Patents, Industrial Designs and Trademarks

Registration Act

Of the

Islamic Republic of Iran

(2008)

Chapter One:

PATENTS

Article 1 - An invention is the outcome of an individual(s)' mind that produces a certain product or a process for the first time and provides for a solution to a specific problem in a certain line of specialty, technique, technology, industry and the like.

Article 2 - An invention shall be patentable if it includes a new innovation, and is industrially applicable. An innovation includes anything that has not been anticipated by prior art and would not be obvious to a person having ordinary

skills in the art. An invention shall be considered industrially applicable if it may be made or used in a given line of industry. "Industry" may be construed in the broadest meaning of the word and shall include handicrafts, agriculture, fishery and services as well.

Article 3 - A "Letters Patent" is a document issued by the Industrial Property Office for the protection of an invention and the holder thereof may enjoy exclusive rights of the same.

Article 4 - The following shall be excluded from the scope of the protection of a patent:

- a) Discoveries, scientific theories, mathematical methods and works of art;
- b) Schemes, rules or methods for doing business, performing mental or social acts;
- c) Methods for treatment or diagnosis of human or animal diseases;

This subsection shall not include products falling within the scope of definition of the patent and those used in the said methods.

- d) Genetic resources and genetic components comprising the same, as well as biological processes for the production of the same.
- e) Anything that has been already anticipated in industries and techniques.

Prior art is everything disclosed to the public, anywhere in the world, through written or oral publication, by practical use or in any other way, prior to the filing or, where appropriate, the priority date, of the application claiming the invention.

Disclosure to the public of the invention shall not prevent grant of the patent, if it has occurred within six months before the filing date or, where appropriate, before priority date of the application.

f) Those inventions the commercial exploitation of which would be contrary to Sharia Rules, public order or morality shall not be patentable.

Article 5 – Naming the inventor in the Letters Patent and the right to Patent shall be as follows:

- a) The right to patent shall exclusively belong to the inventor.
- b) If two or more persons have jointly made an invention, the right to patent shall belong to them jointly.
- c) Where two or more persons have made the same invention independently of each other, the person whose application has been filed earlier or, if priority is claimed, the person who can prove that he has validly filed his application earlier than other(s), shall have the right to register his invention provided that his application has not been withdrawn, abandoned or rejected.
- d) The right to a granted patent may be assigned and in case of death of the person holding the right, it shall be transferred to his/her heirs.
- e) Where an invention has been made in execution of an employment contract, the economic rights to the patent shall belong to the employer unless otherwise provided for in the respective contractual agreement.
- f) The inventor's name shall be indicated in the Letters Patent, unless in a written declaration addressed to the Industrial Property Office, he/she indicates that he/she does not wish his/her name to be reflected therein. Any kind of statement or undertaking presented by the inventor to the effect that someone else's name shall be indicated as the inventor shall have no legal effect.

Article 6 - The application for registration of a patent which is submitted to the Industrial Property Office shall be made in Farsi, shall specify the subject for which protection is sought, and shall be duly signed and dated. It shall contain a request, a description, claims, an abstract, drawing(s), if required. The prescribed fees for filing the application shall be collected from the applicant.

The following points shall be observed for the purpose of preparation and submission of the application.

a) Name and other required particulars of the applicant, inventor and his/her legal representative, if any, and the title of the invention shall be indicated in the application;

- b) Where the applicant is not the inventor, documents evidencing his legal capacity shall be submitted together with the application;
- c) The claims indicated in the application shall be clear and concise and shall be accompanied by a description in a manner that it is sufficiently clear and complete for a person having ordinary skills in the art and shall indicate, at least, one method for carrying out the invention. The abstract shall merely be for provision of technical information and it shall not be used to interpret the invention.

Article 7 - Until such a time that the application is not approved for grant, the applicant may withdraw his/her application.

Article 8 - The application shall relate to only one invention or a group of inventions that are linked in a manner that they form a single general invention. Failure to indicate the links between the parts thereof in the general invention shall not cause loss of effect of the Letters Patent. The applicant may, until such a time that the application is not accepted to be granted:

- a) amend the application, provided that the amendment does not exceed the scope of the description of the initial application;
- b) divide the application into two or more applications. The Divisional Application shall bear the same filing date, and where applicable, include the same priority date of the initial application.

Article 9 - The applicant may, along with his application and through a declaration, claim priority as prescribed by the Paris Convention for Protection of Industrial Property dated (20 March 1883) and its subsequent revisions. The priority right may be based on one or more national or regional or international applications filed in any country or for a country party to the said Convention. If a priority is claimed:

a) The Industrial Property Office shall request the applicant to furnish the said Office, within the prescribed time limit, with a copy of the earlier application certified by the Industrial Property Office with which it was filed. b) Once the request is accepted, it shall be subject to the protection as prescribed by the Paris Convention.

If the requirements of this Article and the Regulations pertaining to it are not duly complied with, the said declaration shall be considered as null and void.

Article 10 - At the request of the Industrial Property Office, the applicant must furnish the said Office with the number and date of any application for a patent filed by the applicant abroad which, identically and essentially, relate to the same invention claimed in the application submitted to the Industrial Property Office. In addition, at the request of the Industrial Property Office, the applicant shall furnish the said Office with the following documents:

- a) A copy of any communication or notice relating to the results of any examination conducted in respect of the foreign applications that the applicant has received;
- b) A copy of the Letters Patent granted on the basis of the foreign applications;
- c) A copy of any final decision rejecting the foreign application or refusing the grant of the invention claimed in the foreign application.
- d) A copy of any final decision invalidating the Letters Patent issued on the basis of the foreign application.

Article 11 - The Industrial Property Office shall accord as the filing date the date of receipt of the application, provided that at the time of its receipt the application contains the following:

- a) An express or implicit indication of the fact that granting of a patent is requested.
- b) Indications allowing the identity of the applicant to be established.
- c) A brief description of the invention.

If the Industrial Property Office finds that, at the time of filing, the application did not fulfill the above requirements, the said Office shall invite the applicant to file the required correction within a period of thirty days from the date on which the matter is communicated to the applicant. In this case, the filing date shall be accorded the same date of receipt of the said correction. However, if the required corrections are not made within the prescribed period, the application shall be considered as null and void.

Article 12 - Where the application refers to drawings which in fact are not included in or attached to the application, The Industrial Property Office shall invite the applicant to furnish the missing drawings. If the applicant complies with the said invitation and submits the required drawings, the said Office shall accord the filing date as the date of receipt of the missing drawings. Otherwise, the Industrial Property Office shall accord as the filing date the date of receipt of the application and shall treat any reference to the drawings as non-existent.

Article 13 - After according the filing date, the Industrial Property Office shall examine whether the application complies with the requirements of this Act and the Regulations pertaining thereto and if it finds that the said conditions and requirements are duly fulfilled, it shall proceed to grant the patent. Otherwise, the said Office shall refuse the application and notify the applicant of that decision.

Article 14 - After granting the patent, the Industrial Property Office shall:

- a) publish a reference to the grant of the patent;
- b) issue the Letters Patent;
- c) shall retain a copy of the Letters Patent in its files and, after collection of the required fees, shall submit the original thereof to the applicant;
- d) Upon request of the holder of the Letters Patent, the Industrial Property Office shall make changes in the text or drawings of the patent in order to determine the extent of the protection conferred thereby, provided that the change would not result in the disclosure contained in the patent going beyond the disclosure contained in the initial application on the basis of which the patent was granted.

Article 15 - Rights Conferred by Patent shall be as follows:

- a) The exploitation of the patented invention in Iran by persons other than the owner of the patent shall require the agreement of the latter. "Exploitation" of a patented invention includes any of the following acts:
 - (1)- If the patent has been granted for a product:

(i) - making, exporting and importing, offering for sale, selling and using the product;

(ii) - stocking such product for the purpose of offering for sale, selling or using;

- (2)- If the patent has been granted in respect of a process:
 - (i) using the process;

(ii) - doing any of the acts referred to in paragraph (a) (1) of the present Article in respect of a product obtained directly by means of the process.

- b) The owner of the patent shall, subject to subsection (c) hereof and Article (17), have the right to institute court proceedings against any person who performs any of the acts referred to in paragraph (a) above and infringes the patent rights or performs any other acts which will result in the infringement of his rights.
- c) The rights under the patent shall not include the following:
 - 1. The use of articles which have been put on market in Iran by the owner of the patent or with his consent.
 - 2. The use of articles on aircrafts, land vehicles or vessels of other countries which temporarily or accidentally enter the airspace, territory or waters of Iran.
 - 3. Use conducted for experimental purposes relating to a patented invention.

- 4. The use by any person who in good faith, before the filing or, where priority is claimed, before the priority date of the same, was using the invention or was making effective and serious preparations for such use in Iran.
- d) The right of the prior user referred to in paragraph (c)(4) may be transferred or devolve only together with the enterprise or business, or with that part of business or enterprise, in which the use have been made.

Article 16 - Subject to the present Article, a Letters Patent shall expire 20 years after filing date of the application for patent. In order to maintain the Letters Patent or the patent application, an annual fee, which shall be fixed in the Regulations, shall be paid by the applicant to the Industrial Property Office for each year one year after the filing date of the application and before the beginning of the next year. A grace period of six months shall be allowed for late payment of the annual fee on payment of the prescribed surcharge.

If the said annual fee is not duly paid, the patent application shall be deemed to have been withdrawn or the patent shall lapse.

Article 17 – The Government, or the person authorized by the Government, subject to following arrangements, may use the patent,

- a) Where, in view of the respective Minister or the highest authority of the competent organization the public interest, including national security, nutrition, health or the development of other vital sectors of the national economy requires that the Government, or any person exploit the invention, and or the manner of exploitation, by the owner of the patent or his licensee, is anti-competitive and the concerned authority is satisfied that the exploitation of the invention would remedy such problem, the matter will be discussed in a Committee comprising of Head of the State Organization for Registration of Deeds and Properties, one of the Judges of the Supreme Court as nominated by the Head of the Judiciary, the Prosecutor General, representative of the President of I.R. of Iran and the Minister or the highest authority of the concerned organization. If approved a government agency or a third party, designated by the said Committee, may exploit the invention without the consent of the owner.
- b) The exploitation of a patent shall be limited to the purpose for which it was authorized and shall be subject to payment to the said owner of an adequate

remuneration thereof, taking into account the economic value of the decision. If the owner or any other interested party wishes to be heard, the Commission shall render its decision after having heard their statements and taking into consideration the exploitation in anti-competitive practices. The Commission may, upon request of the owner of the patent, or the Government agency or the third party authorized to exploit the patented invention, after hearing both or either of the parties as appropriate and necessary, proceed to make a fresh decision.

c) If the holder of the patent claims that, the circumstances that led to making the decision have ceased to exist and are unlikely to recur or if he claims that the Government agency or third party designated by Committee has failed to comply with the terms of the decision, the matter shall be discussed and examined by the Committee and after hearing the patent owner, the Minister or the highest authority of the concerned organization and the exploiter, the exploitation permit shall be terminated and, as the case may be, the authorization shall be issued for the owner or another exploiter. However, the authorization shall not be terminated if, subject to the provisions of the present paragraph, the Committee is satisfied that the need for adequate protection of the legitimate interests of the persons who have obtained the authorization justifies the maintenance of the decision.

In cases where a third person has been designated by the Commission, the authorization may only be transferred with the enterprise or business of that person or with the part of the enterprise or business within which the patented invention is being exploited.

- d) The authorization provided for in the present Article shall not impede the following acts:
 - 1. The conclusion of a License Contract by the owner of the patent, subject to provisions of the present Article;
 - 2. The continued exercise, by the owner of the patent, of his rights under Article 15(a);
 - 3. The issuance of a non-voluntary license under subsections h (1) and (2) of the present Article.

e) The request for the Commission's authorization shall be accompanied by the evidence that the Government agency or the authorized person has submitted a request to the owner of the patent for a license, but that the said person or agency has been unable to obtain such a license on reasonable terms and conditions and within a reasonable time.

Provisions of this subsection shall not apply in cases of emergency arising from national interests or cases of *Force Majeure*, at the total discretion of the Committee, provided that in such cases the owner of the patent shall be notified of the Commission's decision as soon as possible.

- f) The exploitation of the invention by the Government agency or a third person designated by the Committee shall be predominantly for the supply of in the Iranian market.
- g) The authorization issued by the Commission for exploitation of a patent in the field of semi-conductor technology shall be authorized only for public non-commercial use or where the Minister or the highest ranking authority of the concerned organization has determined that the manner of exploitation of the patented invention, by the owner of the patent or his licensee, is anticompetitive.
- h) The non-voluntary exploitation authorization may be issued in the following cases under the following conditions:
 - 1. If it is claimed in a Letters Patent that the patent cannot be exploited without using an earlier patent and that the later patent, compared to the earlier patent, involves an important technical advance and is of considerable economic importance, the Industrial Property Office, upon the request of the owner of the later patent, may issue an authorization for using the earlier patent to the extent necessary, without consent of its owner.
 - 2. Where a non-voluntary license is issued under subsection (1) above without consent of the owner, the Industrial Property Office, upon the request of the owner of the earlier patent, shall issue a non-voluntary license in respect of the later patent as well.
 - 3. In the case of a request for the issuance of a non-voluntary license under subsections (1) and (2) hereof, the decision issuing the non-

voluntary license shall fix the scope and function of the authorization and the amount of the adequate remuneration to be paid to the owner of the patent and the conditions of payment.

- 4. In the case of a non-voluntary license issued under subsection (1) above, its transfer shall be authorized only with the later patent, or, in the case of a non-voluntary license under subsection (2) above, only with the earlier patent.
- 5. The request for the issuance of a non-voluntary license shall be subject to the payment of the prescribed fee.
- 6. In the case of a non-voluntary license issued under subsections (1) and (2) hereof, subsections (b) to (f) and (i) of the present Article shall apply *mutatis mutandis*.
- i) Appeals may be lodged with the Public Courts of Tehran against resolutions of the Commission made within the scope of the subsections of the present Article.

Article 18 - Any interested person may request the Court to invalidate a Letters Patent. If the person requesting the invalidation proves that any of the requirements of Articles 1, 2, 4, the first sentence of Article 6 and Article 6(c) are not fulfilled or if the owner of the patent is not the inventor or his successor in title, the court shall invalidate the Letters Patent.

Any invalidate patent, or claim or part of claims, shall be regarded as null and void from the date of the grant of the patent. The final decision of the Court shall be notified to the Industrial Property Office, which shall record it and, upon payment of the prescribed fees, shall publish a reference thereto as soon as possible.

Article 19 – If the owner of the patent decides to use/work a patented invention, the State Organization for Registration of Deeds and Properties, shall notify the concerned organization(s) within a period of one week.

The said organization(s) shall issue their opinion on the possibility of exploitation of the patent within a maximum period of two months and shall notify the result

for the purpose of issuance of the exploitation permit to the State Organization for Registration of Deeds and Properties in writing.

Chapter Two:

INDUSTRIAL DESIGNS

Article 20 - For the purpose of this Act, any composition of lines or colors or any three dimensional form, whether or not associated with lines or colors, is deemed to be an Industrial Design, provided that such composition or form gives a special appearance to a product of industry or handicraft. In an Industrial Design, the protection under this Act does not extend to solely achieving a technical result without incorporating changes in the appearance.

Article 21 - An Industrial Design is registrable if it is new and or original. An Industrial Design shall be new if it has not been disclosed to the public, anywhere in the world, by publication in tangible form or by use or in any other way, prior to filing date of the application or, where applicable, the priority date of the application for registration. Provisions of last sentence of Article (4) (e) and (f) shall apply *mutatis mutandis* to Industrial Designs.

Article 22 - The application for registration of an Industrial Design filed with the Industrial Property Office shall be accompanied by drawings, photographs or other adequate graphic representation of the article embodying the Industrial Design and an indication of the kind of products for which the Industrial Design is to be used. Where the Industrial Design is three-dimensional, the Industrial Property Office may request a real specimen or a maquette of the same along with the application. The application shall be subject to payment of the prescribed application fee.

The application must contain specifications of the Design and where the applicant is not the creator (designer), a statement justifying the applicant's right to the registration of the Industrial Design shall accompany the application.

Article 23 - Articles (5), (9), 11(c) and (15) of the present Act shall apply *mutatis mutandis* for Industrial Designs.

Article 24 - Two or more Industrial Designs may be the included in one single application, provided that they relate to the same class of International Classification or to the same set or composition of articles.

Article 25 – At the time of filing the application, it may be requested that the publication of the Industrial Design, upon registration, be deferred for a period not exceeding 12 months from the date of filing, or if priority is claimed, from the date of priority, of the application.

Article 26 - The applicant may withdraw the application at any time while it is under examination.

Article 27 – The examination, registration and publication of the Industrial Design shall be as follows:

- a) The filing date shall be the date on which the application has been submitted to the Industrial Patent Office, provided that, at the time of its submission, the application contains indications allowing the identity of the applicant to be established and required graphic representation of the article that embodies the Industrial Design.
- b) After receiving the application, the Industrial Property Office shall examine the application to determine if it complies with the requirements of Article 22 and whether the said Industrial Design complies with the requirements of Articles 20 and 4(f) and the Regulations pertaining thereto.
- c) Where the Industrial Property Office finds that the conditions referred to in subsection (b) hereof are fulfilled, shall proceed to register the Industrial Design, publish a reference to the registration and shall issue to the applicant a Certificate of Registration of the Industrial Design; otherwise, the said Office shall reject the application.
- d) Where a request has been made under Article 25, upon registration of the Industrial Design, neither the representation of the design nor the contents of the application shall be published. In this case, the Industrial Property Office shall publish a mention of the deferment of the publication of the Industrial Design and information identifying the owner of the registered Design, and indicating the filing date of the application, the length of period for which deferment has been requested and any other prescribed particulars. At the expiry of the requested period of deferment, the Industrial Property Office shall publish the registered Industrial Design. The institution of legal proceedings on the basis of a registered Industrial Design during the period of deferment of publication shall be subject to the condition that the information contained in the Register and the file relating

to the application has been communicated, in writing, to the person against whom the action is brought.

Article 28 - Rights conferred by Registration of the Industrial Design, duration and renewal of the same shall be as follows:

- a) The exploitation of a registered Industrial Design in Iran by persons shall require the agreement of the owner thereof.
- b) Exploitation of a registered Industrial Design means making, selling or importation of articles incorporating the said Industrial Design.
- c) The registered owner of an Industrial Design may institute court proceedings against any person who performs any of the acts referred to in the subsection (b) above without his consent, or performs acts which make it likely that future infringement will occur.
- d) The registration of an Industrial Design shall be valid for a period of five years from filing date of the application for registration. This period may be renewed for two further consecutive periods of five years after payment of the prescribed fees. After expiry of each period that starts at the end of the said period, a grace period of six months shall be allowed for the late payment of the renewal fee. A fine for late payment shall also be fixed.

Article 29 - Any interested person may request the court to invalidate the registration of an Industrial Design. For this purpose, the said person requesting the invalidation must prove that any of the requirement of Articles 20 and 21 is not fulfilled or that the registered owner of the Industrial Design is not the creator or his successor in title. Last paragraph of Article 18 shall apply *mutatis mutandis*.

Chapter Three:

MARKS, COLLECTIVE MARKS AND TRADE NAMES

Article 30 – Definitions of Marks, Collective Marks and Trade Names are as follows:

- a) "Mark" means any visible sign capable of distinguishing the goods or services of legal entities or of natural persons.
- b) "Collective Mark" means any visible sign designated as such in the application for registration and capable of distinguishing the origin or any other characteristics, including the quality, of goods or services of natural persons or of legal entities which use the sign under the control of the registered owner of the Collective Mark;
- c) "Trade Name "means the name or designation identifying and distinguishing a natural person or a legal entity.

Article 31 - The exclusive right to use a Mark shall belong to the person who registers his Mark in accordance with the provisions of this Act.

Article 32 - A Mark is not registerable in the following cases:

- a) If it is not capable of distinguishing the goods or service of one enterprise from those belonging to another enterprise.
- b) If it is contrary to Rules of Sharia, public order or morality.

- c) If it is likely to mislead the public or trade centers, in particular as regards the geographical origin of the goods or services concerned or their nature or characteristics.
- d) If it is identical with, or is an imitation of or contains as an element, an armorial bearing, flag or other emblem, a name or abbreviation or initials of the name of, or official sign or hallmark adopted by, any State, intergovernmental organization created under an international convention, unless authorized by the competent authority of that State or organization.
- e) If it is identical with, or confusingly similar to, or constitutes a translation of, a mark or trade name which is well known in Iran for identical or similar goods or services of another enterprise.
- f) If an identical or similar mark has been registered or become well know for services that are not similar provided that customarily there is a connection between the use of the mark and the owner of the well know mark and that its registration is likely to damage interests of the owner of the well-know mark.
- g) If it is identical with a mark registered in the name of a different proprietor with an earlier filing date or a priority right in respect of the same goods or services or for goods and services that, due to connection or resemblance, is likely to deceive or cause confusion.

Article 33 - The application for registration of a Mark shall be filed with the Industrial Property Office together with a reproduction of the Mark and a list of goods or services for which registration is requested, under the applicable class (es) of the International Classification. The applicant shall pay the prescribed application fees.

Article 34 – If the application contains a declaration claiming priority rights under the Paris Convention for Protection of Industrial Property, of an earlier application filed by the applicant or his predecessor in title in any State party to the said Convention, provisions of Article 9 shall apply.

Article 35 - The applicant may withdraw the application at any time while the application has not matured to registration.

Article 36 - The Industrial Property Office shall examine the application to determine if it complies with the requirements of the present Act and, if finds it registrable, shall allow publication of the application.

Article 37 - Any interested party may, within a maximum period of thirty day running from the publication date, lodge an opposition on the grounds that the requirements of the Article 30(a) and 32 of the present Act are not fulfilled. I this case,

- 1. The Industrial Property Office shall serve a copy of such opposition on the applicant, and shall allow the applicant to state his response within a period of twenty days. If the applicant insists on his application, he shall send to the Industrial Property Office a counter-statement together with the grounds on which he relies for his application. Otherwise, the application will be deemed to have been withdrawn.
- 2. If the applicant sends a counter-statement, the Industrial Property Office shall furnish a copy thereof to the person filing the opposition and, after taking into consideration the statements of the parties, and provisions of the present Act, shall decide whether to register or otherwise reject the Mark.

Article 38 - After an application is published and until the registration of the Mark, the applicant has the same privileges and rights as he would have if the Mark had been registered; However, if the applicant lodges an action against an act that has been performed after publication of the application and if the defendant proves that at the time of performing the said act, the Mark had not been legally registrable, the defendants defense shall be heard and appropriate decision will be made regarding registration or rejection of the Mark.

Article 39 - If the Industrial Property Office finds that the conditions referred to in the present Act are duly fulfilled, the said Office shall register the Mark, issue the notice of registration of the Mark and issue to the applicant a Certificate of Registration.

Article 40 - Rights Conferred by Registration, Duration and Renewal of Registration shall be as follows:

a) The use of any Mark registered in Iran by any person other than the registered owner shall require the consent of the latter.

- b) The registered owner of a Mark shall have the right to institute court proceedings against any person who infringes the Mark by using, without his agreement, the Mark as aforesaid or who performs acts which make it likely that infringement will occur. This right shall extend to the use of a Mark similar to the registered Mark and the use thereof in relation to similar goods and services that shall cause confusion.
- c) The rights conferred by registration of a Mark shall not extend to acts in respect of goods and services which have been imported into Iran and put on the Iranian market by the registered owner or with his consent.
- d) The validity of registration of a Mark shall be ten years from the filing date of its application for registration. This period may, at the request of its owner, be renewed for consecutive periods of ten years, upon payment of the prescribed fees. A grace period of six months running from the expiration date of the said period shall be allowed for the late payment of the renewal fee on payment of the prescribed fine.

Article 41 - Any interested person may request the court to cancel the registration of a Mark. In this case, the said person must prove that the provisions of Article 30(a) and Article 32 of the present Act have not been fulfilled.

Any cancellation of a registration of a Mark shall be effective as of the date of registration, and a notice to that effect shall be published as soon as possible.

Any interested person may request the court to invalidate the registration, if he establishes that, the owner of a registered Mark, or a person authorized by him, has not used the said Mark for a period of at least three full years running from the date of registration up to one month prior to filing the request. However, if it is established that use of the Mark has been prevented due to *Force Majeure*, the registration shall not be invalidated.

Article 42 - Subject to provisions of the present Article, and Article 43, provisions of Article 31 to 41 of the present Act shall apply to Collective Marks as well.

The application for a Collective Mark, shall contain a reference to indicate that the Mark applied is a Collective Mark, and shall be accompanied by a copy of the regulations governing the use of the Collective Mark. The registered owner of a

Collective Mark shall notify the Industrial Property Office of any changes made in respect of the regulations referred to the previous sentence hereof.

Article 43 - In addition to the grounds provided in Article 41, the court shall invalidate the registration of a Collective Mark if the claimant proves that the registered owner uses the Mark on his own, or that he uses or permits its use in contravention of the regulations referred to in Article 42, or that he uses or permits its use in a manner liable to deceive trade circles or the public as to the origin or any other common characteristics of the goods or services concerned.

Article 44 - Any License Contract concerning the use of registration of a Mark, or an application thereof, must provide for effective control by the licensor of the quality of goods or services of the licensee. Otherwise, or if such control is not effectively carried out, the License Contract shall not be valid.

Article 45 - The registration of a Collective Mark or an application thereof, may not be subject of a License Contract.

Article 46 - A name or designation, the nature or manner of use of which is contrary to Rules of Sharia, public order or morality and or if it is liable to deceive trade circles or the public as to the nature of the enterprise identified by that name, may not be used as a Trade Name.

Article 47 - Subject to any laws or regulations providing for obligatory registration of Trade Names, such Names shall be protected, even without registration, against any unlawful act committed by third parties.

Any use of the Trade Name by a third party, whether as a Trade Name, a Mark or a Collective Mark, or any use thereof likely to mislead the public, shall be deemed unlawful.

Chapter Four:

GENERAL PROVISIONS

Article 48 - Any changes in the ownership of a Patent, the registration of an Industrial Design or the registration of a Mark or Collective Mark, or the right of ownership derived from filing an application thereof, at the written request of any interested party submitted to the Industrial Property Office shall be recorded and, except in the case of changes in the ownership of an application, shall be published by the said Office. Such changes shall have no effect against third parties until such request is filed.

Any change in the ownership of the registration of a Mark or a Collective Mark shall be invalid if it is likely to deceive or cause confusion in regard to the nature, origin, manufacturing process, characteristics, or suitability for the purpose of the goods or services in relation to which the Mark or Collective Mark is intended to be used or is being used

Any change in the ownership of registration of a Collective Mark, or in the ownership of an application thereof, shall require prior approval of the Head of State Organization for Registration of Deeds and Properties.

Article 49 - Any change in the ownership of a Trade Name must be made with the transfer of the enterprise or part thereof identified by that name.

Article 50 - Any License Contract concerning a patent, registered Industrial Designs or a registered Mark, or an application thereof, shall be submitted to the Industrial Property Office. The said Office shall keep the contents of the said contract confidential but shall record it and publish a reference thereto. The effect of such contracts against third parties shall be subject to fulfillment of the above mentioned procedures.

Article 51 - Where an applicant's place of residence or principal place of business is outside Iran, his legal representative that resides and practices in Iran, may carry out the required steps as his representative.

Article 52 - (1) The State Organization for Registration of Deeds and Properties shall be responsible for the Industrial Property matters and shall represent the Islamic Republic of Iran at the World Intellectual Property Organization and the Unions relating to the respective conventions.

Registration of all Industrial Property matters including Patents, Marks, Collective Marks, and Industrial Designs shall also be carried out by the Industrial Property Office of The State Organization for Registration of Deeds and Properties. In cases where, by law, other bodies and organizations carry out examination and registration processes, they shall enjoy the protection and privileges provided for by the present Act if their proprietorship or patent, as the case may be, is duly registered at the Industrial Property Office.

Article 53 - The State Organization for Registration of Deeds and Properties shall, by making use of modern methods, maintain separate Registers for Patents, Industrial Designs and Marks. Collective Marks shall be registered in a special section of the Register of Marks.

Article 54 – The data appearing in the Registers shall be accessible to all persons, and any person may obtain his required information under the conditions as prescribed in the Regulations.

Article 55 - The Industrial Property Office shall publish all the publications provided for in this Act in the Official Gazette.

Article 56 - The Industrial Property Office is authorized to correct any error of translation or transcription, clerical error, errors or mistakes in any application or in any recording effected pursuant to this Act or the Regulations.

Article 57 – Upon receiving a written request for extension of any deadline for any act as prescribed in the present Act or the Regulations, and upon considering the prevailing circumstances, the Industrial Property Office may proceed to extend the respective deadline. This extension shall take place by sending a notice to the parties concerned under the provisions stipulated in the Regulations.

Article 58 - The Industrial Property Office, before exercising the discretionary powers vested in the said Office by law, shall give any party against whom the said Office wishes to make a decision, a sufficient opportunity to present his statement. In such cases, any decision shall be made by taking into due consideration the said Statement.

Article 59 - Disputes relating to the application of this Act and the Regulations shall fall within the scope of jurisdiction of special Section or Sections of the

Public Court of Tehran that shall be designated by the head of the Judiciary within a maximum period of six months, from approval of the present Act.

Any decision taken by the Industrial Property Office may be subject of appeal by any interested party who may file their appeal through a petition lodged with the competent court within two months from the date of servicing or notification of the decision. Appealing against the decisions and their examination shall be governed in accordance with the Iranian Civil Procedure Act for the Public and Revolutionary Courts in Civil Matters.

Article 60 - Infringement of the rights mentioned in the present Act shall consist of performance of any act in Iran by a person other than the owner of the rights that enjoy protection under the present Act and without the agreement of the latter.

In addition to the owner of the rights protected under the present Act, if it is established that a licensee has requested the owner to institute court proceedings for a specific relief and the owner has refused or failed to do so, the Court may, in addition to granting an injunction to prevent infringement or an imminent infringement, award damages and grant any other remedy to administer justice.

Article 61 - Any person who, knowingly and intentionally, performs an act which constitutes an infringement as defined under Articles 15, 28 and 40 or an unlawful act as defined in Article 47, shall be guilty of an offence punishable by a fine from Iranian Rial ten million (10,000,000 Rial) to Iranian Rial fifty million (50,000,000 Rial) or imprisonment term of 91 days to 6 months or both as well as payment of any damages arising from the said acts.

In civil proceedings in respect of violation of the rights of the owner of the patent, where the subject matter of the patent is a process for obtaining a product, if the following conditions are fulfilled, the burden of establishing that a product was not made by the said process shall be on the defendant in the infringement action. In this case, if the required documents and evidences are submitted, the Court shall take into account the legitimate interests of the defendant in not disclosing his manufacturing and business secrets.

- a) The product is new.
- b) A substantial likelihood exists that the product was made by the said process and the owner of the registered rights, despite reasonable efforts, has been unable to determine the process actually used.

Article 62 - In case of conflicts between the provisions of this Act and the provisions of any international treaties in respect of Intellectual Property to which Iran is or will become a party, provisions of the said treaties shall prevail.

Article 61– Through prescription of the required provisions in the Annual Budget Acts, up to fifty (50%) percent of the income in foreign exchanges derived through implementation of Conventions pertaining to international registration of Industrial Property, that is acquired after approval of the present Act, shall be allocated in the respective Annual Budget Act to promotion and improvement of the Industrial Property Office's equipments so as to enhance quality of performance of the said Office.

Article 64 -The Regulations for the execution of this Act shall be prepared by The State Organization for Registration of Deeds and Properties within one year after its approval and shall be further approved by the Head of the Judiciary Power. The said Regulations shall, in particular, provide for the schedule of the respective fees for applications for the grant of patents and for the registration of Industrial Designs, Marks and Collective Marks, renewals and fines for late payments with due observation of provisions of the present Act and those of the concerned Conventions to which Islamic Republic of Iran is a member, and shall be revised every three years, if necessary.

Article 65 - The patents and trademarks registered under the previous act shall remain in force and shall be protected by the present Act. In this case:

- a. As for patents, the annual maintenance fees provided for in the present Act must be duly paid for the remaining period of their validity.
- b. Trademarks shall be renewed on their due date under the previous Act and, upon renewal, shall be reclassified according to the International Classification.

Article 66 - From the date of entry into force of the present Act, the Trademarks and Patents Registration Act dated 1931, its subsequent revisions and amendments and the Regulations for the Execution of the same shall be repealed.

The above Act, comprising of sixty six Articles, was duly approved at the meeting dated 29 October 2007 of the Judicial and Legal Commission of the Islamic Consultative Assembly under Article 85 of the Constitution of Islamic Republic of

Iran, and after agreement of the Assembly with the experimental execution of the same for a period of five years, it was further approved by the Guardian Council on 12 February 2008.

Gholam Ali Haddad Adel Speaker Islamic Consultative Assembly of Islamic Republic of Iran