguishing the goods they sell;
  - c) farmers and producers, for the purpose of distinguishing the products of their activities;
  - d) artists and craftsmen, for the purpose of distinguishing the products of their art, craft or profession; and
  - e) service providers, for the purpose of distinguishing their activities.
2. The right to register a collective mark shall belong to the association of natural or legal persons that controls and manages the use of the mark by its members.
3. The right to register a certification mark shall belong to the natural or legal person who controls the products or services or establishes standards applied for the use of the mark.
4. Registration and protection of the collective or certification mark of a foreign association shall not be denied on the ground that such association is not established in Timor-Leste or constituted according to its laws.
5. The Government of Timor-Leste and other public entities may register their trademarks, provided that they satisfy all applicable legal requirements.



## **Article 15**

### **Priority**

1. The natural or legal person who first files a valid application to register a trademark shall be presumed to have the right of priority to register that trademark.

2. Notwithstanding paragraph 1 of this Article, any person using an unregistered trademark in commerce for a period of no more than six months shall have the right of priority, during that period, to register the trademark and may oppose any registration applications made by others. An applicant claiming priority under this provision shall document the claimed use in commerce as required by the General Directorate of Industry.

## **Article 16**

### **Determination of priority dates**

1. If applications are filed by mail, priority shall be assessed by the date of the postmark.

2. In the event of two applications for the same trademark being simultaneous or having identical priority, the applications shall not proceed until the interested parties have settled the issue of priority, by agreement or in the competent court.

3. If a trademark registration application is not initially accompanied by all elements required under this Chapter, priority shall begin from the date at which the last missing document is submitted.

4. If a trademark is materially altered in relation to the initial publication, a new notice shall be published in the Industrial Property Gazette and the priority of the alteration shall count from the date on which it was requested.

## **Article 17**

### **Application for registration**

1. An application to register a trademark shall be made by application form, completed in Portuguese or Tetum, indicating or containing:

- a) the applicant's name, trade name or company name, nationality and his domicile or the place where he is based;
- b) the goods or services with which the trademark is used or is intended to be used, grouped in accordance with the categories in the International Classification of Goods and Services for the Purposes of the Registration of Marks and defined in precise terms, preferably using the alphabetical terms in the list of the aforementioned classification;
- c) express indication that the mark is a collective or certification mark, if applicable;
- d) express indication that the mark is a three-dimensional or sound mark, if applicable;
- e) the registration number of any award featured or referred to in the trademark;
- f) the colors featured in the trademark, if these are claimed as a distinctive element;
- g) the country of first application for registration of the trademark, and the date and the number of that application, in the event that the applicant claims a right of priority based on a prior foreign filing;

- h) indication of the date from which the applicant has been using the trademark, in the case provided for in paragraph 2 of Article 15;
- i) the signature of the applicant or his representative; and
- j) a declaration signed by the applicant attesting to the truthfulness of the information contained in the application.

2. The classifications indicated in compliance with subparagraph (b) of the preceding paragraph shall be considered to include all goods and services covered by the literal meaning of the classifications indicated and shall be deemed to establish the scope of the registration application.

3. Applications may be filed in electronic format under the conditions to be regulated by the General Directorate of Industry.

### **Article 18** **Supporting documents**

1. The following documents must be attached to an application for trademark registration:

- a) two representations of the trademark, whether photocopies or drawings, printed or affixed in the space intended for them on the form;
- b) where a color or combination of colors is claimed, the representation mentioned in the preceding subparagraph must display the colors claimed; and
- c) where a musical phrase is claimed, a graphic or audio representation of the sounds that constitute the trademark.

2. The application must also be accompanied by the following elements:

- a) where the application concerns a foreign trademark, an authorization from the holder of the registration for which the applicant is an agent or representative in Timor-Leste;
- b) authorization of any person other than the applicant whose name, trade name, company name, logo, emblem or picture appears in the trademark;
- c) in the case of collective and certification marks, indication of the legal and statutory provision or internal regulations that govern the use of the mark;
- d) authorization from the applicable authority to include in the trademark, or as an element of the trademark, any flags, coats of arms, shields, escutcheons, crests, emblems or distinctions of State, municipalities or other national or foreign public or private bodies, distinguishing signs, seals and official stamps, fiscal and guarantee stamps, private emblems or denominations of legal persons of public interest to the extent that use of such elements are not precluded under Article 27;
- e) certificate of honor or other distinction referred to or reproduced in the trademark; and
- f) registration certificate establishing the right to include in the trademark the name or any reference to a particular rural or urban property and authorization from the owner for this purpose, if the applicant is not the owner of such property.

3. Failure to meet the requirements referred to in the preceding paragraph shall not affect the relevance of the application for the purposes of priority.

4. If a trademark features inscriptions in little-known or non-Latin script, the applicant shall submit a transliteration and, if possible, a translation of said inscriptions.

#### **Article 19**

##### **Single registration**

1. There may only be one registration for the same trademark used or intended for the same good or service.

#### **Article 20**

##### **Division of applications**

1. At the initiative of the applicant, an application may be divided into a number of applications, each of which retains the date of the initial application and, if applicable, the benefit of the right to priority.

2. An application divided pursuant to the preceding paragraph may only contain elements that correspond to the content of the initial application.

#### **Article 21**

##### **Formal review and correction**

1. The General Directorate of Industry shall promptly review all duly filed trademark applications to verify their formal completeness. In particular, the General Directorate of Industry shall verify the accuracy of the classifications referred to in subparagraph (b) of paragraph 1 of Article 17 and make any necessary corrections.

2. If, on formal review, it is found that the application for registration was not correctly formulated, the applicant shall be so notified by the General Directorate of Industry and invited to re-file the application in the form indicated.

3. An applicant may, on his own initiative and before publication of the application, reformulate the application in a different form to that which was initially filed. Any substantive changes to the content of an application shall be deemed to constitute a new application for purposes of determining the priority date of the application.

#### **Article 22**

##### **Publication of the application**

1. Within 30 days of completing any corrections required under the preceding Article, the General Directorate of Industry shall cause notification of the application to be published in the Industrial Property Gazette, with a notice that the registration may be opposed by any interested party.

2. The publication of the application shall include a reproduction of the trademark and a summary of the elements to which paragraph 1 of Article 17 refers, in particular, the

classification of the goods or services with which the trademark is used or is intended to be used.

3. The publication of the application shall state, in brief, the filing requirements applicable to the submission of oppositions along with the deadline applicable to the published application.

### **Article 23**

#### **Opposition**

1. An opposition to the registration of a trademark shall clearly state the legal grounds therefor and shall include any documents necessary to support the facts alleged in the opposition.

2. The time limit for submitting oppositions shall be two months as of publication of the application in the Industrial Property Gazette. The General Directorate of Industry shall promptly notify applicants of any oppositions and the substance thereof.

3. The applicant may reply to oppositions within two months of notification thereof.

4. At the request of an interested party, an opposing party or an applicant, the time limits for opposition may be extended for a maximum additional period of four months.

### **Article 24**

#### **Examination**

1. Upon the expiry of the opposition period, the General Directorate of Industry shall examine the application to determine registrability of the trademark, taking into account the various grounds for refusal set out in this Chapter as well as any oppositions filed by interested parties and the applicant's replies thereto.

### **Article 25**

#### **Provisional and final decisions**

1. The General Directorate of Industry shall provisionally grant registration if the examination specified in Article 24 does not reveal any grounds for refusal and it finds any oppositions filed to be groundless.

2. The General Directorate of Industry shall provisionally refuse registration if the examination reveals any grounds for refusal or if it finds any oppositions filed, considered together with the applicant's reply thereto, to be well-founded.

3. The General Directorate of Industry shall notify the applicant and any opposing parties of its provisional decision within six months from the date of expiry of the opposition period referenced in Article 24. It shall invite all parties to file a response to the provisional decision within two months. In the absence of any filed responses, the provisional decision shall automatically become final. This period may be extended once for the same period of time at the request of any party.

4. New extensions may only be granted by the amount of time referred to in the preceding paragraph if there is no prejudice to the rights of third parties.

5. Within two months of the expiry of the response period, the General Directorate of Industry shall render its final decision to refuse or to grant the application for registration based on the totality of all submissions. General Directorate of Industry shall promptly notify all parties of the final decision and shall publish the decision in the Industrial Property Gazette.

## **Article 26**

### **Grounds for refusal of registration**

1. Registration of a trademark shall be refused if:

- a) it consists of signs that cannot be represented graphically or otherwise;
- b) it consists of signs that are not inherently capable of distinguishing the relevant goods or services;
- c) it consists exclusively of signs or indications excluded under subparagraphs (b) – (e) of paragraph 1 of Article 12; or
- d) the application for registration is filed by the agent or representative of the holder of a trademark registered abroad without authorization of the trademark holder and seeking registration of the trademark in the agent's or representative's own name.

2. Registration of a trademark consisting of signs or indications referred to in subparagraphs (a) – (c) of paragraph 1 of Article 12 shall not be refused if such signs or indications have acquired distinctive character through use.

3. Registration of a trademark shall not be refused due to the nature of the goods or services to which the mark is applied or is intended to be applied.

4. Registration of a trademark by a national of any member state of an international intellectual property agreement to which Timor-Leste is a signatory may not be refused or invalidated on the ground that filing, registration or renewal has not been effected in the country of origin.

## **Article 27**

### **Other grounds for refusal**

1. An application to register a trademark shall also be refused if it does not comply with the requirements of Articles 11, 14 or 19 or with respect to trademarks which contain, in all or some of their elements, any of the following:

- a) flags, coats of arms, shields and emblems or other distinctions of State, municipalities or other public bodies, national or foreign, without the competent authorization and covered by International Conventions to which Timor-Leste is a party;
- b) distinctive signs, seals and official stamps, fiscal and guarantee stamps, with regard to trademarks intended for goods and services, identical or similar, to those in which the same are applied, unless with authorization;

- c) coats of arms or heraldic emblems, medals, decorations, surnames, titles and honors to which the applicant does not have the right or, if he does have such right, if the use thereof in the trademark should give rise to disrespect and discredit for such sign;
- d) the emblem or sign of public interest institutions or of bodies to which the Government has granted exclusive rights to their use, except with special authorization;
- e) imaginary medals or designs which may be confused with official decorations or with medals and awards granted in competitions and official exhibitions;
- f) a business or corporate name, logo, establishment name and insignia, or merely a characteristic part thereof, that do not belong to the applicant or where the applicant is not authorized to use them, if the use of such name or other sign is likely to mislead or confuse the consumer;
- g) names, portraits or any expressions or figurations without the authorization being obtained from the persons they relate to or, if such persons are deceased, the authorization of the heirs or relatives to the fourth degree or, if authorization is obtained, if the use thereof generates disrespect or diminution of prestige for those persons;
- h) signs which are a violation of copyright or industrial property rights;
- i) signs of a high symbolic value, such as religious symbols, unless these are authorized by the appropriate authority;
- j) expressions or figures that are contrary to national or community law, public order and morality;
- k) signs that may mislead the public, namely as to the nature, properties, utility or geographical origin of the good or service for which the trademark is designed, and in particular, signs which contain or consist of a geographical indication with respect to goods not originating in the territory indicated, if use of the indication in a trademark for such goods in Timor-Leste would mislead the public as to the true place of origin; or
- l) reproduction or imitation of all or part of a trademark previously registered by another person for identical or similar goods or services that may mislead or confuse the consumer, or falsely suggest association with the prior registered trademark.

## **Article 28**

### **Imitation of unregistered packaging or labels**

1. Registration shall also be refused for trademarks which are a reproduction or imitation of a certain external feature, namely packaging or labels, including the form, coloring and layout of wording, medals, awards and other elements that are incorporated in trademarks previously registered.
2. Parties interested in opposing trademark applications under this Article may only take part in the respective proceedings after they have filed an application for registration of their trademark with the external features referred to in the preceding paragraph.

## **Article 29**

### **Well-known marks**

1. Registration shall be refused, and use shall be prohibited, with regard to a trademark which constitutes a reproduction, imitation or translation of a trademark considered by the General

Directorate of Industry to be well-known in Timor-Leste as being already a mark used for identical or similar goods or services, where the use of the newer mark would be liable to create confusion. This provision shall also apply when an essential part of the mark constitutes a reproduction of a well-known mark or an imitation that is liable to create confusion therewith.

2. The provisions of the preceding paragraph shall also apply to goods or services which are not similar to those in respect of which a trademark is registered, provided that use of that trademark in relation to those goods or services would indicate a connection between those goods or services and the owner of the registered trademark, and provided that the interests of the owner of the registered trademark are likely to be damaged by such use.

3. Parties interested in opposing trademark applications under this Article may only take part in the respective proceedings after they have filed an application for registration of the trademark giving rise to such interest.

4. In determining whether a trademark is well-known, the General Directorate of Industry shall take account of the knowledge of the trademark in the relevant sector of the public, including knowledge in Timor-Leste which has been obtained as a result of the promotion of the trademark.

### **Article 30**

#### **Partial refusal and non-exclusivity**

1. Whenever there are grounds for refusing registration of a trademark only with respect to some of the goods or services for which it was applied, the refusal shall apply only to those specific goods or services.

2. At the request of the applicant or an opposing party or upon its own initiative, the General Directorate of Industry shall identify, in the decision to grant the registration of a trademark, the elements that make up the trademark for which the applicant does not have exclusive rights of use.

### **Section III**

#### **Protection Term and Exclusive Rights**

### **Article 31**

#### **Duration**

1. The duration of an initial trademark registration shall be 10 years, counting from the date of the grant of registration.

2. The registration of a trademark shall be renewable indefinitely for ten-year periods.

## **Article 32**

### **Declaration of continued use**

1. Five years after the date of registration or renewal, the trademark holder shall submit a declaration of continued use of the trademark to the General Directorate of Industry, supported by such proof of use as the General Directorate of Industry shall require.
2. A declaration of continued use shall be submitted within the one-year period commencing six months before and ending six months after the term of five years to which it relates.
3. The trademarks for which no timely declaration is submitted shall not be binding on third parties, and the expiry of the respective registration shall be declared by the General Directorate of Industry at the request of any interested party or when prejudice to the rights of third parties at the time of granting other registrations is found.
4. If expiry of a registration is not requested or declared on the basis of this Article, the registration may continue in full force once the trademark holder complies with the requirements of paragraphs 1 and 2 of this Article.
5. In the case provided for in paragraph 3 of this Article, notification of the trademark holder shall always take place.

## **Article 33**

### **Indication of the registration**

1. During the term of the registration, the trademark holder may use the words "Marca Registrada", the initials "M.R.," "R" or "®" on the goods or in connection with the provision of services.
2. No indication of the registration of the trademark is required upon the goods as a condition of recognition of the right to protection.

## **Article 34**

### **Rights conferred by registration**

1. The holder of a registered trademark shall have the exclusive right to prevent all third parties not having the holder's consent from using in the course of trade identical or similar signs for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion. In case of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed. Such rights shall not prejudice any rights acquired by the trademark holder before the date of filing the registration application or the date of the claimed priority.
2. For purposes of the preceding paragraph, use in the course of trade shall be deemed to include the following:
  - a) the affixing of the sign to goods, their packaging or any other means by which they are presented;



- b) the offer of goods for sale that bear the sign, as well as the placing on the market or storage for that purpose, or the offer or provision of services that bear the sign;
- c) import or export of goods on which the sign appears;
- d) the use of the sign, in whole or in part, as a firm or company name or as a characteristic part of that firm or name; or
- e) the use of the sign in commercial documents and in advertising.

3. When practiced in the course of commercial operations, the trademark holder has the right to prevent the following preparatory acts:

- a) the affixing of an identical or similar sign on packaging, labels, tags, elements or devices for security or authenticity, or any other articles on which the mark may be affixed, if there is an appreciable risk that such articles may be used with respect to goods or services in such a manner as to infringe the rights of the trademark holder; and
- b) the offering, placing on the market, storage, import or export of packaging, labels, tags, elements or devices for security or authenticity, or any other articles on which an identical or similar sign has been affixed, if there is an appreciable risk that such articles may be used with respect to goods or services in such a manner as to infringe the rights of the trademark holder.

### **Article 35**

#### **Exhaustion of rights**

1. The rights conferred by registration shall not allow the trademark holder to prohibit the use of the trademark on goods commercialized by itself or with its consent in Timor-Leste.
2. The preceding paragraph shall not apply whenever there are legitimate grounds for the prohibition, such as if the goods are modified or altered after they are placed on the market.

### **Article 36**

#### **Limits to rights conferred by the registration**

1. The rights conferred by registration of a trademark shall not entitle the trademark holder to prevent third parties from using the following in the course of trade, provided that such use is carried out in conformity with the law and with honest practices in industrial and commercial matters:
  - a) their own name and address;
  - b) descriptive terms relating to the type, quality, quantity, purpose, value, geographical origin, and period and means of production of the good or service or other features of the goods or services; or
  - c) the trademark, where required to indicate the purpose of a good or service, such as in the form of accessories or spare parts.

### **Article 37**

#### **Non-alterability of a trademark**

1. A trademark must be kept unaltered. Any change to its constitutive elements shall be the subject of a new registration.

2. Excepted from the preceding paragraph shall be simple modifications that do not affect the identity of the trademark and only affect its proportions, the material on which it has been stamped, printed or reproduced and the ink or color, if these have not been expressly claimed as one of the specific features of the trademark.

3. The identity of a trademark shall also not be affected by the inclusion or deletion of an express indication of the good or service for which the trademark is designed nor by any alteration of the trademark holder's domicile or place of business.

4. A trademark consisting of a word or words shall only be subject to the rules of non-alterability in relation to the expressions that make up the trademark. It may be used with any figurative aspect, provided it does not violate the rights of third parties.

## **Section IV**

### **Licensing and Assignment**

#### **Article 38**

#### **Transfers**

1. Trademarks shall be transferable where transfer will not mislead the public, particularly as regards the origin, nature, or essential qualities of the goods to which the trademark is applied.

2. Trademark transfers shall be drawn up in writing and shall be registered with the General Directorate of Industry.

3. Trademark rights may be subject to a total or partial exploitation license, free of charge or in return for payment, in part or all of the country, for the whole of their duration or for a set period.

4. A license shall be considered nonexclusive unless stated otherwise.

5. An exclusive license shall entail the trademark holder's renunciation of the right to grant other licenses for the rights which are the subject of the license for as long as the license is in force.

6. The holder of a registered trademark shall have the right to assign the trademark with or without the transfer of the business to which the trademark belongs.

7. The transfer of an enterprise implies the assignment of its trademarks, unless otherwise stipulated by contract.

8. If a name, emblem of establishment, or trademark contains the individual, business or company name of the holder or of an applicant for registration or of his representative, a specific contractual clause shall be necessary for its assignment.

## **Article 39**

### **Limitations on transfers**

Collective and certification marks shall not be transferrable except where permitted by a special provision in the law, statutes or regulations.

## **Article 40**

### **Licensees**

1. The holder of a trademark may assert applicable contractual and infringement claims against a licensee that acts outside the terms of the licensing contract, particularly relating to the contract's term of validity, the identity of the trademark, the nature of the goods or services for which the license was granted, the demarcation of the license zone or territory, or the quality of the goods manufactured or services provided by the licensee.
2. Unless stipulated to the contrary by the terms of the license, a licensee may only institute an action alleging the infringement of a trademark right with the consent of the trademark holder or where the trademark holder fails to initiate such action within six months of notification by the licensee of the alleged infringement.
3. Under the terms and deadlines provided for in the Civil Procedure Code, any licensee may intervene in the action alleging infringement of a trademark right in order to obtain compensation for his loss.

## **Section V**

### **Termination of Trademark Registration or Rights**

## **Article 41**

### **Invalidation**

1. A trademark registration shall be invalidated if:
  - a) the registration was granted in violation of subparagraphs (a) – (c) of paragraph 1 of Article 26; or
  - b) the registration was granted in violation of in subparagraphs (a) – (e), (i), or (l) of Article 27.
2. Invalidation proceedings may be initiated at any time by any interested party.

## **Article 42**

### **Cancellation**

1. A trademark registration may be cancelled if:
  - a) the registration was granted in violation of the provisions of subparagraph (d) of paragraph 1 of Article 26; subparagraphs (f) – (h), (j) or (k) of Article 27; Article 28; or Article 29; or
  - b) it is found that the registrant intends to practice unfair competition or that such unfair competition would be possible regardless of his intentions.

2. Parties interested in the cancellation of registrations on the grounds mentioned in Article 29 may only take part in cancellation proceedings after they have filed an application for registration of the trademark giving rise to such interest.

3. A registration may not be cancelled if the already existing trademark invoked in an opposition does not satisfy the requirement of use as defined in paragraph 2 of Article 44.

4. Cancellation actions must be submitted within the ten-year period beginning on the date of issue of the registration grant.

5. Cancellation actions for trademarks registered in bad faith may be initiated at any time.

#### **Article 43**

##### **Incontestability**

1. The holder of a registered trademark that has factual knowledge of and tolerates the use of a subsequent registered trademark for a period of five consecutive years shall forfeit the right, based on ownership of a prior trademark, to apply for cancellation of the registration of the later trademark or to oppose its use in relation to the goods or services with which the later trademark has been used. However, no time limit shall be fixed to apply for the cancellation or the prohibition of the use of marks registered or used in bad faith.

2. The five-year period provided for in the preceding paragraph shall begin on the date on which the trademark holder becomes aware of the use.

3. The holder of a subsequently registered trademark may not oppose the pre-existing right, even if that right cannot be invoked against the later trademark.

#### **Article 44**

##### **Cancellation for non-use**

1. The General Directorate of Industry may, *ex officio* or on the request of an interested party, cancel a trademark registration after an uninterrupted period of five years of non-use, unless valid reasons based on the existence of obstacles to such use are shown by the trademark holder. Circumstances arising independently of the will of the trademark holder which constitute an obstacle to the use of the trademark, such as import restrictions on or other government requirements for goods or services protected by the trademark, shall be considered valid reasons for non-use.

2. The following shall be recognized as use of the trademark for the purpose of maintaining the registration:

a) use of the trademark in its registered form or in a form that only differs in elements that do not alter its distinctive character, whether by the trademark holder or a licensee with a duly registered license;

b) use of the trademark, as defined in the preceding subparagraph, for goods or services destined for export only;

- c) use of the trademark by a third party when subject to the control of the trademark holder;
- d) use of a collective or certification trademark carried out with the consent of and in accordance with the conditions of the trademark holder; or
- e) use of a certification trademark carried out by a qualified person.

3. Registration shall not be cancelled under this Article if bona fide use of the trademark in commerce commences or is resumed before the General Directorate of Industry cancels the registration.

4. The period referred to in paragraph 1 of this Article shall begin on the date of registration of the trademark.

#### **Article 45**

##### **Procedure for declaration of invalidation and cancellation**

1. An interested party may submit to the General Directorate of Industry a request for declaration of invalidation and cancellation of a trademark registration. The request shall be submitted by means of an application written in Portuguese or Tetum and containing the legal grounds on which the request is based. The General Directorate of Industry shall promptly serve a copy of the request upon the trademark holder against whom the request is made.

2. For purposes of this Article, an interested party is understood to be:

- a) any natural or legal person as well as any representative association of manufacturers, producers, service providers, traders or consumers; and
- b) the holder of one of the rights or interests referred to in paragraphs (f) – (l) of Article 27, Article 28 or Article 29.

3. A request for declaration of invalidation and cancellation shall be based on the grounds stated in Article 41, Article 42 or Article 44.

4. The General Directorate of Industry shall dismiss a request for declaration of invalidation or cancellation if a request related to the same object and the same cause of requesting between the same parties has already been the subject of a final decision on the merits, whether administrative or judicial.

5. The trademark holder against whom a request for declaration of invalidation or cancellation is brought shall respond to the request within two months of receiving the request. At the request of any party or at the initiative of the General Directorate of Industry, this period may be extended for one additional month.

6. It is the responsibility of the trademark holder or licensee, if applicable, to provide proof of use of the trademark to the extent applicable to the grounds for the request for declaration of invalidation or cancellation.

7. The General Directorate of Industry shall grant the request for declaration of invalidation or cancellation if the trademark holder does not file a timely response.

8. Within two months of the expiry of the response period, the General Directorate of Industry shall, based on the totality of all submissions, render its decision on the request for a declaration of invalidation or cancellation. General Directorate of Industry shall promptly notify all parties of the final decision.

9. An invalidation or cancellation procedure shall be terminated before a decision is reached if the respective application is withdrawn.

#### **Article 46**

##### **Finalization of invalidation or cancellation**

1. A decision by the General Directorate of Industry under paragraph 8 of the preceding Article shall be appealable by either party to the competent court.

2. An invalidation or cancellation shall enter into force after it has been declared following conclusion of the full procedure. A final invalidation or cancellation shall be entered in the register and published in the Industrial Property Gazette.

#### **Article 47**

##### **Effect of declaration of invalidation or cancellation**

A declaration of invalidation or cancellation shall have the effects provided for under civil law.

#### **Article 48**

##### **Expiry**

1. The General Directorate of Industry shall, *ex officio* or on the request of an interested party, declare the expiry of a trademark registration in the following cases:

- a) expiration of the registration term; or
- b) default of payment of fees.

2. Expiry of a registration shall also be declared if, after the date on which the registration was made:

- a) the trademark itself becomes the usual designation in trade for the good or service for which it was registered as a consequence of the activity or inactivity of the trademark holder; or
- b) the trademark becomes likely to mislead the public, namely as to the nature, quality and geographical origin of the goods or services, as a result of the use of the trademark by the trademark holder or by a third party with the holder's consent for the goods or services for which it was registered.

3. Expiry of a collective or certification trademark registration shall be declared if:

- a) the legal person in whose name it was registered ceases to exist; or
- b) that legal person consents to the trademark being used in a fashion contrary to its general purposes or to statutory provisions.

4. Whenever there are grounds for expiry of a trademark registration only in relation to some of the goods or services it was designed for, the expiry shall affect only those goods or services.

5. Notwithstanding sub-paragraph (b) of paragraph 1 of this Article, a period of grace of six months shall be allowed for the payment of the fees prescribed for the maintenance of industrial property rights, subject to the payment of a surcharge.

#### **Article 49**

##### **Waiver**

1. Any trademark holder may waive his trademark rights by written declaration to the General Directorate of Industry.

2. The General Directorate of Industry shall enter waivers of trademark rights in the register and publish the same in the Industrial Property Gazette.

#### **Article 50**

##### **Trademark registry**

1. In connection with the protection of trademarks, the following shall be registered by the General Directorate of Industry:

- a) assignment, licensing and waiver of trademark rights;
- b) liens, attachments and other encumbrances affecting ownership of trademark rights;
- c) final decisions to invalidate or cancel registrations; and
- d) any other events or decisions that modify or extinguish trademark rights.

2. The matters referred to in the preceding paragraph shall only take effect in relation to third parties after the date of their registration.

3. Events subject to registration, even if not yet registered, may be invoked by the parties or their successors in their interactions.

### **CHAPTER III INVENTIONS**

#### **Section I Patents**

##### **Sub-Section I Scope of Subject Matter**

## **Article 51**

### **Subject matter of patents**

1. Any inventions, whether products or processes, shall be patentable if they are new, involve an inventive step and are industrially applicable, regardless of the place of invention, the field of technology and whether products are imported or locally produced.
2. New inventions shall be patentable even if they involve a product composed of biological material or which contains biological material or a process that allows for the production, treatment or use of biological material.
3. New processes for obtaining products, substances or compositions already known may also be the subject of a patent.

## **Article 52**

### **Patentability requirements**

1. An invention shall be considered new if it does not form part of the state of the art.
2. An invention shall be considered to involve an inventive step if the invention would not have been obvious from the state of the art to a person skilled in the art.
3. An invention shall be considered industrially applicable if it can be made or used in any kind of industry or in agriculture.

## **Article 53**

### **State of the art**

1. The state of the art shall be deemed to comprise everything which, inside or outside the country, is available to the public before the date of the patent application, whether by description, use or any other means.
2. The state of the art shall also be deemed to include the content of any unpublished patent or utility model application filed on a date prior to the patent application with effect in Timor-Leste, as long as it will be published on the same date or a later date than the patent application.

## **Article 54**

### **Non-disqualifying disclosures**

1. The following disclosures shall not prejudice the novelty of an invention:
  - a) disclosures to scientific societies, to professional technical associations, for the purpose of competitions, or at trade fairs or official exhibitions recognized under the International Exhibition Convention if the application for the corresponding patent is filed in Timor-Leste within six months of such disclosure; or
  - b) disclosures resulting from evident abuse of the inventor or his successor or from publications made improperly by the General Directorate of Industry.



2. The provision in subparagraph (a) of the preceding paragraph is only applicable if the applicant proves, within one month from the date of the patent application, that the invention was effectively exposed or disclosed under the terms provided for in that subparagraph, presenting, for this purpose, a certificate issued by the entity responsible for the exhibition and showing the date on which the invention was first exposed or disclosed in that exhibition as well as the identification of the invention in question.

## **Article 55**

### **Special cases of patentability**

1. The following may be patented:

- a) a substance or composition included in the state of art for the execution of one of the methods mentioned in paragraph 3 of Article 56, on condition that its use, for whichever method listed there, is not included in the state of the art;
- b) an invention which meets the criteria of paragraph 1 of Article 51 and whose industrial application relates to an element isolated from the human body or produced in another way by a technical process. Such invention may include the sequence or partial sequence of a gene, even if the structure of that element is identical to that of a natural element, provided that the industrial application of such genetic sequence is expressly observed and specifically described in the patent application;
- c) without prejudice to subparagraph (b) of paragraph 3 of Article 57, an invention having as its object a plant or animal, if the technical feasibility of the invention is not confined to a particular plant or animal variety;
- d) biological material which is isolated from its natural environment or produced by means of a technical process, even if it previously occurred in nature; or
- e) an invention which concerns a microbiological process or other technical processes, or products obtained by these processes.

2. Microbiological process means any process involving or performed upon or resulting in microbiological material.

3. Biological material means any material containing genetic information and capable of reproducing itself or being reproduced in a biological system.

## **Article 56**

### **Limitations on patentable subject matter**

1. The following are not patentable:

- a) scientific theories, mathematical methods and mere discoveries;
- b) materials or substances which already exist in nature;
- c) nuclear materials for weapons;
- d) aesthetic creations;
- e) plans, projects, principles, rules and methods for performing purely intellectual activities such as playing games or conducting business activities; and
- f) presentations of information.

2. The provisions of the preceding paragraph only exclude patentability when the object for which the patent is requested is limited to the elements mentioned in that paragraph.

3. Diagnostic, therapeutic and surgical methods for the treatment of humans or animals may not be patented. However, products, substances or compositions used in any of these methods may be patented.

#### **Article 57**

##### **Exclusion from patentability**

1. Inventions shall be excluded from patentability where their commercial exploitation would be contrary to public order, national security or morality, or would prejudice the environment or human, animal or plant life or health.

2. Under the terms of the preceding paragraph, the following are not patentable:

- a) processes for cloning of human beings;
- b) processes for modifying the genetic identity germline of human beings;
- c) processes for use of human embryos for industrial or commercial purposes; and
- d) processes for modifying the genetic identity of animals in a manner likely to cause them suffering without any substantial medical benefit for man or animal, and also any animals resulting from such processes.

3. The following shall also not be patentable:

- a) the human body, at various stages of its formation or development, as well as the simple discovery of one of its elements, including the sequence or partial sequence of a gene, without prejudice to the provisions of subparagraph (b) of paragraph 1 of Article 55;
- b) plant or animal varieties other than micro-organisms, as well as the essentially biological processes for the production of plants or animals other than non-biological and microbiological processes.

4. Essentially biological process for the production of plants or animals means any process which consists entirely of natural phenomena such as crossing or selection.

#### **Article 58**

##### **Relationship to utility models**

1. The protection of an invention which meets the conditions set out in Article 52 may be applied, at the choice of the applicant, to a patent in accordance with this Section or to a utility model in accordance with Section II of this Chapter.

2. The same invention may be the subject matter, simultaneously or successively, of a patent application and a utility model application.

#### **Article 59**

##### **General rule on the right to the patent**

1. The right to the patent shall belong to the inventor or his successors.

2. If there are two or more authors of a single invention, any one of them shall be entitled to apply for the patent in the name of all.

#### **Article 60**

##### **Inventions developed in connection with employment**

1. If an invention is developed during the fulfillment of an employment contract which provides for inventive activity, the right to the patent shall, in the absence of an express agreement to the contrary, belong to the employer.

2. In the case referred to in the preceding paragraph, if the inventive activity is not specifically remunerated, the inventor shall be entitled to remuneration in keeping with the value of the invention.

3. Regardless of the conditions stipulated in paragraph 1 of this Article:

a) if the invention forms part of the employer's area of activity, the employer shall have the right to the patent in exchange for remuneration in keeping with the value of the invention. The employer shall also have the right to assume ownership of the respective property, to exploit the invention, to acquire the patent, or to apply for or acquire a foreign patent on the invention;

b) the inventor must inform his employer about the invention he has made within three months starting from the date of completion of the invention;

c) if, during that period, the inventor should file a patent application for that invention, the deadline for informing the employer shall be one month from the filing of the respective application with the General Directorate of Industry;

d) the inventor shall be liable under civil and employment law for noncompliance with the obligations referred to in subparagraphs (b) and (c) of this paragraph; and

e) the employer may exercise its right of option within a period of three months starting from the receipt of notification of an invention from the inventor.

4. If, in the terms set out in subparagraph (e) of the preceding paragraph, the remuneration due to the inventor is not fully paid within the deadline established, the employer shall lose the right to patent referred to in the preceding paragraphs, in favor of the inventor.

5. Inventions for which the patent is filed during the year following the date on which the inventor left the company shall be considered to have been made during the performance of the employment contract, unless otherwise agreed in writing between the parties.

#### **Article 61**

##### **Commissions and public contracts**

1. Unless otherwise agreed, the provisions of the preceding Article shall apply, with the necessary adaptations, to inventions made to order and to contracts in which the State or another public body is a party.

#### **Article 62**

##### **Prohibition of anticipated waiver**

1. Inventors' rights may not be waived in advance.

**Article 63**  
**Right to be named**

1. The inventor shall have the right to be mentioned, named or designated as such in the patent application and in the patent.
2. The inventor may be not mentioned, named or designated as such in the publications which arise from the patent application if he requests in writing not to be mentioned, named or designated.

**Article 64**  
**Application to other industrial property rights**

1. The provisions of this Code relating to patents shall apply, with the necessary adaptations, in all matters which are not expressly set out for the other private industrial property rights and which are not contrary to the character of each one.

**Sub-Section II**  
**Patent Registration**

**Article 65**  
**Unity of the invention**

1. Applications may only be filed for a single patent and each patent shall relate to a single invention.
2. A group of inventions so linked as to form a single general inventive concept shall be considered a single invention for the purposes of a patent grant.

**Article 66**  
**Form of application**

1. A patent application shall be written in Portuguese or Tetum and shall indicate or contain:
  - a) the applicant's name, trade name or company name, nationality and/or his domicile or the place where he is based and his email address, if any;
  - b) a heading or title which summarizes the subject of the invention;
  - c) the name and country of residence of the inventor;
  - d) the country where the first application was filed, with the date and number of said application, if the applicant intends to claim right of priority based on a foreign filing;
  - e) the mention of the application for a utility model for the same invention, if applicable, pursuant to Article 58; and
  - f) the signature of the applicant or his representative.
2. Any fanciful or imaginary expression used to designate the invention shall form no part of the claim but may be registered as a trademark if eligible under the provisions of Chapter II of this Code.
3. Applications shall be filed with the General Directorate of Industry and may be filed electronically according to the regulations promulgated by that authority.

## **Article 67**

### **Application submissions**

1. Applications shall be accompanied by the following elements, in duplicate, with Portuguese or Tetum translations if necessary:

- a) description of the subject matter of the invention;
- b) claims of what is considered novel about the invention and which characterizes the invention;
- c) the drawings necessary for a clear and complete understanding of the description; and
- d) a summary of the invention.

2. Applications shall be accompanied by the applicable fee as set forth in the implementing regulations promulgated by the General Directorate of Industry.

## **Article 68**

### **Content**

1. The claims shall define the subject matter of the requested protection. Claims shall be clear, concise and written correctly and shall provide the necessary definition of the subject matter of the invention.

2. The description shall indicate, without reservations or omissions, everything that constitutes the subject matter of the invention, disclosing the invention in a manner sufficiently clear and complete for the invention to be carried out by a person skilled in the art and indicating the best mode for carrying out the invention known to the inventor at the filing date.

3. The drawings shall be limited to the number of figures strictly necessary for the understanding of the invention.

4. The summary of the invention shall consist of a brief statement of what is referred to in the description, claims and drawings, for the purpose of providing technical information.

## **Article 69**

### **Biotechnology inventions**

1. In the case of an invention relating to biological subject matter that is not accessible to the public and that cannot be described in the patent application in such a manner as to permit a person skilled in the art to carry it out, or to involve the use of subject matter of that type, the description alone shall be considered sufficient for the purpose of obtaining the patent, if:

- a) the biological subject matter has, by the date of the filing of the patent application, been deposited in a duly recognized international depository institution;
- b) the patent application includes the relevant information available to the applicant concerning the characteristics of the deposited biological subject matter; and
- c) the patent application states the international depository institution and the deposit number.

## **Article 70**

### **Deadline for the delivery of description and drawings**

1. The description of the invention and the drawings may be delivered to the General Directorate of Industry within one month starting from the date that the application was filed in Timor-Leste.

## **Article 71**

### **Date of application and priority**

1. Except as otherwise provided for in this Code, the priority date of the patent application shall be considered to be the date on which the application was submitted with all the elements provided for in Articles 66 – 68.

2. If an application is sent by post with all the elements referred to in the preceding paragraph, the postmark date shall be considered to be priority date.

3. In the event that two applications for the same invention are simultaneous or have identical priority, the applications shall not proceed until the interested parties have settled the issue of priority by agreement or in the competent court.

4. If an application is not immediately accompanied by all the elements referred to in paragraph 1 of this Article, the date on which the last of these elements is presented shall be considered to be the date of application.

5. If an invention that is the subject of an application is subject to changes in essential elements before the initial publication, the date on which the change was requested shall be considered to be the date of application.

6. Without prejudice to the provisions of paragraph 1 of Article 58 and paragraph 2 of Article 103, if, based on its examination, the General Directorate of Industry determines that a patent application is not correctly formulated, it shall notify the applicant to re-submit the application in the manner indicated.

## **Article 72**

### **Formal examination**

1. Within one month of the filing of a complete patent application, the General Directorate of Industry shall examine the application to verify that it meets the formal requirements stipulated in this Section.

2. In the event that formal irregularities are found to exist in the application, the General Directorate of Industry shall so notify the applicant and invite him to correct such formal irregularities within one month.

3. If the applicant does not file the requested formal corrections within the stated period, the application shall be refused and a notice to that effect shall be published in the Industrial Property Gazette.

### **Article 73**

#### **Publication of the application**

1. If an application contains all required formal elements or has been duly regularized under the terms of paragraph 2 of the preceding Article, the patent application shall be published in the Industrial Property Gazette with a transcript of the summary and the applicable patent classification under the International Patent Classification system.
2. The publication to which the preceding paragraph refers shall be made after 12 months from the date of filing of the patent application or the claimed priority.
3. Notwithstanding the provision of the preceding paragraph, publication may be expedited on the written request of the applicant.
4. Without prejudice to the provisions of the preceding Articles, claims or expressions which infringe the provisions of paragraph 2 of Article 66 shall officially be deleted, both from the patent certificate and from the publications which arise from the application.

### **Article 74**

#### **Opposition**

1. The publication of the application shall mark the beginning of the period for the submission to the General Directorate of Industry of oppositions by interested parties asserting legal grounds for opposing the grant of the patent application.
2. After publication, anyone may request from the General Directorate of Industry a copy of the elements of the case file.
3. The time limit for submitting oppositions shall be two months as of publication of the application in the Industrial Property Gazette. The General Directorate of Industry shall promptly notify the applicant in writing of any opposition filed and the complete grounds therefor.
4. Applicants may reply in writing to oppositions within two months of notification thereof. The General Directorate of Industry shall promptly notify the opposing party in writing of the substance of the applicant's reply.
5. If it proves necessary to clarify any submissions related to oppositions, additional statements may be accepted.
6. At the request of any interested party submitted during the time limits established in paragraphs 3 and 4 of this Article, these limits may be extended by another month, in which case the opposing party shall be notified thereof.
7. A new extension may be granted for an equal period when it is justified.

8. At the request of any interested party and with the agreement of the opposing party, the assessment of the opposition by the General Directorate of Industry may be suspended for a maximum period of four months.

9. The assessment may also be suspended *ex officio* or at the request of an interested party for the duration of a prejudicial cause investigation likely to affect the decision thereon.

## **Article 75**

### **Examination of the invention**

1. The General Directorate of Industry shall conduct an examination of the invention in accordance with the provisions of Article 79, taking into account all the elements contained in the file, including the content of any oppositions.

2. If there is no opposition to the grant of the patent application, the General Directorate of Industry shall draft an examination report within three months of the publication of the application.

3. If there is opposition, the General Directorate of Industry shall draft the examination report within three months of the submission of the last procedural document submitted in connection with the opposition.

4. If, on examination, the General Directorate of Industry determines that the patent may be granted, the General Directorate of Industry shall so notify the applicant and shall promptly publish the appropriate notice in the Industrial Property Gazette.

5. If, on examination, the General Directorate of Industry determines that the patent may not be granted, the General Directorate of Industry shall send the applicant the examination report with a copy of all the elements quoted therein and a notification to respond within two months to the observations made in the examination report.

6. If, following the applicant's response, the General Directorate of Industry determines that objections to the grant of the patent remain, the General Directorate of Industry shall send the applicant a new notification requiring the applicant to clarify within one month the points that are still in doubt.

7. If, based on the applicant's response, the General Directorate of Industry concludes that the patent may be granted, the General Directorate of Industry shall so notify the applicant and shall promptly publish the appropriate notice in the Industrial Property Gazette.

8. If the General Directorate of Industry considers the response to the notification to be insufficient, the General Directorate of Industry shall so notify the applicant and shall promptly publish a notice of refusal or partial grant in the Industrial Property Gazette in accordance with the examination report.



9. If the applicant does not respond to the notification, the General Directorate of Industry shall refuse the patent, notify the applicant and publish a notice of refusal in the Industrial Property Gazette.

#### **Article 76**

##### **Partial grant**

1. Where the examination report identifies grounds for refusal that can be cured by:
  - a) delimiting the protected material;
  - b) removing claims, drawings, sentences from the summary or the description; or
  - c) altering the title or heading of the inventionand where the applicant, once notified of these grounds, does not proceed voluntarily with these modifications, the General Directorate of Industry may carry them out and thus publish notice of partial grant of the patent in the Industrial Property Gazette.
2. The publication of the notice referred to in the preceding paragraph must contain an indication of any changes made to the heading, claims, description or summary.
3. The partial grant must be issued in such a way that the part refused does not exceed the limits in the examination report.

#### **Article 77**

##### **Amendments to the application**

1. If the application is subject to amendments during the examination phase, this must be indicated in the notice of grant.
2. Amendments introduced into the application during the examination phase shall be communicated to the opposition claimants, should there be any, for the purposes of appeal proceedings.

#### **Article 78**

##### **Provision and publication of the patent certificate**

1. The General Directorate of Industry shall provide the patent certificate to the right holder or his representative one month after the end of the appeal period or, if an appeal has been lodged, after the final court or arbitration ruling has been made.
2. Once the deadline set in paragraph 1 of this Article has elapsed, the General Directorate of Industry shall publish a copy of the patent certificate.

#### **Article 79**

##### **Grounds for refusal**

1. The General Directorate of Industry shall refuse a patent application on the following general grounds:
  - a) failure to pay required application fees;
  - b) failure to submit a complete or accurate application; or

c) nonfulfillment within the applicable deadline of procedures or formalities essential to the grant of the patent.

2. The General Directorate of Industry shall refuse a patent application on the following substantive grounds:

a) the invention lacks novelty, an inventive step or industrial applicability in accord with the requirements of this Chapter;

b) the subject matter is ineligible for patent protection under the provisions of Articles 56 or 57;

c) the invention is not disclosed in such a way as to allow the invention to be carried out by a person skilled in the art, or the application fails to indicate the best mode for carrying out the invention known to the inventor at the filing date, in accord with paragraph 2 of Article 68;

d) the subject matter, according to its description or claims, is considered by the General Directorate of Industry to constitute a design; or

e) the application was submitted by an applicant not entitled to apply for a patent to the invention in accord with Articles 59 – 61.

3. In the case specified in subparagraph (e) of the preceding paragraph, instead of refusing the patent, the General Directorate of Industry may grant full or partial assignment to the interested party if he requests it.

### **Sub-Section III**

### **Protection Term and Exclusive Rights**

#### **Article 80**

#### **Scope of protection**

1. The scope of protection conferred by the patent shall be determined by the content of the patent claims. The related description and drawings shall be used for interpretation purposes.

2. If the subject matter of the patent concerns a process, the rights conferred by that patent shall include the products directly obtained by the patented process.

3. The protection conferred by a patent relating to biological material endowed with specific characteristics as a result of the invention shall extend to any biological material derived from that biological material through reproduction or multiplication, whether in an identical or different form and endowed with those same characteristics.

4. The protection conferred by a patent relating to a process for producing biological material with endowed with specific characteristics shall extend to biological material directly obtained by that process and to any other material derived from the biological material obtained directly through reproduction or multiplication, whether in an identical or different form and endowed with those same characteristics.

5. The protection conferred by a patent relating to a product that contains genetic information or that consists of genetic information shall extend to any material, subject to the provision of

subparagraph (a) of paragraph 3 of Article 57, in which the product is incorporated and in which its function is contained and exercised.

6. Notwithstanding the provisions of paragraphs 3 – 5 of this Article, in the absence of an agreement to the contrary:

a) the transfer in any form, by the holder of the patent or with his consent, of reproductive plant material for the purposes of agricultural exploitation shall imply authorization for the acquirer to use the product of his harvest himself for reproduction or multiplication on his holding.

b) the transfer in any form, by the holder of the patent or with his consent, of livestock or other reproductive animal material shall imply authorization for the acquirer to use the protected animals for agricultural purposes, said authorization including the making available of the animal, or other reproductive animal material, for the performance of his agricultural activity.

c) the authorization referred to in subparagraph (b) of this paragraph shall not cover any sale which is intended for reproductive activity for commercial purposes within the scope thereof.

#### **Article 81**

##### **Duration**

1. The patent shall be granted for 20 years from the date of the filing of the application.

#### **Article 82**

##### **Patent notice**

1. During the term of the patent, the patent holder may use on the products the words "patenteado," "patente no.," or "Pat No ."

2. No indication or mention of the patent shall be required upon the goods as a condition of recognition of the right to protection.

#### **Article 83**

##### **Rights conferred by the patent**

1. The patent shall confer the exclusive right to exploit the invention anywhere in the territory of Timor-Leste.

2. The patent shall also confer on its owner the right to prevent third parties from making, using, offering for sale, marketing, or selling the product which is subject of the patent without his consent and from importing or holding it for any of these purposes.

3. In cases where the subject of the patent is a process, the patent shall also confer on its owner the right to prevent third parties from the act of using the process without his consent and from the acts of using, offering for sale, marketing, selling, or importing for these purposes at least the product obtained directly by that process without his consent.

4. The patent owner may oppose any acts which constitute an infringement of his patent, even if they are based on another patent with a later priority date, without the need to challenge the titles or to request a cancellation of the patent titles in question.
5. The rights conferred by the patent may not exceed the scope defined by the claims.
6. The patent holder may request from the General Directorate of Industry a limitation of the scope of protection of the invention through the amendment of the claims.
7. If, on examination, the General Directorate of Industry determines that the limitation request meets the conditions to be granted, the General Directorate of Industry shall promote the publication of the notice referring to the amendment of the claims. Otherwise, the request shall not be granted and the decision shall be communicated to the applicant.

#### **Article 84**

##### **Transfers of rights**

1. Patent holders or their successors shall have the right to assign or license their patent rights or to transfer such rights by succession.
2. Where the patent belongs to more than one patent holder, any transfer of rights shall require the consent of the co-owners.
3. A license shall be considered nonexclusive unless otherwise specified.
4. An exclusive license shall prevent the right holder from granting other licenses for the rights which are the subject of the license, for as long as the license is in force.
5. Transfers of patent rights must be in writing. The assignment of a patent shall only be effective against third parties once it is recorded with the General Directorate of Industry.

#### **Article 85**

##### **Limitation on the rights conferred by the patent**

1. The rights conferred by the patent shall not include the right to prevent:
  - a) acts which take place within a private sphere and without commercial purposes;
  - b) the preparation of medicines made up for individual cases by dispensing chemists on a medical prescription or acts relative to medicines so prepared;
  - c) acts performed exclusively for test or experimental purposes, including experiments in preparation for the administrative processes necessary for obtaining marketing approval of products by the competent official bodies. However, industrialization or commercialization of those products cannot begin before the expiry of the patent protecting them;
  - d) the use of the subject matter of a patented invention on the body of a ship or on the machinery, rigging, equipment or other accessories on board ships of member countries of international organizations of which Timor-Leste is a member when such ships enter Timorese

waters temporarily or accidentally, provided that such invention is exclusively used for the needs of such a ship;

e) the use of the subject matter of the patented invention in the construction or operation of air or land transport vehicles of member countries of international organizations of which Timor-Leste is a member or of accessories of those vehicles, when such vehicles temporarily or accidentally enter the territory of Timor-Leste; or

f) acts specified in Article 27 of the Convention of December 7, 1944 on International Civil Aviation, if these acts concern aircraft of another country to which the provisions of said Article apply.

#### **Article 86**

##### **Right of prior use**

1. Any person who, in good faith at the date of filing of a patent application or its date of priority, was using the invention or was making effective and serious preparations for its manufacture or for the use of the process of the invention claimed in a patent application, has the right to continue or initiate use of the patented invention to the extent of his prior knowledge and for the purposes of his own enterprise.

2. The right of prior use shall not be applicable if the relevant knowledge results from illicit acts or acts contrary to morality.

3. The right of prior use may only be transferred together with the entire enterprise or company in which the preparatory acts or use of the product or process subject to the patent were carried out. In such a case, the right of prior use may only be asserted with regard to uses at sites where the use was carried out before the later of the effective filing date of the patent application or the date of the assignment or transfer of such enterprise or company.

4. The burden of proof to the right of prior use shall lie with the individual invoking such right.

#### **Article 87**

##### **Application of limitations**

1. The limitations specified in Articles 85 and 86 shall be construed and applied in a manner that does not unreasonably conflict with a normal exploitation of the patent and does not unreasonably prejudice the legitimate interests of the patent owner, taking account of the legitimate interests of third parties.

#### **Article 88**

##### **Exhaustion of patent rights**

1. The rights conferred by a patent do not allow the right holder to prohibit acts related to specific products protected by the patent after the commercialization of such products, either by the right holder or with his consent, unless there are legitimate reasons for the patent holder to oppose the continued marketing of such products.

## **Sub-Section IV Conditions on Use**

### **Article 89**

#### **Appropriation of patent rights**

1. A patent may be subject to liens, attachments, appropriation, judicially-ordered transfer or similar procedures in order to satisfy contractual or other obligations of the patent holder, in accordance with the terms of Timorese law.
2. The actions specified by the preceding paragraph shall only take effect in relation to third parties after the date of their registration with the General Directorate of Industry.

### **Article 90**

#### **Compulsory working**

1. The patent holder shall be required to work the patented invention, directly or through third parties, and to commercialize the results obtained in order to satisfy the needs of the national market.
2. The working must commence within four years of filing of the patent application, or within three years from the date of grant of the patent.
3. The working requirement may be satisfied by the production of goods within Timor-Leste or by the importation of goods into the country.

### **Article 91**

#### **Compulsory licensing**

1. Compulsory licenses relating to a specific patent may be granted on the conditions stated in this Article, based on any of the following grounds:
  - a) nonworking or insufficient working of an invention as set forth in Article 92;
  - b) interdependent patents as set forth in Article 93; or
  - c) compelling public interest as set forth in Article 94.
2. Each application for compulsory license shall be considered on its individual merits.
3. The scope and duration of such licenses shall be limited to the purposes for which they are granted and they shall be predominantly used to supply the domestic market of Timor-Leste.
4. Compulsory licenses shall not be exclusive and shall be non-assignable except with the part of the company or establishment that works them pursuant to the license.
5. Compulsory licenses may only be granted if the interested claimant has made efforts to obtain a contractual license from the patent holder on reasonable commercial terms and conditions, and that such efforts have not been successful within a reasonable period of time.

6. Compulsory licenses shall be terminable, subject to adequate protection of the legitimate interests of the licensees, if and when the circumstances supporting the license cease to exist and are unlikely to recur. The General Directorate of Industry shall have the authority to review, upon motivated request, the continued existence of these circumstances.

7. Compulsory licenses involving patented semiconductor technology may only be granted for noncommercial public use.

8. The patent holder shall be entitled to fair and adequate compensation considering the circumstances of the case and taking into account the economic value of the license. Any decision relating to the remuneration connected with a compulsory license shall be subject to judicial review.

9. The legal validity of any decision relating to a compulsory license shall be subject to judicial review.

## **Article 92**

### **Nonworking or insufficient working of inventions: Additional conditions**

1. When both deadlines referred to in paragraph 2 of Article 90 have elapsed, the patent holder who, without legitimate reasons or legal basis, does not work an invention, directly or through a license, or does not do so in such a way as to meet domestic needs, may be subject to compulsory licensing of the invention.

2. In addition, a patent holder who ceases to work his invention for three consecutive years without legitimate reasons or legal grounds may be subject to compulsory licensing of the invention.

3. For purposes of this Article, legitimate reasons shall be deemed to include objective difficulties of a technical or legal nature, independent of the will and situation of the patent holder, that make it impossible to work or sufficiently work the invention.

4. While a compulsory license on the basis of nonworking or insufficient working remains in force, the patent holder may not be compelled to grant another compulsory license.

5. A compulsory license issued on the basis of nonworking or insufficient working may be cancelled if the licensee does not work the license in such a way as to meet domestic needs.

## **Article 93**

### **Interdependent patents: Additional conditions**

1. If it is not possible to work an invention protected by a patent without infringing the rights conferred by an earlier patent, a compulsory license may be granted, to the extent necessary to work the later invention, under the following conditions:

- a) the essential nature of the earlier invention for the working of the later invention is proven;
- b) the respective inventions are used for different industrial purposes;

- c) the invention claimed in the later patent involves an important technical advance of considerable economic significance in relation to the invention claimed in the earlier patent;
- d) the owner of the earlier patent is entitled to a cross-license on reasonable terms to use the invention claimed in the later patent; and
- e) the compulsory license issued in respect of the earlier patent is non-assignable except with the assignment of the later patent.

2. The provisions of this Article shall apply equally where one of the inventions is protected by a patent and the other by a utility model.

#### **Article 94**

##### **Compelling public interest: Additional conditions**

1. The patent holder may be compelled to grant a license for the working of the respective invention for reasons of compelling public interest.
2. Grounds for compelling public interest shall be deemed to exist only in cases involving a national emergency or other circumstances of extreme urgency.
3. It shall be considered equally that there are compelling public interest reasons when there is a need to remedy a practice determined after judicial or administrative process to be anti-competitive.

#### **Article 95**

##### **Applications for compulsory licenses**

1. Compulsory licenses must be requested from the General Directorate of Industry and the applicant must submit the forms of proof which substantiate his application according to the particular grounds therefor.
2. Requests for compulsory licenses shall be examined in the order in which they are received by the General Directorate of Industry.
3. Promptly on receipt of the request for a compulsory license, the General Directorate of Industry shall notify the patent holder that, within two months, he should submit a response supported by relevant evidence.
4. The General Directorate of Industry shall evaluate the statements of the parties and the exploitation guarantees of the invention offered by the applicant for the compulsory license and shall decide, within two months, whether to issue a compulsory license.
5. If the decision is positive, General Directorate of Industry shall notify both parties so that, within one month, both designated experts who, in conjunction with the expert designated by the General Directorate of Industry, agree, within two months, the conditions of the compulsory license and the compensation to be paid to the patent holder.



6. Requests based on cases of extreme urgency pursuant to Article 94 may be considered on an expedited basis at the discretion of the General Directorate of Industry.

#### **Article 96**

##### **Notification and appeal**

1. The grant or refusal of the license and the respective conditions of the working shall be notified to both parties.
2. The decision shall be subject to appeal to be lodged with the competent court in accordance with the law.
3. A decision in favor of the grant must be recorded with the General Directorate of Industry.
4. An extract from the register referred to in the preceding paragraph shall be published in the Industrial Property Gazette.

#### **Sub-Section V**

##### **Termination of Patent Rights**

#### **Article 97**

##### **Invalidation and cancellation**

1. A patent shall be subject to invalidation if, at the time of the filing, the application was subject to refusal on the grounds set out in paragraph 2 of Article 79.
2. One or more claims may be invalidated or cancelled, but a claim may not be partially invalidated or cancelled.
3. If one or more claims is invalidated or cancelled, the patent shall continue in force for the remainder of the term, so long as this may constitute an independent patent.
4. Invalidation or cancellation may be invoked at any time during the term of the patent by any interested party.

#### **Article 98**

##### **Procedure for invalidation and cancellation**

1. Invalidation and cancellation of a patent may only result from a court decision.
2. The Public Prosecutor's Office or any interested party shall be entitled to bring invalidation or cancellation actions. In addition to the right holder against whom the suit is brought, all those who on the date of the initiation of the action hold an interest in the patent pursuant to Articles 84 or 89 must also be summoned.
3. Where an invalidation or cancellation action is based on the submission of a patent application by an applicant not entitled to do so, the interested party may, if legally entitled,

request the total or partial reversion of the patent in their favor instead of invalidation or cancellation.

4. Once the court decision on an invalidation or cancellation action has become final, the court shall notify the General Directorate of Industry for the purposes of recordation of the decision and publication in the corresponding notice in the Industrial Property Gazette.

#### **Article 99**

##### **Effects of invalidation and cancellation**

1. The declaration of invalidation or cancellation shall have the effects provided for in the law.

#### **Article 100**

##### **Expiry**

1. Patent rights shall expire irrespective of whether they are invoked. The declaration of expiry may be declared *ex officio* by the General Directorate of Industry:

- a) if their duration expires; or
- b) due to default of payment of fees.

2. Notwithstanding subparagraph (b) of the preceding paragraph, a period of grace of six months shall be allowed for the payment of the fees prescribed for the maintenance of industrial property rights, subject to the payment of a surcharge.

#### **Article 101**

##### **Waiver of patent rights**

1. A patent holder may at any time abandon his rights thereto on written declaration, with the agreement of the co-owners and holders of rights in security, if applicable.

2. Waivers of patent rights must be declared in writing to the General Directorate of Industry shall only take effect in relation to third parties after the date of their registration with the Directorate.

3. Waiver may be partial if the nature of the patent right so allows.

4. Waiver shall not prejudice derived rights that have been transferred, provided the holders of such rights are duly notified.

### **Section II Utility Models**

#### **Sub-Section I Scope of Subject Matter**

## **Article 102**

### **Purpose**

1. Utility models provide protection for certain inventions through a more simplified and accelerated administrative procedure than the procedure for patents.

## **Article 103**

### **Subject matter of utility models**

1. Inventions may be protected as utility models if they are new, involve an inventive step and are industrially applicable.
2. The protection of an invention which meets the conditions set out in paragraph 1 of this Article may be provided, at the choice of the applicant, by a utility model or by a patent.
3. The same invention may be the subject of a patent application and a utility model application.
4. The submission of the requests mentioned in the preceding paragraph can only be admitted within a period of one year from the date of the submission of the first request.
5. In the cases provided for in paragraph 3 of this Article, the utility model shall cease to have effect after the grant of a patent relating to the same invention.

## **Article 104**

### **Utility model requirements**

1. An invention shall be considered new if it does not form part of the state of the art.
2. An invention shall be considered to involve an inventive step if the invention fulfills one of the following requirements:
  - a) it would not have been obvious from the state of the art to a person skilled in the art; or
  - b) it presents a practical or technical advantage for the manufacture or use of the product or process in question.
3. To assess the inventive step referred to in the preceding paragraph, the documents referred to in paragraph 2 of Article 53 shall not be taken into account.
4. An invention shall be considered industrially applicable if it can be made or used in any kind of industry or in agriculture.

## **Article 105**

### **Additional protection requirements**

1. With regard to the state of the art, the provisions of paragraph 1 of Article 53 shall apply to utility models, with the necessary adaptations.

2. With regard to non-disqualifying disclosures, the provisions of Article 54 shall apply to utility models, with the necessary adaptations.

3. With regard to the right to obtain protection of an invention, the provisions of Articles 59 - 62 shall apply to utility models.

4. With regard to the right to be named, the provisions of Article 63 shall apply to utility models.

#### **Article 106**

##### **Limitations on subject matter of utility models**

1. With regard to limitations on protectable subject matter, the provisions of Article 56 shall apply to utility models.

2. In addition, the following cannot be the subject of a utility model:

- a) inventions excluded from patentability pursuant to Article 57;
- b) inventions which relate to biological material; or
- c) inventions which relate to chemical or pharmaceutical substances or processes.

#### **Sub-Section II**

##### **Utility Model Registration**

#### **Article 107**

##### **Form of application**

1. An application for a utility model shall be submitted as specified in Article 66.

#### **Article 108**

##### **Application submissions and content**

1. With regard to documents and fees to accompany applications, the provisions of Article 67 are applicable to utility models.

2. With regard to the content of applications, the provisions of Article 68 are applicable to utility models.

#### **Article 109**

##### **Date of application and priority**

1. With regard to the establishment of the dates of applications and priority, the provisions of Article 71 shall apply to utility models.

#### **Article 110**

##### **Formal examination**

1. With regard to formal examination of applications, the provisions of Article 72 shall apply to utility models.

## **Article 111**

### **Publication of the application**

1. If an application contains all required formal elements or has been duly regularized under the terms of paragraph 2 of Article 72, the utility model application shall be published in the Industrial Property Gazette with a transcript of the summary and the applicable utility model classification under the International Patent Classification system.
2. The publication to which the preceding paragraph refers shall be made after six months from the date of the filing of the utility model application or the claimed priority; however, publication may be expedited at the express request of the applicant.
3. The publication may also be deferred, at the request of the applicant, for a period no longer than 18 months from the date of the filing of the utility model application or the claimed priority.
4. Any deferment shall cease from the time at which examination is requested by third parties or by the applicant himself.
5. Without prejudice to the provisions of the preceding Articles, claims or expressions which infringe the provisions of paragraph 2 of Article 66 shall officially be deleted, both from the utility model certificate and from the publications which arise from the application.

## **Article 112**

### **Opposition**

1. The publication of the application shall mark the beginning of the period for the submission to the General Directorate of Industry of oppositions by interested parties asserting legal grounds for opposing the grant of the utility model application.
2. Oppositions shall take place in accordance with Article 74, with the necessary adaptations.

## **Article 113**

### **Provisional grant**

1. If no examination has been requested and there is no opposition, the General Directorate of Industry shall provisionally grant the utility model and notify the applicant to proceed with the payment of the related fee for provisional grant.
2. The General Directorate of Industry shall issue a certificate of provisional grant to the applicant within one month starting from the date on which the payment referred to in the preceding paragraph is made.
3. The validity of the certificate of provisional grant shall cease if an examination of the invention is requested.

**Article 114**  
**Examination request**

1. An interested party may request examination during the application phase or during the validity of the provisional utility model.
2. The fee related to the examination must be paid by the person requesting it within one month from the date of request.
3. If the holder of the provisional utility model intends to bring judicial proceedings in defense of the rights conferred thereby, he shall request examination by the General Directorate of Industry.

**Article 115**  
**Examination of the invention**

1. The General Directorate of Industry shall conduct an examination of the invention at the request of the applicant or any interested party.
2. If there is no opposition to the grant of the application, the General Directorate of Industry shall draft an examination report within three months:
  - a) starting from the date on which the examination was requested; or
  - b) starting from the date of the publication of the application, if the examination is requested during the application phase.
3. If there is opposition, the General Directorate of Industry shall carry out an examination within three months starting from the submission of the last procedural document referred to in Article 74.
4. If, on examination, the General Directorate of Industry determines that the utility model may be granted, the General Directorate of Industry shall so notify the applicant and shall promptly publish the appropriate notice in the Industrial Property Gazette.
5. If, on examination, the General Directorate of Industry determines that the utility model may not be granted, the General Directorate of Industry shall send the applicant the examination report with a copy of all the elements quoted therein and a notification to respond within two months to the observations made in the examination report.
6. If, following the applicant's response, the General Directorate of Industry determines that objections to the grant of the utility model remain, the General Directorate of Industry shall send the applicant a new notification requiring the applicant to clarify within one month the points that are still in doubt.
7. If, based on the applicant's response, the General Directorate of Industry concludes that the utility model may be granted, the General Directorate of Industry shall so notify the applicant and shall promptly publish the appropriate notice in the Industrial Property Gazette.

8. If the General Directorate of Industry considers the response to the notification to be insufficient, the General Directorate of Industry shall so notify the applicant and shall promptly publish a notice of refusal or partial grant in the Industrial Property Gazette in accordance with the examination report.

9. If the applicant does not respond to the notification, the General Directorate of Industry shall refuse the utility model, notify the applicant and publish a notice of refusal in the Industrial Property Gazette.

10. With regard to provision and publication of the grant documents, the provisions of Article 78 shall apply to utility models.

#### **Article 116** **Grounds for refusal**

1. With regard to the general and substantive grounds for refusal of utility models, the provisions of Article 79 shall apply.

### **Sub-Section III** **Protection Term and Exclusive Rights**

#### **Article 117** **Scope of protection**

1. The scope of protection conferred by the utility model shall be determined by the content of the claims stated in the application, and the description and the drawings shall be used for interpretation purposes.

2. If the subject matter of the utility model concerns a process, the rights conferred cover products directly obtained by the process protected by the utility model.

#### **Article 118** **Duration**

1. The utility model shall be granted for six years from the date of filing of the application.

2. During the last six months of validity of the utility model, the holder may request its extension for a period of two years.

3. During the last six months of the new period referred to in the preceding paragraph, the holder may submit a second and final request to extend the duration of protection for a further two-year period.

4. In no case may the duration of the utility model extend more than 10 years in total, beginning from the date of filing of the respective application.

**Article 119**  
**Utility model notice**

1. During the validity of the utility model, the right holder may use the use on the products the words “Modelo de Utilidade n.º” or “M.U. No.”
2. No indication or mention of the utility model shall be required upon the goods as a condition of recognition of the right to protection.

**Article 120**  
**Rights conferred by the utility model**

1. The utility model shall confer the exclusive right to exploit the model anywhere in the territory of Timor-Leste.
2. If the subject of the utility model is a product, the right holder shall have the right to prohibit unauthorized third parties from the manufacture, use, offer for sale or sale of the product, or the import of the product for such purposes.
3. If the subject of the utility model is a process, the right holder shall have the right to prohibit unauthorized third parties from using the process, as well as the use, offer for sale, sale or import for such purposes of the product obtained directly by this process.
4. The owner of the utility model may oppose any acts which constitute an infringement of his rights in his invention, even if they are based on another utility model with a later priority date, without the need to challenge the titles or to request a cancellation of the utility models on which that right is based.
5. The rights conferred by the utility model may not exceed the scope defined by the claims.

**Article 121**  
**Transfers of rights**

1. Holders of rights in utility models or their successors shall have the right to assign or license their rights, or transfer such rights by succession, in accord with Article 84.

**Article 122**

1. The rights conferred by the utility model shall not include the right to prevent:
  - a) acts which take place within a private sphere and without commercial purposes; or
  - b) acts which take place for experimental purposes and which affect the protected subject matter.

**Article 123**  
**Right of prior use**

1. With regard to the right of prior use, the provisions of Article 86 are applicable to utility models.



#### **Article 124**

##### **Application of limitations**

1. The limitations specified in Articles 122 and 123 shall be construed and applied in a manner that does not unreasonably conflict with a normal exploitation of the utility model and does not unreasonably prejudice the legitimate interests of the right holder, taking account of the legitimate interests of third parties.

#### **Article 125**

##### **Exhaustion of rights in utility models**

1. The rights conferred by a utility model do not allow the right holder to prohibit acts related to specific products protected by the utility model after the commercialization of such products, either by the right holder or with his consent, unless there are legitimate reasons for the owner of the utility model to oppose the continued marketing of such products.

#### **Sub-Section IV**

##### **Conditions on Use**

#### **Article 126**

##### **Appropriation of rights in utility models**

1. With regard to appropriation of rights to satisfy contractual or other obligations, the provisions of Article 89 are applicable to utility models.

#### **Article 127**

##### **Compulsory working**

1. With regard to the requirement to work an invention, the provisions of Article 90 are applicable to utility models.

#### **Article 128**

##### **Compulsory licensing**

1. With regard to compulsory licensing, the provisions of Articles 91 – 96 are applicable to utility models.

#### **Sub-Section V**

##### **Termination of Rights in Utility Models**

#### **Article 129**

##### **Invalidation and cancellation**

1. With regard to invalidation and cancellation, the provisions of Articles 97 – 99 shall apply to utility models.

2. Only utility models whose invention has been examined may be invalidated or cancelled.

#### **Article 130**

##### **Expiry**

1. With regard to expiry, the provisions of Article 100 shall apply to utility models.

#### **Article 131**

##### **Waiver of rights in utility models**

1. With regard to waivers of rights, the provisions of Article 101 shall apply to utility models.

### **CHAPTER IV INDUSTRIAL DESIGNS**

#### **Section I**

##### **Scope of Subject Matter**

#### **Article 132**

##### **Definition of an industrial design**

1. An industrial design relates to the appearance of all or part of a product resulting from the characteristics of the product itself and its ornamentation, in particular their lines, contours, colors, shape, texture or materials.

#### **Article 133**

##### **Definition of product**

1. Product shall mean any industrial or handicraft article, including inter alia the components for the assembly of a complex product, packaging, presentation elements, graphic symbols and typographic characters, but excluding computer software.
2. Complex product shall mean any product made up of multiple components that can be removed for the purpose of disassembly and reassembly.

#### **Article 134**

##### **Requirements for grant of protection**

1. Independently created industrial designs that are new or original shall enjoy legal protection.
2. Independently created industrial designs which, while not being entirely new, involve new combinations of known elements or a different arrangement of elements used in such a way as to endow the respective subject matter with a distinctive character shall also enjoy legal protection.
3. Without prejudice to the preceding paragraphs, an applicant for registration of an industrial design may, before the disclosure of that design, request the registration of other industrial designs which differ from the originally submitted design only in terms of minor details.

4. An industrial design applied to or incorporated in a product constituting a component of a complex product shall be considered new or distinctive in character if:
- a) it can reasonably be expected that even after being incorporated in the complex product, it will continue to be visible during the normal use of the product; and
  - b) the visible characteristics of that component meet the requirements of novelty or distinctiveness of character.
5. For the purposes of subparagraph (a) of the preceding paragraph, normal use shall be understood as use by the end user, not including acts of conservation, maintenance or repair.
6. Protection under this Chapter shall not extend to:
- a) designs or visible characteristics of products which are dictated essentially by technical or functional considerations; or
  - b) visible characteristics of a product that must necessarily be reproduced in their exact form and dimensions in order to permit the functioning of the product in which the industrial design is incorporated, applied, linked or inserted.
7. A design that meets the conditions set out in Articles 135 and 136 may be registered if its purpose is to permit a multiple assembly of interchangeable products or their connection to form a modular system, without prejudice to subparagraph (b) of the preceding paragraph.
8. The registration or its maintenance in an altered form referred to in the preceding paragraph may be accompanied by a declaration whereby the holder partially renounces his right or by a court decision by which the registration is partially invalidated or cancelled.

#### **Article 135**

##### **Novelty**

1. An industrial design shall be deemed new if, before the date of the respective registration application or claimed priority, no identical design has been disclosed to the public in Timor-Leste or abroad.
2. Designs shall be considered identical if their specific characteristics differ only in terms of minor details.

#### **Article 136**

##### **Distinctive character**

1. An industrial design shall be considered to be distinctive if the overall impression that it imparts to an informed user differs from the overall impression imparted to such a user by any design disclosed to the public prior to the date of the registration application or claimed priority.
2. Assessment of distinctive character shall take into account the degree of freedom afforded to the creator to create the industrial design.

### **Article 137**

#### **Disclosure**

1. For the purpose of Articles 135 and 136, a design shall be considered to have been disclosed to the public if it has been published following a registration, presented at an exhibition, used in trade or made known in any other way before the date of the registration application or claimed priority, unless such facts could not reasonably have come to the attention of persons operating in Timor-Leste and skilled in the art in question in the course of their normal activity.
2. An industrial design shall not be considered disclosed to the public simply because it was made known to a third party under explicit or implicit conditions of confidentiality.

### **Article 138**

#### **Non-disqualifying disclosures**

1. For the purpose of Articles 135 and 136, a design shall not be considered to have been disclosed if it has been disclosed to the public:
  - a) by the creator of the design or his successor, or by a third party following information provided or measures taken by the creator or his successor; and
  - b) within the 12 months preceding the date of filing of a registration application or, if priority is claimed, the priority date.
2. Paragraph 1 of this Article shall also apply if a design has been disclosed to the public as a result of an abuse regarding the creator of the design or his successor.
3. An applicant for registration of an industrial design who has exhibited products in which the design was incorporated may, if he files the registration application within six months of the date of the first exhibition of these products, claim a priority right in accordance with this Code.
4. The provisions of the preceding paragraph shall apply to an industrial design which was exhibited at an official or officially recognized international exhibition falling within the scope of the Convention Relating to International Exhibitions.
5. An applicant wishing to benefit from the provisions of paragraphs 1 and 2 of this Article or to claim priority under the provisions of the preceding paragraph shall, within three months of the date of the registration application, submit documentation of the relevant disclosure or exhibition of products in which the relevant design was incorporated or to which it was applied.

### **Article 139**

#### **Right to registration**

1. The right to register a design shall be governed by Articles 59 – 61, with the necessary adaptations.

## **Section II**

### **Industrial Design Registration**

#### **Article 140**

##### **Form of application**

1. An application to register an industrial design shall be written in Portuguese or Tetum and shall indicate or contain:
  - a) the applicant's name, trade name or company name, nationality and/or his domicile or the place where he is based and email address, if any;
  - b) an indication of the products in which the industrial design is intended to be applied or incorporated, accompanied by the appropriate classification set out by the Locarno Agreement Establishing an International Classification for Industrial Designs;
  - c) the name and country of residence of the creator of the design;
  - d) the country where the first application was filed, and the date and number of said application, if the applicant intends to claim a right of priority based on a foreign filing;
  - e) colors, if they are claimed; and
  - f) the signature of the applicant or his representative.
2. Applications shall be filed with the General Directorate of Industry and may be filed electronically according to the regulations promulgated by that authority.

#### **Article 141**

##### **Application submissions**

1. Applications shall be accompanied by the following elements, in duplicate, with Portuguese or Tetum translations, if necessary:
  - a) a brief description of the elements which appear in the representations of the industrial design or the sample submitted, excluding references to the possible novelty, the distinct character or the technical value of the design;
  - b) drawings or photographs of the industrial design for publication purposes;
  - c) drawings or photographs or any other medium defined by the General Directorate of Industry bearing a reproduction of the product whose industrial design is intended to be registered; and
  - d) documents proving authorization by the holder of copyright, if the industrial design is or incorporates a reproduction of a work of authorship which is not in the public domain or, generally, from the respective author if he is not the applicant.
2. The elements referred to in the preceding paragraph must respect the formal requirements set by the General Directorate of Industry.
3. In the event that the subject matter of the application is a two-dimensional design and the application includes a request to postpone the publication, the representations referenced in subparagraph (c) of paragraph 1 of this Article may be replaced by a copy or a sample of the product in which the industrial design is incorporated or applied, without prejudice to its submission after the postponement period.

4. On his own initiative or at the request of the General Directorate of Industry, the applicant shall submit the product itself or supplemental photographs taken from angles that make it possible to form a more precise idea of the industrial design. When the object of the request is a complex product, the representations referred to in subparagraph (c) of paragraph 1 of this Article must represent and identify the parts of the product visible during normal use.

5. If an industrial design registration application claims a color combination:

- a) the drawings or photographs shall show the colors claimed, and the description must refer thereto; and
- b) the applicant may request that the publication be in color so that the colors claimed are shown.

#### **Article 142**

##### **Unity of application**

1. The same application may not be used to request more than one registration and a different registration shall correspond to each industrial design.

2. Industrial designs comprising several essential parts to form a whole shall be included in a single registration.

#### **Article 143**

##### **Multiple applications**

1. Without prejudice to the provisions of the preceding Article, a single registration may include up to ten designs which share the same class of international classification and which constitute a set of interrelated objects in terms of their purpose or application.

2. Drawings or photographs of the designs referred to in the preceding paragraph shall be sequentially numbered in accordance with the total number of designs which are intended to be included in the same design.

3. Each of the designs included in the application or multiple registration may be transmitted separately or independently of the others.

4. If General Directorate of Industry determines that some of the products included in a multiple application are not industrial designs, it shall instruct the applicant to reformulate them as a patent or utility model as appropriate, although the date of the original application shall remain as the date of application.

#### **Article 144**

##### **Date of application and priority**

1. Except as otherwise provided for in this Code, the priority date of a registration application for an industrial design shall be considered to be the date on which the application was submitted with all the elements provided for in Articles 140 and 141.

2. If an application is sent by post with all the elements referred to in the preceding paragraph, the postmark date shall be considered to be the priority date.
3. In the event that two applications for the same design are simultaneous or have identical priority, the applications shall not proceed until the interested parties have settled the issue of priority by agreement or in the competent court.
4. If an application is not immediately accompanied by all the elements referred to in paragraph 1 of this Article, the date on which the last of these elements is presented shall be considered to be the date of application.
5. If the design that is the subject of an application is subject to changes in essential elements before the initial publication, the date on which the change was requested shall be considered to be the date of application.
6. If, based on the examination carried out, the General Directorate of Industry determines that a registration application is not correctly formulated, it shall notify the applicant to re-submit the application in the manner indicated.

#### **Article 145**

##### **Formal examination**

1. Within one month of the filing of a complete registration application, the General Directorate of Industry shall examine the application to verify that it meets the formal requirements stipulated.
2. In the event that formal irregularities are found to exist in the registration application, the General Directorate of Industry shall so notify the applicant and invite him to correct such formal irregularities within one month.
3. If the applicant does not file the requested formal corrections within the stated period, the application shall be refused and a notice to that effect shall be published in the Industrial Property Gazette along with a reproduction of the industrial design and the transcript of the description referred to in subparagraph (a) of paragraph 1 of Article 141.

#### **Article 146**

##### **Publication**

1. If a registration application contains all required formal elements or is regularized under the terms of paragraph 2 of the preceding Article, the application shall be published in the Industrial Property Gazette with a reproduction of the industrial design and the transcript of the description referred to in subparagraph (a) of paragraph 1 of Article 141.

2. The publication to which the preceding paragraph refers shall take place up to six months from the date of the registration application; however, it may be postponed at the express request of the applicant.

#### **Article 147**

##### **Postponement of publication**

1. On filing an application to register a design, the applicant may request that its publication be postponed for no more than 30 months after the date of filing of the registration application or claimed priority.

2. Requests to postpone publication submitted after the date of the registration application shall be considered and a decision taken thereon by the General Directorate of Industry.

3. If publication is postponed, the design shall be entered in the registers of the General Directorate of Industry, but the application process shall not be disclosed.

4. Whenever the claimant requests the postponement of publication, the General Directorate of Industry shall publish, four months after the date of filing of the registration application, a notice of this postponement which shall include an indication that at least identifies the claimant, the date of filing of the application and the period of postponement requested.

5. At the applicant's request, the registration application may be published before the end of the postponement period if all the necessary legal formalities have been completed.

6. The postponement shall cease from the time at which examination is requested, whether by third parties or by the applicant himself.

#### **Article 148**

##### **Opposition**

1. The publication of the registration application shall mark the beginning of the period for the submission to the General Directorate of Industry of oppositions by interested parties asserting legal grounds for opposing the grant of the registration.

2. Oppositions shall take place in accordance with Article 74, with the necessary adaptations.

#### **Article 149**

##### **Provisional registration**

1. If no examination has been requested and there has been no opposition, the General Directorate of Industry shall provisionally grant the registration and notify the applicant to proceed with the payment of the related fee for provisional grant.

2. The General Directorate of Industry shall issue a certificate of provisional registration to the applicant within one month of the date on which the payment referred to in the preceding paragraph is made.



3. The validity of the certificate of provisional registration shall cease once an examination has been requested.

#### **Article 150**

##### **Examination request**

1. An interested party may request examination during the application phase or during the validity of the provisional registration.

2. The fee related to the examination must be paid by the person requesting it within one month from the date of request.

3. If the holder of the provisional registration intends to bring judicial proceedings in defense of the rights conferred thereby, he shall request the examination referred to in the following Article.

#### **Article 151**

##### **Examination**

1. The General Directorate of Industry shall, at the request of the applicant or any interested party, conduct an examination of the industrial design in accordance with the provisions of Article 155, taking into account all the elements contained in the file, including the content of any oppositions.

2. Following that examination, if there has been no opposition, the General Directorate of Industry shall draft an examination report within three months from the date on which the examination was requested or from the publication of the application in the Industrial Property Gazette if the examination was requested during the application phase.

3. If there is opposition, the examination report shall be drafted within three months of the submission of the last procedural document submitted in connection with that opposition.

4. If, on examination, the General Directorate of Industry determines that the registration may be granted, the General Directorate of Industry shall so notify the applicant and shall promptly publish the appropriate notice in the Industrial Property Gazette.

5. If, on examination, the General Directorate of Industry determines that the registration may not be granted, the General Directorate of Industry shall send the applicant the examination report with a copy of all the elements quoted therein and notification to respond within two months to the observations made in the examination report.

6. If, following the applicant's response, the General Directorate of Industry determines that objections to the grant of the registration remain, the General Directorate of Industry shall send the applicant a new notification requiring the applicant to clarify within one month the points that are still in doubt.

7. If, from the applicant's response, the General Directorate of Industry determines that the registration may be granted, the General Directorate of Industry shall so notify the applicant and shall promptly publish the appropriate notice in the Industrial Property Gazette.

8. If the response to the notification should not be considered sufficient, the General Directorate of Industry shall publish a notice of refusal or partial grant in the Industrial Property Gazette, in accordance with the examination report.

9. If the applicant does not respond to the notification, the General Directorate of Industry shall refuse the registration and shall publish a notice of refusal in the Industrial Property Gazette.

#### **Article 152** **Partial grant**

1. Where the examination report identifies grounds for refusal that can be cured by
  - a) delimiting the protected material;
  - b) removing descriptive phrases;
  - c) altering the title or heading; or
  - d) deleting certain objects included in the same multiple application and where the applicant, once notified of these grounds, does not proceed voluntarily with these modifications, the General Directorate of Industry may carry them out and thus publish notice of partial grant of the registration application in the Industrial Property Gazette.
2. The publication of the notice referred to in the preceding paragraph must contain an indication of any changes introduced.
3. The partial grant must be issued in such a way that the part refused does not exceed the limits contained in the examination report.

#### **Article 153** **Amendments to the application**

1. If the application is subject to amendments during the examination phase, this must be indicated in the notice of grant.
2. Amendments introduced to the application during the examination phase shall be communicated to the opposition claimants, should there be any, for the purposes of appeal proceedings.

#### **Article 154** **Provision and publication of the industrial design certificate**

1. The General Directorate of Industry shall provide the industrial design certificate to the right holder or his representative one month after the end of the appeal period or if an appeal has been lodged, after the final court or arbitration ruling has been made.

2. Once the deadline set in paragraph 1 of this Article has elapsed, the General Directorate of Industry shall publish a copy of the industrial design certificate.

### **Article 155**

#### **Grounds for refusal**

1. The General Directorate of Industry shall refuse a registration application on the following general grounds:

- a) failure to pay required application fees;
- b) failure to submit a complete application; or
- c) nonfulfillment within the applicable deadline of procedures or formalities essential to the grant of the registration.

2. The General Directorate of Industry shall refuse a registration application on the following substantive grounds:

- a) the design does not meet the terms of the provisions of Article 132;
- b) the design is contrary to public order, public health or morality or does not meet the conditions of Articles 134 – 138;
- c) the application was submitted by an applicant not entitled to register the design in accord with Article 139;
- d) the design interferes with a previous design, disclosed to the public after the date of the registration application or claimed priority and protected from a prior date by an industrial design application or registration;
- e) a distinctive sign is used in a later design, where the provisions regulating that sign confer the right to prohibit such use;
- f) the design constitutes unauthorized use of a work protected by copyright;
- g) the design constitutes an illegal use of badges, emblems and escutcheons which are of particular public interest in Timor-Leste; or
- h) the design incorporates symbols, coats of arms, emblems or distinctions of the State, municipalities or other public or private entities, national or foreign, the emblem and denomination of the Red Cross or other similar bodies as well as any signs covered by the Article 6<sup>ter</sup> of the Paris Union Convention for the Protection of Industrial Property, unless authorized.

3. The General Directorate of Industry may only consider the basis provided for in subparagraph (c) of the preceding paragraph if it is invoked by the holder of the right in the industrial design. In such a case, instead of refusing the registration, the General Directorate of Industry may grant full or partial assignment to the interested party if he requests it.

4. The General Directorate of Industry may only consider the grounds provided for in subparagraphs (d) – (f) of paragraph 2 of this Article if such grounds are invoked by the applicant or the holder of the contested right.

5. The General Directorate of Industry may only consider the grounds provided for in subparagraph (g) of paragraph 2 of this Article if such grounds are invoked by the person or body affected by the use in question.

### **Section III**

#### **Protection Term and Exclusive Rights**

##### **Article 156**

###### **Scope of protection**

1. The scope of the protection conferred by the registration shall cover all designs that do not give a different overall impression to an informed user.
2. In the assessment of scope of protection, the degree of freedom that the creator had to carry out his design should be taken into account.

##### **Article 157**

###### **Relationship with copyright**

1. Any registered industrial design may also enjoy the protection conferred by legislation on copyright as of the date on which the design was created or defined in any form.

##### **Article 158**

###### **Duration**

1. The duration of registration shall be five years as of the date of application and it may be renewed for equal and successive periods up to a limit of 25 years.
2. The renewals referred to in the preceding paragraph shall be requested in the last six months of the validity of the respective registration.

##### **Article 159**

###### **Indication of the industrial design**

1. During the term of the registration of an industrial design, its holder may use on the relevant products the expression "Desenho nº" or the abbreviation "DM No."
2. No indication or mention of the registration of the industrial design shall be required upon the goods as a condition of recognition of the right to protection.

##### **Article 160**

###### **Rights conferred by the registration**

1. Registration of an industrial design shall confer on its holder the exclusive right to use it and prohibit its use by third parties without his consent, if such acts are carried out for commercial purposes.
2. The use referred to in the preceding paragraph shall cover in particular the manufacture, offer, sale, import or export of an article bearing or embodying a design which is a copy, or

substantially a copy, of the protected design as well as the storage of said article for the same purposes.

#### **Article 161**

##### **Transfers of rights**

1. Holders of rights in industrial designs or their successors shall have the right to assign or license their rights, or transfer such rights by succession, in accord with Article 84.

#### **Article 162**

##### **Limitation on the rights conferred by the registration**

1. The rights conferred by the registration shall not cover:

- a) acts carried out in a private environment and without commercial purposes;
- b) acts for experimental purposes;
- c) acts of reproduction for the purpose of reference or for instructional purposes, provided that the source is mentioned;
- d) equipment on board ships and aircraft registered in another country when temporarily passing through Timorese territory;
- e) the import of spare parts and accessories for the repair of such ships and aircraft; or
- f) the implementation of repairs of such ships and aircraft.

#### **Article 163**

##### **Application of limitations**

1. The limitations specified in Article 162 shall be construed and applied in a manner that does not unreasonably conflict with the normal exploitation of protected industrial designs and does not unreasonably prejudice the legitimate interests of the owners of protected designs, taking account of the legitimate interests of third parties.

#### **Article 164**

##### **Exhaustion of rights in industrial designs**

1. The rights conferred by registration shall not allow their holder to prohibit acts relating to products in which an industrial design has been incorporated or to which it has been applied if the design is the subject of prior protection by registration and if the product has been marketed by the holder or with his consent.

### **Section IV**

#### **Conditions on Use**

#### **Article 165**

##### **Appropriation of industrial design rights**

1. An industrial design may be subject to liens, attachments, appropriation, judicially-ordered transfer or similar procedures in order to satisfy contractual or other obligations of its holder, in accordance with the terms of Timorese law.

2. The actions specified by the preceding paragraph shall only take effect in relation to third parties after the date of their registration with the General Directorate of Industry.

#### **Article 166**

##### **Inalterability of industrial designs**

1. Industrial designs shall remain unaltered for as long as registration is in effect.
2. Enlargement or reduction to scale shall not affect the inalterability of industrial designs.

#### **Article 167**

##### **Alterations to industrial designs**

1. Any alteration to the essential specific characteristics of industrial designs may be registered, provided that it satisfies the requirements established by the grant of legal protection.
2. Modifications made to industrial designs by the registration holder that only change minor details may be the subject of a new registration or registrations.
3. The registration or registrations referred to in the preceding paragraph shall be recorded in the original title document and in all registrations made under the same provision.
4. The modified registrations of industrial designs referred to in the preceding paragraph shall revert to the public domain at the end of their validity.

#### **Section V**

##### **Termination of Industrial Design Rights**

#### **Article 168**

##### **Invalidation**

1. A registration shall be subject to invalidation if:
  - a) at the time of the filing, the application was subject to refusal on the grounds set out in paragraph 2 of Article 155; or
  - b) at the time of the grant, procedures or formalities essential to the grant of the registration had been omitted.

#### **Article 169**

##### **Cancellation**

1. A registration shall be subject to cancellation if, subsequent to registration, it ceases to qualify for protection under any requirement of this Chapter.

#### **Article 170**

##### **Invalidation or partial cancellation**

1. Registration of one or more objects contained in a single registration may be invalidated or cancelled, but a registration may not be partially invalidated nor may the registration for an object be partially cancelled.

2. In the event of declaration of invalidation or cancellation of one or more objects, the respective registration shall remain valid for the remaining part of the registration.

#### **Article 171**

##### **Procedure for invalidation and cancellation**

1. With regard to invalidation or cancellation, the provisions of Articles 98 and 99 shall apply to industrial designs, with the necessary adaptations.
2. Only registrations of industrial designs which have been examined may be invalidated or cancelled.
3. Invalidation or cancellation may be invoked at any time during the term of the registration by any interested party.

#### **Article 172**

##### **Expiry**

1. With regard to expiry, the provisions of Article 100 shall apply to industrial designs, with the necessary adaptations.

#### **Article 173**

##### **Waiver of rights in industrial designs**

1. With regard to waivers of rights, the provisions of Article 101 shall apply to industrial designs, with the necessary adaptations.

### **CHAPTER V**

## **SEMICONDUCTOR PRODUCT TOPOGRAPHIES**

#### **Section I**

##### **Scope of Subject Matter**

#### **Article 174**

##### **Definition of a semiconductor product**

1. A semiconductor product shall be understood as being the final or intermediate form of any product that:
  - a) consists of a body of material that includes a layer of semiconductor material;
  - b) has one or more layers composed of conducting, insulating or semiconducting material arranged in accordance with a predetermined three-dimensional model; and
  - c) is intended to perform an electronic function either alone or together with other functions.

#### **Article 175**

##### **Definition of semiconductor product topography**

1. A semiconductor product topography shall be understood as being a set of related images, either fixed or encoded, which represent the three-dimensional layout of the layers of which a

semiconductor product is composed and in which each image has the layout or part of the layout of a surface of the same product in any stage of its manufacture.

#### **Article 176**

##### **Requirement of originality**

1. Only semiconductor product topographies that are original in the sense that they are the result of their creators' own intellectual effort and are not commonplace among creators of topographies and manufacturers of semiconductor products at the time of their creation shall enjoy legal protection.

2. Topographies which consist of a combination of elements and interconnections that are commonplace shall be protected only if the combination, taken as a whole, meets the conditions stipulated in the preceding paragraph.

#### **Article 177**

##### **Legal protection**

1. The protection hereby granted to semiconductor product topographies shall only apply to topographies themselves, excluding any idea, process, system, technique or encoded information incorporated in them.

2. Creators of final or intermediate semiconductor product topographies shall enjoy the exclusive right to register the topography as long as it meets all applicable legal requirements.

3. Registration must be effected within two years of the date of the first commercial exploitation of the topography anywhere in the world. If no such commercial exploitation has occurred, registration must be effected within 15 years of the date on which the topography was fixed or encoded for the first time.

#### **Article 178**

##### **Right to registration**

1. The right to register a semiconductor product topography shall be governed by Articles 59 - 61, with the necessary adaptations.

### **Section II**

#### **Registration of Semiconductor Product Topographies**

#### **Article 179**

##### **Form of application**

1. An application to register a semiconductor product topography shall be written in Portuguese or Tetum and shall indicate or contain:

- a) the applicant's name, trade name or company name, nationality and/or his domicile or the place where he is based and email address, if any;
- b) the name and country of residence of the creator of the topography;
- c) the name of the topography to which the application relates;



- d) the date of the first commercial exploitation of the topography anywhere in the world or a statement that no such commercial exploitation has occurred; and
- e) the signature of the applicant or his representative.

2. Applications shall be filed with the General Directorate of Industry and may be filed electronically according to regulations promulgated by that authority.

## **Article 180**

### **Application submissions**

1. Applications shall be accompanied by the following elements, in duplicate, with Portuguese or Tetum translations if necessary:

- a) a brief description of the semiconductor product topography that is the subject of the application, including information defining the electronic function which the semiconductor product is intended to perform;
- b) identification documents providing a clear and complete depiction of the topography. Such documents may include drawings or photographs of the topography or a part thereof with which the semiconductor product is composed or can be composed as well as the different layers of the semiconductor product. If the topography for which registration is sought is only a part of the topography depicted on the identification documents, the part for which registration is sought shall be clearly distinguishable;
- c) where the applicant is not the creator of the topography, documents proving the applicant's authorization pursuant to the provisions of Article 178 to submit the registration application; and
- d) where the semiconductor product has been commercially exploited, a sample of that product.

2. The elements referred to in the preceding paragraph must respect the formal requirements set by the General Directorate of Industry.

3. The applicant may exclude from the application such parts of the drawings or photographs that relate to the manner of manufacture of the semiconductor product, provided that the parts submitted are sufficient to allow the identification of the topography.

4. If application submissions made pursuant to this or the preceding Article contain a trade secret, the applicant may identify the information comprising such trade secret and submit a request that the General Directorate of Industry take measures to prohibit the disclosure of that trade secret.

## **Article 181**

### **Unity of application**

1. An application to register a semiconductor product topography may relate to only one topography.

## **Article 182**

### **Filing date**

1. The filing date of a registration application for a semiconductor product topography shall be considered to be the date on which the application is submitted to the General Directorate of Industry with all the elements provided for in Articles 179 and 180.
2. If an application is sent by post with all the elements referred to in the preceding paragraph, the postmark date shall be considered to be the filing date.
3. If an application is not immediately accompanied by all the elements referred to in paragraph 1 of this Article, the date on which the last of these elements is submitted shall be considered to be the filing date.

## **Article 183**

### **Formal examination**

1. Within one month of the filing of a complete registration application, the General Directorate of Industry shall examine the application to verify that it meets the formal requirements stipulated.
2. In the event that formal irregularities are found to exist in the registration application, the General Directorate of Industry shall so notify the applicant and invite him to correct such formal irregularities within one month.
3. If the applicant does not file the requested formal corrections within the stated period, the application shall be refused and a notice to that effect shall be published in the Industrial Property Gazette along with the description referred to in subparagraph (a) of paragraph 1 of Article 180.

## **Article 184**

### **Examination**

1. The General Directorate of Industry shall, within two months of determining that the application meets the formal requirements stipulated, complete an examination of the semiconductor product topography in accordance with the provisions of Article 186, taking into account all elements contained in the application.
2. If, on examination, the General Directorate of Industry determines that the registration may be granted, the General Directorate of Industry shall so notify the applicant and shall promptly publish the appropriate notice in the Industrial Property Gazette.
3. If, on examination, the General Directorate of Industry determines that the registration must be provisionally refused, the General Directorate of Industry shall send the applicant a notification summarizing its decision and the legal basis therefor and instructing the applicant to respond within two months to the foregoing findings.

4. If, from the applicant's response, the General Directorate of Industry determines that the registration may be granted, the General Directorate of Industry shall so notify the applicant and shall promptly publish the appropriate notice in the Industrial Property Gazette.

5. If the applicant does not respond to the notification or fails to adequately address the legal grounds for the provisional refusal, the General Directorate of Industry shall refuse the registration, notify the applicant, and promptly publish a notice of final refusal in the Industrial Property Gazette.

#### **Article 185**

##### **Provision and publication of registration certificate**

1. The General Directorate of Industry shall provide a registration certificate to the right holder or his representative one month after the publication of the notice of the grant of the registration in the Industrial Property Gazette.

#### **Article 186**

##### **Grounds for refusal**

1. The General Directorate of Industry shall refuse registration of a semiconductor product topography on the following general grounds:

- a) failure to pay required application fees;
- b) failure to submit a complete application; or
- c) nonfulfillment within the applicable deadline of procedures or formalities essential to the grant of the registration, including registration within the periods stated in paragraph 3 of Article 177.

2. The General Directorate of Industry shall refuse a registration of a semiconductor product topography on the following substantive grounds:

- a) the topography does not meet the requirements of Articles 174 and 175;
- b) the topography does not meet the originality requirement of Article 176;
- c) there is a discrepancy in the description or documents referenced in subparagraphs (a) or (b) of paragraph 1 of Article 180;
- d) the application fails to disclose the subject matter in such a way as to allow the topography to be carried out by a person skilled in the art; or
- e) the application was submitted by an applicant not entitled to register the topography in accord with Article 178.

### **Section III**

#### **Protection Term and Exclusive Rights**

#### **Article 187**

##### **Duration**

1. The duration of protection of a registered semiconductor product topography shall be 10 years, starting from the date of filing of the application for registration or from the date of the

first commercial exploitation of the topography anywhere in the world if such commercial exploitation occurred before the filing of the application.

#### **Article 188**

##### **Indication of registration**

1. During the term of the registration, its holder may use, place or imprint on semiconductor products manufactured through the use of protected topographies a capital letter T, in one of the following forms: T, "T", [T], TT, or T\*.

#### **Article 189**

##### **Rights conferred by registration**

1. Registration of a topography shall confer on the right holder the exclusive right to perform the following acts, with the obligation to do so effectively and in accordance with market demands:

- a) to use the topography throughout the whole territory of Timor-Leste;
- b) to produce, manufacture, sell or exploit the topography in its entirety or in part; and
- c) to exercise the same activities with respect to objects in which the topography is used.

2. Registration shall also confer on its holder the right to authorize or prohibit any of the following acts:

- a) reproducing, whether by incorporation in a semiconductor product or otherwise, a protected topography, whether in its entirety or in part, except where reproducing any part that does not comply with the requirement of originality referred to in paragraph 1 of Article 176;
- b) importing, selling or otherwise distributing for commercial purposes a protected topography, a semiconductor product in which a protected topography is incorporated or an article incorporating such a semiconductor product only insofar as it continues to contain an unlawfully reproduced topography.

3. Rights in respect of a semiconductor product apply whether or not the semiconductor product is incorporated in an article.

#### **Article 190**

##### **Transfers of rights**

1. Holders of rights under this Chapter or their successors shall have the right to assign or license their rights, or transfer such rights by succession, in accord with Article 84.

#### **Article 191**

##### **Limitations on the rights conferred by registration**

1. The rights conferred by the registration of the topography shall not prohibit the following acts if performed by a third party without the authorization of the holder of the right:

- a) reproduction for private noncommercial purposes;
- b) reproduction for the sole purpose of analysis, evaluation, research or teaching;

- c) creation of an original topography based on the analysis or evaluation referred to in the preceding subparagraph as well as the incorporation of that original topography into a semiconductor product, or the performance of any of the acts referred to in paragraph 2 of Article 189 in respect of that original topography;
- d) performance of any of the acts referred to in subparagraph (b) of paragraph 2 of Article 189 in relation to a semiconductor product incorporating an unlawfully reproduced topography or in relation to any article incorporating such a semiconductor product, if the person performing or ordering such acts did not know and had no reasonable ground to know, when acquiring the relevant semiconductor product or article, that it incorporated an unlawfully reproduced topography. In such a case, however, after the time that such person has received sufficient notice that the topography was unlawfully reproduced, that person may perform any of the acts with respect to the stock on hand or ordered before such time, but shall be liable to pay to the right holder a sum equivalent to a reasonable royalty such as would be payable under a freely negotiated license in respect of such a topography; or
- e) performance of any of the acts referred to in paragraph 2 of Article 189 in relation to an identical original topography that was independently created by a third party.

## **Article 192**

### **Application of limitations**

1. The limitations specified in Article 191 shall be construed and applied in a manner that does not unreasonably conflict with the normal exploitation of protected topographies and does not unreasonably prejudice the legitimate interests of the holders of rights in protected topographies, taking account of the legitimate interests of third parties.

## **Article 193**

### **Exhaustion of rights**

1. The rights conferred by a topography registration shall not allow the holder to prohibit acts related to a protected topography or to a semiconductor product in which such a topography is incorporated that has been put on the market by or with the consent of the holder of the right.

## **Article 194**

### **Right of prior use**

1. Any person who, in good faith at the date of the filing of a registration application under this Chapter, was using the relevant topography or a semiconductor product incorporating it or who was making effective and serious preparations for the manufacture or use of such topography or product, has the right to continue or initiate use of the same to the extent of his prior use and for the purposes of his own enterprise.
2. The right of prior use shall not be applicable if it resulted from illicit acts or acts contrary to morality.
3. The right of prior use may only be transferred together with the enterprise or company in which the preparatory acts or use of the relevant topography or semiconductor product were carried out.

4. The burden of proof to the right of prior use shall lie with the individual invoking such right.

#### **Section IV** **Conditions on Use**

##### **Article 195** **Appropriation of rights**

1. Rights in a semiconductor product topography may be subject to liens, attachments, appropriation, judicially-ordered transfer or similar procedures in order to satisfy contractual or other obligations of its holder, in accordance with the terms of Timorese law.
2. The actions specified by the preceding paragraph shall only take effect in relation to third parties after the date of their registration with the General Directorate of Industry.

##### **Article 196** **Compulsory license**

1. Semiconductor product topographies are subject to the provisions of Articles 90 - 96 in cases of compulsory licensing of a semiconductor product topography or of its use by or for the Government without the authorization of the right holder.

#### **Section V** **Termination of Rights**

##### **Article 197** **Invalidation**

1. The registration of a semiconductor product topography shall be subject to invalidation if:
  - a) at the time of the filing, the registration application was subject to refusal on the grounds set out in paragraph 2 of Article 186; or
  - b) at the time of the grant, procedures or formalities essential to the grant of the registration had been omitted.
2. The General Directorate of Industry may only consider invalidation on the basis provided for in subparagraph (e) of paragraph 2 of Article 186 if it is invoked by the holder of the right in the semiconductor product topography. In such a case, instead of invalidating the registration, the General Directorate of Industry may grant full or partial assignment to the interested party if he requests it.
3. Invalidation may be invoked at any time by any interested party.

##### **Article 198** **Expiry**

1. With regard to expiry, the provisions of Article 100 shall apply to semiconductor product topographies, with the necessary adaptations.

#### **Article 199**

##### **Waiver of rights**

1. With regard to waivers of rights, the provisions of Article 101 shall apply to semiconductor product topographies, with the necessary adaptations.

### **CHAPTER VI TRADE SECRETS**

#### **Article 200**

##### **Scope of subject matter**

1. A trade secret shall be understood to be information, including a formula, pattern, compilation, program, device, method, technique, or process, that:

- a) is secret in the sense that it is not generally known or easily accessible in its entirety or in the exact configuration and assembly of its components to people in the circles that normally deal with the type of information in question;
- b) has commercial value because it is secret; and
- c) has been subject to reasonable measures under the circumstances taken by the person lawfully in control of the information to keep it secret.

#### **Article 201**

##### **Prohibited acts**

1. It is unlawful to acquire, use or disclose a trade secret in a manner contrary to honest commercial practices and without the consent of the person lawfully in control of such trade secret.

2. For purposes of paragraph 1 of this Article, actions contrary to honest commercial practices shall include theft, bribery, misrepresentation or espionage through electronic or other means as well as the following:

- a) unauthorized access, appropriation or copying of documents, objects, materials, substances or electronic files which are lawfully under the control of a trade secret holder and which contain a trade secret or from which a trade secret is deducible;
- b) violation of or inducement to violate a confidentiality agreement or any other duty not to disclose trade secrets; and
- c) violation of or inducement to violate a contractual duty or any other duty to limit the use of trade secrets.

3. It is unlawful to acquire, use or disclose a trade secret where the person performing such acts knows or has reason to know that the trade secret was acquired or disclosed by another person under the circumstances described in the preceding paragraph.

4. It is an unlawful use of a trade secret to produce, sell or offer to sell goods or to import, export or store goods for those purposes where the person performing such acts knows or has reason to know that the goods implicate the infringement of rights in trade secrets protected under this Chapter.

#### **Article 202**

##### **Lawful acquisition of trade secrets**

1. Acquisition of a trade secret is lawful when it results from:
  - a) discovery by independent creation;
  - b) observation, analysis, study, decompilation, evaluation, disassembly or testing of a product or object that has lawfully been made available to the public or that is otherwise in the possession of a person not subject to any legal duty not to acquire, use or disclose the trade secret;
  - c) discovery under a license from the owner of the trade secret;
  - d) imposition or permission that results from the law; or
  - e) another practice that, in the specific circumstances under which it occurs, accords with honest business practices.

#### **Article 203**

##### **Protection of trade secrets submitted to governmental authorities**

1. Where, as a condition of approving the marketing of pharmaceutical or agricultural chemical products utilizing new chemical entities, a governmental authority requires the submission of undisclosed test or other data whose origination involved a considerable effort, that authority will protect such data against unfair commercial use. That authority shall also protect such data against disclosure except where necessary to protect the public, or unless the authority takes measures to ensure that the data are protected against unfair commercial use.

### **CHAPTER VII**

#### **ADMINISTRATIVE PROCEDURES**

#### **Article 204**

##### **Administration of industrial property rights**

1. The administration of industrial property rights shall be the responsibility of the General Directorate of Industry.

#### **Article 205**

##### **Capacity to perform activities**

1. Any interested party may participate in legal actions before the General Directorate of Industry.

#### **Article 206**

##### **Capacity to institute actions**



1. Legal and procedural actions may only be instituted before the General Directorate of Industry by:

- a) interested parties and right holders established or domiciled in Timor-Leste or by their representing lawyer; and
- b) official industrial property agents residing in Timor-Leste.

2. The entities mentioned in the preceding paragraph may always have access to the case files and may obtain certified copies of documents of interest to them.

3. If an interested party or right holder is neither established nor domiciled in Timor-Leste, such party shall appoint an agent or representative within the jurisdiction of Timor-Leste through which to conduct legal and procedural activities before the General Directorate of Industry.

4. Failure to appoint an agent or representative shall result in the suspension of activities before the General Directorate of Industry until such time as the required appointment has been made.

#### **Article 207**

##### **Industrial Property Gazette**

1. An Industrial Property Gazette shall be edited and published regularly under the coordination and responsibility of the General Directorate of Industry.

#### **Article 208**

##### **Content**

1. The following shall be published in the Industrial Property Gazette:

- a) notices of applications for patents, utility models and registrations;
- b) amendments to initial applications;
- c) notices of expiry;
- d) grants and refusals;
- e) renewals and revalidations;
- f) declarations of intention to use and proof of use;
- g) declarations of waiver and withdrawals;
- h) assignments and licenses;
- i) amendments of identity, headquarters or residence of right holders;
- j) final decisions in judicial proceedings on industrial property; and
- k) other acts or matters which should be made known to the public.

2. In addition to notices related to its subject matter, the Industrial Property Gazette shall include the addresses of official industrial property agents.

#### **Article 209**

##### **Regularization**

1. If any irregularities are detected before the publication of a notice in the Industrial Property Gazette, the General Directorate of Industry shall require the applicant to make the necessary corrections.

#### **Article 210**

##### **Distribution**

1. The General Directorate of Industry shall distribute the Industrial Property Gazette to the services and institutions provided for by law, to WIPO and to whomever expresses an interest in subscription under such conditions as defined by the General Directorate of Industry.

#### **Article 211**

##### **Effect of publication**

1. Content published in the Industrial Property Gazette shall be deemed to be communicated to the general public.

2. Except where otherwise specified in this Code, publication in the Industrial Property Gazette shall serve as direct notification to the parties in cases or any other interested parties and shall mark the beginning of the time limits set forth in this Code.

3. The parties in a case or any other interested parties may request the General Directorate of Industry to issue them a certificate attesting to any final decision on an application and its grounds even before the relevant notice is published in the Industrial Property Gazette.

4. Any interested party may also request a certificate of entries made, documents and files archived, and photographic or ordinary copies of drawings, photographs, plans and models submitted with applications for a patent, utility model or registration.

5. The requirement referred to in the preceding paragraph shall only apply once a case has reached the publication phase if the rights of third parties are not infringed and if none of the documents is classified or discloses trade or industrial secrets.

#### **Article 212**

##### **Registration**

1. The following shall be registered by the General Directorate of Industry:

- a) assignments and waivers of private industrial property rights;
- b) grants of contractual or compulsory working licenses;
- c) liens, attachments, appropriation, judicially-ordered transfers or similar procedures affecting industrial property;
- d) legal actions to invalidate or cancel industrial property rights; and
- e) any other events or decisions that modify or extinguish industrial property rights.

2. The information referred to in the preceding paragraph shall only be effective with regard to third parties after the date of their registration.

3. Events requiring registration, even if not yet registered, may be invoked by the parties or their successors in their interactions.

### **Article 213**

#### **Submissions and notifications**

1. Complaints, objections, challenges, oppositions, applications for expiry and other adversarial filings shall be submitted to the General Directorate of Industry in duplicate.
2. The General Directorate of Industry shall, promptly and in writing, inform all parties involved in administrative proceedings of its final decisions and shall promptly forward copies of the filings referenced in the preceding paragraph to all interested parties.

### **Article 214**

#### **Signatures**

1. The signatures on documents which have not been submitted to the General Directorate of Industry by an official industrial property agent or a representing lawyer must be notarized.

### **Article 215**

#### **Time limits**

1. The time limits stipulated in this Code shall be continuous.

### **Article 216**

#### **Fees**

1. The fees due for the administrative procedures provided for in this Code shall be the subject of subsequent regulation.

### **Article 217**

#### **Claiming the right to priority**

1. Anyone who has filed an application related to an object of industrial property covered under Chapters II – IV of this Code, either in a Member State of any international intellectual property agreements to which Timor-Leste belongs or with any intergovernmental body with the power to grant rights having effect in Timor-Leste, shall, along with his successor and for the purpose of filing the application in Timor-Leste, be entitled to the right to priority established in the Paris Convention for the Protection of Industrial Property.
2. Any lawful national application filed under the domestic law of a Member State referenced in the preceding paragraph shall confer a priority right.
3. A lawful national application shall mean any application for which it is possible to establish the date on which it was filed in the country of filing, irrespective of anything that may in any way subsequently affect it.

4. Consequently, an application filed later in Timor-Leste before expiry of its priority period may not be invalidated by reason of events occurring in this period, namely by another application or by the publication or exploitation of an invention, model or design.
5. An application with the same subject matter as a prior application shall be considered a first application as long as, at its date of filing, the prior application has been withdrawn, abandoned or refused without undergoing public examination, without leaving any rights outstanding, and without having served as a basis for a claim of ownership.
6. In the case set forth in the preceding paragraph, the prior application may not serve as a basis for a priority right claim more than once.
7. Persons wishing to avail themselves of the priority of a prior application must draft a statement indicating the country, date and number of that the prior application. This statement may be submitted up to three months from the expiry of the priority period.
8. If several priorities are claimed in one application, the period shall begin from the oldest priority date.
9. Priority or an application for a patent, utility model or registration may not be denied on the grounds that the applicant claims several priorities, even if they come from different countries, or on the grounds that an application claiming one or more priorities contains one or more elements that were not included in the applications for which priority is being claimed, on the condition that, in both cases, there is unity of invention or creation.
10. Priority may not be denied on the grounds that certain elements of the invention or, in the case of designs, of the creation for which priority is being claimed are not included among the claims made or reproductions of the designs submitted in the application in the country of origin, provided that all the components of the application accurately show these elements.
11. If the examination reveals that a patent or utility model application contains more than one invention or, in the case of multiple applications for registration of designs, that the products do not possess the same main distinctive characteristics, applicants may, on their own initiative or in compliance with an order, divide the application into a number of divisional applications with each maintaining the original date of application and, if applicable, the right to priority.
12. Applicants may divide an application for a patent, utility model or registration on their own initiative and the date of each divisional application shall remain the same as that of the original application and if applicable, the priority right.
13. Notwithstanding the priority referenced in paragraph 1 of this Article, the priority of patentable inventions, utility models, industrial designs, and trademarks exhibited at official or officially recognized international exhibitions held in the territory of a country mentioned in that paragraph may start from the date of introduction of the goods into the exhibition if the

General Directorate of Industry receives an application for registration within twelve months of such date for patents and utility models or within six months of such date for industrial designs and trademarks.

#### **Article 218**

##### **Proof of priority right**

1. The General Directorate of Industry may require anyone invoking a priority right to submit within two months of the request a certified copy of the prior application and a certificate of the date of its filing.
2. The time limit indicated in the preceding paragraph may, for justified reasons, be extended by the same period.
3. Failure to comply with this Article shall result in loss of the priority right claimed.

#### **Article 219**

##### **Appeals**

1. The following decisions by the General Directorate of Industry may be appealed to a judicial authority:
  - a) final decisions granting or refusing industrial property rights; and
  - b) final decisions regarding assignments, licenses, declarations of expiry, or any other acts that affect, alter or extinguish industrial property rights.
2. Applicants, claimants and anyone directly and actually prejudiced by a decision of the General Directorate of Industry may be legitimate parties to appeals. Anyone who demonstrates that he has an interest in its maintenance may, in the event of a challenge to the decision, also participate in appeal proceedings.
3. Appeals must be lodged within two months from the publication of the relevant decision in the Industrial Property Gazette or from the date of the respective certification if this was requested by the claimant and if it took place before that publication.

### **CHAPTER VIII ENFORCEMENT**

#### **Article 220**

##### **Offenses**

1. Infringement shall be understood as the unauthorized exercise of intellectual property rights.
2. Trademark counterfeiting shall be understood as the production of any goods, including packaging, bearing an unauthorized trademark which is identical to a trademark either registered or well-known in respect of such goods, or which cannot be distinguished in its

essential aspects from such a trademark, and which thereby infringes the rights of the owner of the trademark under Chapter II of this Code.

3. Criminal infringement shall be understood as the commission of the following acts:

- a) the unauthorized exercise of exclusive rights in a patent, utility model, industrial design or semi-conductor product topography, where committed willfully and on a commercial scale; or
- b) the commission of acts prohibited under Article 201, or the attempt or conspiracy to commit such acts, with respect to a trade secret related to a product or service used in or intended for use in domestic or foreign commerce, intending or knowing that such acts will benefit a person or entity other than the owner of the trade secret, including any foreign government, instrumentality, or agent.

### **Article 221**

#### **Unfair competition**

1. With respect to their intellectual property, right holders and other interested parties shall have the right to oppose any act of unfair competition.

2. Any competitive act which is contrary to honest practices in industrial or commercial matters constitutes an act of unfair competition, in particular:

- a) all acts likely, by any means, to create or result in confusion with the establishment, the products, or the industrial or commercial activity of a competitor;
- b) false allegations in the exercise of trade likely to discredit the establishment, the products, or the industrial or commercial activity of a competitor; and
- c) indications or allegations whose use in the exercise of trade may be likely to mislead the public about the nature, method of manufacture, characteristics, suitability for use, or quantity of goods.

### **Article 222**

#### **Application**

1. Enforcement measures as specified in this Chapter shall be available to permit effective action against any offense defined in Articles 220 and 221.

2. These procedures shall be applied in such a manner as to avoid the creation of barriers to legitimate trade and to safeguard against their abuse.

### **Article 223**

#### **Pleadings and evidence**

1. Judicial decisions on the merits of infringement claims shall be based only on evidence in respect of which interested parties were offered the opportunity to be heard.

2. Parties against whom infringement claims are made shall have the right to written notice that is timely and contains sufficient detail, including the basis of the claims.

3. Parties to infringement actions shall be entitled to substantiate their claims and defenses and to present all relevant evidence. All such parties shall be allowed to be represented by independent legal counsel at their own expense.

4. Where a party has presented reasonably available evidence sufficient to support its claims and has identified further relevant evidence which lies in the control of the opposing party, judicial authorities may order that this evidence be produced by the opposing party, subject in appropriate cases to the procedures referenced in Article 224.

#### **Article 224**

##### **Confidential information**

1. Judicial authorities adjudicating infringement actions shall permit parties to identify confidential information involved in such actions and shall establish procedures to ensure the protection of such confidential information.

#### **Article 225**

##### **Burden of proof in special cases**

1. In civil proceedings involving a claim of infringement of rights in a patented process for obtaining a product, any identical product produced without the consent of the patent holder shall be presumed to have been obtained by the patented process in the absence of proof to the contrary:

- a) if the product obtained by the patented process is new; or
- b) if there is a substantial likelihood that the identical product was made by the process and the patent holder has been unable through reasonable efforts to determine the process actually used.

2. In the case described in paragraph 1 of this Article, the defendant shall have the burden of proving that the process to obtain an identical product is different from the patented process.

3. In implementing the requirements of the preceding paragraph, the legitimate interests of defendants in protecting their manufacturing and business secrets shall be taken into account.

#### **Article 226**

##### **Provisional measures**

1. Judicial authorities may order provisional measures:

- a) to prevent an infringement of any intellectual property right and in particular, to prevent the entry into the channels of commerce of goods, including imported goods immediately after customs clearance; or
- b) to preserve relevant evidence in regard to an alleged infringement.

2. Judicial authorities may adopt provisional measures *inaudita altera parte* where appropriate, in particular where any delay is likely to cause irreparable harm to a right holder or where there is a demonstrable risk of evidence being destroyed.

3. Where provisional measures have been adopted *inaudita altera parte*, the parties affected shall be given notice without delay after the execution of the measures at the latest. A review, including a right to be heard, shall take place upon request of the defendant with a view to deciding, within a reasonable period after the notification of the measures, whether these measures shall be modified, revoked or confirmed.

4. Judicial authorities may require an applicant for provisional measures to provide any or all of the following:

- a) any reasonably available evidence required to establish to a sufficient degree of certainty that the applicant is the right holder and that the applicant's right is being infringed or that such infringement is imminent;
- b) a security sufficient to protect the defendant and to prevent abuse of enforcement procedures; and
- c) information necessary for the identification of the goods concerned by the police or other authority that will carry out the provisional measures.

5. Without prejudice to paragraph 3 of this Article, provisional measures shall, upon request by the defendant, be revoked if the applicant has not initiated proceedings leading to a decision on the merits of the case within 30 calendar days.

6. Where the provisional measures are revoked, or where they expire due to any act or omission by the applicant, or where it is subsequently found that there has been no infringement or threat of infringement of an intellectual property right, the judicial authorities may order the applicant, upon request of the defendant, to compensate the defendant for any injury caused by these measures.

7. Provisional measures shall be available against any intermediary whose services are being used by third parties to violate intellectual property rights.

## **Article 227**

### **Damages**

1. Judicial authorities may order an infringer of any intellectual property right to pay the right holder damages adequate to compensate for the injury the right holder has suffered due to the infringement.

2. Judicial authorities may also order an infringer to pay the right holder's expenses which may include appropriate attorney's fees.

3. In appropriate cases as determined by the adjudicating authority, such authority may order recovery of profits even in cases where the infringer did not knowingly, or with reasonable grounds to know, engage in infringing activity.



## **Article 228**

### **Injunctions**

Judicial authorities may order a party to desist from any infringement of intellectual property rights, including to prevent infringing goods from entering into the channels of commerce, whether following customs clearance or otherwise.

## **Article 229**

### **Other remedies**

1. Judicial authorities may order that goods they have found to be infringing be destroyed or disposed of outside the channels of commerce in such a manner as to avoid any harm to the right holder.
2. Judicial authorities may order that materials and implements whose predominant use has been in the creation of the infringing goods be disposed of outside the channels of commerce in such a manner as to minimize the risks of further infringements.
3. In considering requests for the remedy provided in the preceding paragraph, judicial authorities shall take into account the need for proportionality between the seriousness of the infringement and the remedies ordered as well as the interests of third parties. In regard to counterfeit trademark goods, the simple removal of a trademark unlawfully affixed shall be insufficient, other than in exceptional cases, to permit release of the goods into the channels of commerce.
4. The remedies provided for in this Article shall not include compensation of any sort to the infringer.

## **Article 230**

### **Right of information**

1. Judicial authorities may, unless it would be out of proportion to the seriousness of the infringement, order an infringer to inform a right holder of the identity of third persons involved in the production and distribution of infringing goods or services and of their channels of distribution.

## **Article 231**

### **Abuse of enforcement procedures**

1. Where a party has caused enforcement measures to be taken through an abuse of enforcement procedures, judicial authorities may order that party to compensate the party wrongfully enjoined or restrained for the injury suffered because of such abuse.
2. In cases of abuse of enforcement procedures, judicial authorities may also order the applicant to pay the defendant's expenses which may include appropriate attorney's fees.

**Article 232**  
**Criminal penalties**

1. In addition to the infringement remedies provided in this Chapter, judicial authorities may order any or all of the following remedies in cases of criminal infringement or willful trademark counterfeiting on a commercial scale:

- a) imprisonment of one to three years or a fine, to be assessed at a level sufficient to provide a deterrent and consistent with the level of penalties applied for crimes of a corresponding gravity; or
- b) seizure, forfeiture and destruction of infringing goods and of any materials or implements predominantly used to commit the offence.

2. For the purposes of the previous paragraph, commercial scale shall include the acts that are aimed at obtaining an economic or commercial advantage, direct or indirect, and shall exclude acts practiced by final consumers in good faith.

3. Prosecution of crimes provided for in this Code shall take place in accordance with the Penal Code.

4. Civil actions based on infringement of intellectual property rights shall not be dependent on the criminal prosecution based on the same conduct although such actions may be brought in conjunction with criminal prosecution where appropriate.