

Pursuant to Article 82 paragraph 1 item 2 and paragraph 1 of Article 91 of the Constitution of Montenegro, the Parliament of Montenegro in its 24th convocation at the seventh session of the second regular sitting in 2010, on 22 December 2010, hereby passes the

LAW
ON LEGAL PROTECTION OF INDUSTRIAL DESIGN

I. BASIC PROVISIONS

Subject Matter

Article 1

The present law shall govern the registration and legal protection of industrial design.

Definition and Effect of the Design

Article 2

Industrial design shall be the appearance of the whole or a part of a product, resulting from its features, in particular the lines, contours, colors, shape, texture and/or material the product is composed of and its ornamentations (hereinafter referred to as: the Design).

The product referred to in paragraph 1 of the present Article shall mean any industrial or handicraft product, including parts intended to be assembled into a complex product, product packaging, get-up, graphic symbols and typographic typefaces, excluding computer programs.

A complex product referred to in paragraph 2 of the present Article shall mean any product composed of replaceable multiple parts permitting product disassembly and reassembly.

Designs registered with the International Bureau of the World Intellectual Property Organization in accordance with The Hague Agreement Concerning the International Registration of Industrial Designs (hereinafter referred to as: the Hague Agreement) shall also be effective in Montenegro.

Equality of Foreign and National Persons

Article 3

Foreign legal and natural persons shall have rights with respect to design registration and legal protection in Montenegro equal to those of national legal and natural persons, if this results from ratified international agreements or from the reciprocity principle.

Proof of the existence of reciprocity referred to in paragraph 1 of the present Article shall be provided by the person claiming reciprocity.

In any proceedings before a competent authority, a foreign legal or natural person shall be represented by a legal or natural person (hereinafter referred to as: the Representative) entered into the Register of Representatives maintained by the competent authority in charge of intellectual property matters (hereinafter referred to as: the Competent Authority) or a lawyer entered into the Montenegro Bar Association Register.

II. DESIGN REGISTRATION REQUIREMENTS

Requirements for Design Protection

Article 4

A Design may be protected if it is new and has an individual character.

A Design applied to or contained in a product which constitutes a component of a complex product shall be considered to

be new and to possess individual character only if such component of the product, after being incorporated into the complex product, remains visible during normal use of that product and if the visible features of the component part of the product themselves meet the requirements concerning novelty and individual character.

Normal use referred to in paragraph 2 of the present Article shall mean the use by the end user of the product, excluding product maintenance, servicing or repair work.

Design Novelty

Article 5

A design shall be considered new if no identical design has been made available to the public prior to the design registration application filing date (hereinafter referred to as: the Application) or if the priority right was claimed prior to the date of registered priority right.

A design shall be deemed to be identical if its features differ solely in immaterial details.

Individual Character of the Design

Article 6

A design shall be considered to have individual character if the overall impression it produces on the informed user differs from the overall impression produced on such a user by any other design which has been made available to the public prior to the registration application filing date or if the priority right was claimed prior to the date of registered priority right.

In assessing individual character of the design, the degree of freedom of the author of the design (hereinafter referred to as: the Designer) in creating the design shall be taken into consideration.

Disclosure

Article 7

Within the meaning of Articles 5 and 6 of the present Law, a design shall be deemed to have been made available to the public if it has been disclosed by means of registration or otherwise, exhibited, used in trade or otherwise disclosed prior to the date of filing the application for design registration or if the priority right was claimed prior to the date of registered priority right, except where these events could not reasonably have become known in the usual course of business to the groups in Montenegro specialized in the given sector.

The design shall not be deemed to have been made available to the public within the meaning of paragraph 1 of the present Article, if it has been disclosed to another person under conditions of confidentiality related to the industrial design.

The design shall not be deemed to have been made available to the public, within the meaning of Articles 5 and 6 of the present Law, if a design has been disclosed by the designer, his/her legal successor, or a third person as a result of an information received from the designer or his/her legal successor, or as a result of an action taken by the designer or his/her legal successor, provided that the time period from the design disclosure date to the design registration application filing date or to the date priority right has been claimed, is less than 12 months, if the industrial design has become available to the public as a result of abuse in respect of the author or his/her legal successor.

Design Register and Official Gazette

Article 8

Design Register (hereinafter referred to as: the Register) and application records shall be maintained by the competent authority.

The Register referred to in paragraph 1 of the present Article shall contain, in particular: the data about the author of the design,

the design registration number, the design registration application filing date, the priority right claimed, the application disclosure date, design registration date, amendments, Register entry date, international registration data, design protection renewal data and the registered design lapse date.

Application records referred to in paragraph 1 of the present Article shall, in particular contain information referred to in Article 25 paragraph 1 of the present Law.

At the request of the interested party and upon payment of the prescribed administrative fees and duties, the competent authority shall issue an extract from the Register and the industrial design validity certificate.

The data from the Register shall be published in the Official Gazette of the competent authority.

The competent authority of the state administration in charge of intellectual property issues (hereinafter referred to as: the Ministry) shall prescribe in more detail the content and procedure for maintenance of the Register and the application records referred to in paragraph 1 of the present Article.

Relation to Other Laws

Article 9

Unless otherwise prescribed by the present Law, the provisions of the law governing general administrative procedure shall be applicable to the design registration and protection procedure.

An appeal against the decisions rendered by the competent authority may be filed with the Ministry.

In the procedure before the competent authority, the prescribed administrative fees and duties in keeping with the law governing administrative fees and duties, special procedural costs and information provision services fees, shall be charged.

The amount of special procedural costs and fees for information service provision shall be determined by the

Government of Montenegro (hereinafter referred to as: the Government).

Protection Excluded Due to Technical Function

Article 10

Industrial design right shall not subsist with respect to appearance of a product that is solely dictated by its technical function.

Industrial design right shall not subsist with respect to appearance of a product that must necessarily be reproduced in its exact form and dimensions in order to permit the product to be mechanically connected to or placed in, around or against another product, so that either product may perform its function.

Notwithstanding paragraph 2, the industrial design rights may, under the conditions set out in Articles 5 and 6 of the present Law, subsist with respect to a design enabling multiple assembly or connection of mutually interchangeable products within a modular system.

Industrial Design Protection Exclusion

Article 11

The following designs may not be registered and protected:

- 1) Those which are contrary to public interest or accepted moral norms;
- 2) Designs not meeting the criteria referred to in Articles 2, 4, 5, 6 and 7 of the present Law;
- 3) If the applicant or design holder is not authorized to acquire the design pursuant to the present Law;
- 4) If the design is identical to an earlier design disclosed to the public following the application filing date or if the priority right has been claimed, following the date of the registered priority right and which has been registered in Montenegro earlier or for which registration has been filed earlier;

5) If in the process of creating a design a sign for distinguishing goods or services has been used, while the owner of the earlier right was entitled to prohibit such usage;

6) Designs containing signs, symbols, badges or coat of arms and the like referred to in Article 6^{bis} of the Paris Convention on the Protection of Industrial Property (hereinafter referred to as: the Paris Convention) and those containing state coat of arms, a flag or a symbol, name or abbreviated name of a country or an international organization, religious or national symbols as well as imitations thereof.

Rights of Designers

Article 12

The right to the industrial design protection shall be vested in the designer, or his legal successor.

A person providing only technical assistance in the process of creating a design shall not be considered a designer.

If two or more persons jointly created a design, all designers shall be entitled to industrial design protection rights.

If the design has been developed by a person while performing his/her regular work related activities or when acting on order and instructions of their employer, the employer shall be entitled to file an application unless otherwise stipulated in the contract.

Designer Indication

Article 13

Designer shall be entitled to be cited in all documents in the process of registration and in the Register as the designer, in much the same way as does the applicant or holder of the design.

If more than one designer or a team of designers jointly created a design, all designers individually or the team of designers

shall be entitled to the rights referred to in paragraph 1 of the present Article.

III. SCOPE AND LIMITATIONS OF INDUSTRIAL DESIGN RIGHTS

Scope of the Industrial Design Rights

Article 14

The scope of the registered industrial design protection shall include appearance of the product and/or the impression it produces on the informed user which differs from the impression produced on such a user by any other design.

When determining the scope of industrial design rights in any dispute that might arise, the court shall take into account freedom of the author in creating the industrial design, within the meaning of the Article 6 paragraph 2 of the present Law.

Exclusive Rights

Article 15

The holder of the industrial design rights shall have the exclusive right to use the registered industrial design and to prevent any third party not having his consent from using it.

The use referred to in paragraph 1 of the present Article shall include: making, offering, putting on the market, importing, exporting or using the product containing the design or a product to which the design has been applied or stocking such a product for those purposes.

Should the disclosure of the registered design be deferred pursuant to Article 35 of the present Law, the design holder shall be entitled to prevent other persons from taking actions referred to in paragraph 2 of the present Article, if such actions are aimed at copying the registered design.

Limitation of Exclusive Rights

Article 16

The holder of industrial design rights may not prevent other person from performing the following activities:

- 1) Activities performed for private, non-commercial and experimental purposes;
- 2) Reproduction for the purpose of making citations or teaching, provided such activities are compatible with the fair business practices and provided they do not unduly jeopardize the normal exploitation of the industrial design, as well as provided that the source from which the industrial design has been obtained has been specified.

Exclusive rights to a design shall not pertain to:

- 1) ship and aircraft equipment produced by virtue of the protected industrial design and serving exclusively for the functioning of ships or aircrafts registered in another country, when they are temporarily on the territory of Montenegro;
- 2) Import of spare parts and accessories to Montenegro, for ships and aircraft repair purposes.

Earlier Use of the Design

Article 17

A person who has been able to prove that prior to the application filing date or prior to the priority right registration date, if claimed on the territory of Montenegro, he/she has already commenced in good faith with the use of the protected industrial design in manufacturing, or has made all the necessary preparations to commence with the use of the design included in the scope of protection, provided that such design is not the result of copying of a protected industrial design, shall have right of prior use.

Pursuant to the right of prior use, another person shall be entitled to use the industrial design only for purposes it was initially

used for in the manufacturing or for the purpose of necessary preparations for the commencement of use of design prior to the application filing date or prior to the priority right registration date, if the priority right has been claimed.

The person entitled to the right of prior use of the design shall not be entitled to transfer the right of industrial design use by virtue of a license agreement.

The right of prior use shall not be transferable, unless such right is transferred together with a company, part of the company, company operational unit (workshop) or branch of the company in which the use of such industrial design has been prepared or commenced, in keeping with paragraph 1 of the present Article.

Exhaustion of Rights

Article 18

If the holder of industrial design rights in Montenegro puts in the market a product comprising a protected industrial design and/or a product designed in accordance with a protected industrial design, or if the holder of the industrial design right authorizes another person in Montenegro to put such product in the market, the holder of industrial design rights shall not be entitled to prevent third parties from further disposing of that product which has been purchased in the course of legal trade.

The exhaustion of rights referred to in paragraph 1 of the present Article shall not apply in the event there exists a legitimate interest on the part of the holder of the industrial design right to oppose further trading in the product comprising the protected industrial design, or the product which has been designed in accordance with the protected industrial design, in particular if a defect has meanwhile occurred in the product or other changes appeared in the features of the product.

The exhaustion of rights referred to in paragraph 1 of the present Article may be extended beyond Montenegro in keeping with ratified international treaties.

Relation to Other Forms of Protection

Article 19

Provisions of the present Law shall not affect any existing rights with respect to trademarks or other distinction signs, unregistered designs, typographies, patents and provisions governing civil law protection or competition protection.

Copyright and Legal Protection of Designs

Article 20

Registered design may also enjoy protection pursuant to the legislation governing the copyright as of the date of its creation, or as of the date of fixation in a certain form.

IV. PROPERTY RIGHTS PERTAINING TO INDUSTRIAL DESIGN

License

Article 21

The holder of the industrial design rights may grant rights to registered industrial design on the basis of a license agreement.

At the request of the industrial design rights holder or the licensee, the license agreement referred to in paragraph 1 of the present Article, shall be entered into the Register.

The entry into the License Agreement Register, referred to in paragraph 1 of the present Article, shall be done by a special decision.

The data contained in the decision on the entry into the License Agreement Register shall be published in the Official Gazette.

The regulations issued by the Ministry shall prescribe in more detail the content of the request referred to in paragraph 2 of the present Article and the documentation submitted together with the request.

Assignment

Article 22

The holder of the industrial design rights may assign to another person the right to the industrial design by virtue of an agreement, either entirely or in part.

The assignment of the industrial design right shall be entered into the Register upon request of one of the contracting parties.

The entry of the assignment of the industrial design rights into the Register shall produce legal effect in relation to third parties.

The data contained in the decision on the entry of the assignment of the industrial design rights into the Register shall be published in the Official Gazette.

The regulations of the Ministry shall prescribe in more detail the content of the request referred to in paragraph 2 of the present Article and the documentation submitted together with the request.

Pledge, Enforced Execution and Bankruptcy

Article 23

A registered industrial design may be a subject of a pledge based on a pledge agreement and subject to enforced execution.

The pledge right shall be entered into the Register at the request of a pledger or the pledgee.

The court in charge of enforced execution *ex officio*, shall be obliged to notify the competent authority on the launching of the

design enforced execution procedure for the purpose of entry into the Register.

Pledge and enforced execution shall be published in the Official Gazette.

Pledge and enforced execution shall produce legal effect in relation to third parties following the entry into the Register.

Where the registered design is subject of bankruptcy, the information on initiating the bankruptcy proceeding shall be entered into the Register and published in the Official Gazette at the request of the competent court.

Regulations governing pledge shall be applicable to pledge or enforced execution procedures.

The regulations issued by the Ministry shall prescribe in more detail the content of the request referred to in paragraph 2 of the present Article and the documentation submitted together with the request.

V. INDUSTRIAL DESIGN REGISTRATION PROCEDURE

Initiation of the Industrial Design Registration Procedure

Article 24

The industrial design registration procedure shall be initiated by filing an application to the competent authority.

Changes to the application may be effected at the request of the applicant or *ex officio* only where a correction to the applicant's name or address must be made, the correction to the text or a certified copy must be effected, provided that these changes have no effect on the extension of the scope of the protection.

The applicant may withdraw from the registration procedure at any point in time, either entirely or partially, and the competent authority shall render an official decision thereof.

The industrial design registration application and documentation shall not be available to the public without the applicant's consent prior to the industrial design disclosure date.

Application Content

Article 25

The application shall include:

- 1) Industrial design registration request;
- 2) Information about the applicant;
- 3) The industrial design depiction (appearance) suitable for reproduction;
- 4) Indication of the product containing the design or to which the design will be applied;
- 5) Information on the authorized representative if the applicant has a representative;
- 6) Information on the joint authorized representative in case of joint applications.

If the subject of the application is a two-dimensional design and should the application include a request to defer the design publication pursuant to Article 35 of the present Law, the depiction of the design referred to in paragraph 1 item 3 of the present Article, may be substituted with a sample.

In addition to data referred to in paragraph 1 of the present Article the application may contain the following:

- 1) Product appearance description or sample;
- 2) Request to defer the registered industrial design publication in keeping with Article 35 of the present Law;
- 3) Product classification according to the International Classification prescribed by the Locarno Agreement on Establishing International Classification of Industrial Designs (hereinafter referred to as: the International Classification);
- 4) Information about the designer or a team of designers or statement made by the designer or team of designers that he/she or they do not wish to be listed in the application;

5) Information on the priority right referred to in Articles 29 and 30 of the present Law.

The application containing elements referred to in paragraph 1 items 1, 2 and 3 of the present Article shall bear the application filing date and shall be entered into application records.

Should the application not contain elements referred to in paragraph 4 of the present Article, the competent authority shall notify the applicant thereof instructing him/her to remedy the detected deficiencies within the time period of sixty days from receiving the notification.

Should the applicant fail to remedy the detected deficiencies within the time period referred to in paragraph 5 of the present Article, the competent authority shall render a decision acknowledging the date when the deficiencies have been remedied as the application filing date.

Should the applicant fail to rectify the application within the time period referred to in paragraph 5 of the present Article, the application shall be considered withdrawn, and the competent authority shall render a conclusion to that effect.

The time limit referred to in paragraph 5 of the present Article may be extended at the request of the applicant for a period not to exceed sixty days.

Where a multiple application has been filed, the competent authority shall examine whether the application meets the conditions referred to in paragraph 4 of the present Article and Articles 26 and 27 of the present Law.

Proof of payment of administrative fees and duties shall be submitted with the application.

The Ministry shall prescribe in more detail the content of the request and application.

Multiple Applications

Article 26

Should the application contain a request for the registration of multiple designs (hereinafter referred to as: Multiple Application), all the product which should contain the design or to which the design should be applied must be classified into the same product class in keeping with the International Classification.

The multiple application shall contain the overall number of designs for which registration is sought.

Following the registration, all designs contained in a multiple application may be processed separately.

A separated design may be the subject of exercising of rights, subject of license agreement, subject of pledge and enforced execution, bankruptcy, refusal, extension of protection, transfer of rights, deferment of publication or nullification.

Division of Multiple Applications

Article 27

The applicant filing an application containing the request for registration of multiple designs may file a request seeking division of a multiple application into several individual or multiple separated applications.

Each of the separated applications referred to in paragraph 1 of the present Article shall be issued a new application number and registered in the applications records, but shall retain the date of the filing of the original multiple application and the right of priority thereof.

A decision shall be rendered with respect to the division of the application, which shall indicate the number(s) of new applications, industrial designs remaining in the original multiple application, as well as the industrial designs which are to remain in the separated application(s).

The Ministry shall prescribe particulars of the request referred to in paragraph 1 of the present Article and documentation submitted with the request.

Priority Right

Article 28

As of the filing date of an orderly and complete application the applicant shall enjoy a priority right over all other persons who have subsequently filed an application for the identical or similar industrial design.

Following the payment of the required administrative fees and duties, the competent authority shall issue a priority right certificate at the request of the applicant or the industrial design holder.

Union Priority Right

Article 29

An applicant having filed orderly and complete application effective in any member state of the Paris Union for the Protection of Industrial Property (hereinafter referred to as: the Paris Union) or the World Trade Organization member state, shall be entitled to claim the initial application filing date when filing an application in Montenegro for the same industrial design, provided that the application in Montenegro has been filed within six months of the initial application filing date (hereinafter referred to as: the Union Priority Right).

The application of an applicant claiming the Union Priority Right referred to in paragraph 1 of the present Article shall contain information on the date of filing, application filing number and the state in which such application has initially been filed.

The applicant shall prove the Union Priority Right by filing the priority right certificate issued by a competent authority of the

Paris Union member state or World Trade Organization member state, which has been translated into the Montenegrin language.

Exhibition Priority Right

Article 30

The applicant who has exhibited a product, containing the industrial design or to which that particular industrial design has been applied, at an official or officially recognized international exhibition in any member state of the Paris Union or in any member state of the World Trade Organization, may request that the date when the product has been exhibited for the first time be acknowledged as the first filing date of the application, provided that the application in Montenegro has been filed within six months from that date.

Within the meaning of paragraph 1 of the present Article, an international exhibition shall mean any exhibition pursuant to the Convention on International Exhibitions.

The applicant claiming exhibition priority right shall attach to the application the certificate issued by the competent authority of a member state of the Paris Union or member state of the World Trade Organization which has been translated into the Montenegrin language that the fair or exhibition was international in its character, indicating data on the type of exhibition, venue, date of opening and closing of the exhibition and the date of the first exhibiting the product stated in the application.

Order of Application Examination

Article 31

The applications shall be examined in the order determined by the date of their filing.

Notwithstanding the provision of paragraph 1 of the present Article, the application may be examined in an expedited procedure:

1) In case of the procedure initiated before a court or an inspection authority, or customs related procedure at the request by the court or the competent authority;

2) If the application for international registration of an industrial design has been filed.

Application Examination

Article 32

Following the entry of the application into the Application records, the competent authority shall examine whether the application meets the requirements referred to in Article 25 of the present Law.

Where the application has been found not to meet the requirements referred to in paragraph 1 of the present Article, the competent authority shall notify and request the applicant to provide observations on the detected deficiencies within a time period of sixty days from the day the notification has been received.

Upon the request of the applicant, the competent authority may extend the time limit referred to in paragraph 2 of the present Article for a period not exceeding thirty days.

Should the applicant fail to provide observations within the time period referred to in paragraph 2 of the present Article, the application shall be deemed as having been withdrawn, and the competent authority shall render a decision to stay the proceedings.

Design Registration

Article 33

Where the application was found to meet the registration requirements referred to in Article 32 of the present Law, the competent authority shall call on the applicant to pay administrative fees and duties for the industrial design registration, the costs of industrial design publication and the fee for maintenance or industrial design protection for the first five years of registration,

within a time period of thirty days from the day the notification has been received.

Should the applicant fail to submit proof of the payments within the time period referred to in paragraph 1 of the present Article the application shall be considered as having been withdrawn.

Entry of an Industrial Design into the Industrial Design Register

Article 34

The issuance of the decision on the registration of the industrial design, entitles the applicant to the industrial design.

The date of issuing the decision on the registration of the industrial design shall be considered as the date of entry into the Register.

Data from the decision referred to in paragraph 1 of the present Article shall be published in the Official Gazette.

The regulations issued by Ministry shall prescribe the particulars referred to in paragraph 3 of the present Article which are published by the Official Gazette.

Deferred Publication of the Registered Design

Article 35

The applicant may submit a request accompanying the application, to defer the publication of the registered industrial design for a period of thirty months from the application filing date or from the acknowledged priority right, if the priority right has been claimed.

If the deferment of the industrial right registration publication has been sought, the information that the given industrial design has been registered, information on the industrial design holder, application filing date and a note stating that the deferment of

publication of the registered industrial design has been sought, shall be published in the Official Gazette.

The industrial design holder shall be entitled to request the publication of the design prior to the deadline expiry referred to in paragraph 1 of the present Article following the payment of the prescribed administrative fees and duties.

In case of multiple applications the industrial design publication deferment may be sought only for certain designs listed in the application.

Entry of Changes into the Register

Article 36

At the request of a holder of industrial design rights the competent authority shall render a decision entering changes which occurred following the industrial design registration in the appropriate Register of the competent authority, in particular changes in the name or address of the holder of the industrial design right and assignment of rights.

Changes referred to in paragraph 1 of the present Article shall not alter the appearance and scope of the industrial design protection.

Changes entered into the Register shall be published in the Official Gazette.

The regulations issued by the Ministry shall prescribe in more detail the content of the request referred to in paragraph 1 of the present Article and the documentation submitted together with the request.

Continuation of the Procedure

Article 37

The applicant or another person who has failed to perform an action within a specified period of time may file a request with the competent authority for the continuation of the procedure.

The procedure continuation request may be filed within a time period of sixty days from the expiry of the deadline within which the action should have been undertaken.

The competent authority shall allow the continuation of the procedure, provided that the loss of right has not come into effect, provided that the applicant effects payment of prescribed administrative fees and duties for the continuation of the procedure and provided that the applicant undertakes the action within the time period referred to in paragraph 2 of the present Article.

The continuation of the procedure may not be requested for failing to observe the filing deadlines for the following: *restitutio in integrum* request referred to in Article 38 of the present Law, industrial design renewal application referred to in Article 39 of the present Law, priority right acknowledgement application referred to in Articles 29 and 30 of the present Law and the request referred to paragraph 2 of the present Article.

Should the competent authority approve the request for the continuation of the procedure referred to in paragraph 1 of the present Article, it shall be considered that the consequences of failing to observe the filing deadlines have not come into effect and shall nullify official decisions it had rendered in respect of failure to observe the filing deadlines.

Restitutio in integrum

Article 38

The applicant or industrial design rights holder who was, due to justified reasons, unable to perform a certain action in the procedure before a competent authority, may request *restitutio in integrum* if the omission resulted in the loss of rights.

The request for *restitutio in integrum* referred to in paragraph 1 of the present Article shall be submitted in writing within a time period of sixty days from the day reasons for omissions have ceased to exist.

The request for *restitutio in integrum* referred to in paragraphs 1 and 2 of the present Article may not be submitted following the expiry of a time period of one year from the day of omission having taken place.

The applicant filing the request for *restitutio in integrum* shall be obliged to provide reasons due to which he/she has been prevented from performing the given activities.

Proof of payment of the prescribed administrative fees and duties shall accompany the request for *restitutio in integrum*.

The request for *restitutio in integrum* may not be filed following the expiry of the time period referred to in paragraph 2 of the present Article and Articles 29, 30 and 37 of the present Law.

VI. DURATION, RENEWAL AND CESSATION OF THE INDUSTRIAL DESIGN RIGHTS

Duration of Protection of a Registered Industrial Design

Article 39

The protection of industrial design rights shall last for five years commencing from the application filing date and shall be subject to renewal periods of five years, not to exceed twenty five years.

The industrial design rights holder seeking the industrial design protection renewal shall be obliged to submit the request for the industrial design protection renewal accompanied by proof of payment of required administrative fees and duties prior to the expiry of the previous period of protection during the last six months ending on the last day of the month in which the cessation of protection occurs.

The design rights validity renewal may be submitted following the expiry of the time period referred to in paragraph 2 of the present Article, provided that the double amount of the required administrative fees and duties is paid.

The new industrial design protection period shall commence on the day of expiry of the previous five year period.

The industrial design protection renewal shall be entered into the Register and shall be published in the Official Gazette.

The regulations issued by the Ministry shall prescribe in more detail the content of the request referred to in paragraph 2 of the present Article and the documentation submitted together with the request.

Cessation of Protection

Article 40

The industrial design right shall cease:

1) With the expiry of the protection time period referred to in paragraph 39 of the present Law;

2) If the right holder abandons the right in writing, on the day of filing the statement of abandonment;

3) Based on a court decision, or a decision of a competent authority, on the day indicated in such decision;

4) If the legal person has been dissolved, or if the natural person who is the holder of right has died, on the day of dissolution of the legal person or death of natural person, unless the design right has been transferred to legal successors of such persons.

If the right in favor of a third person has been entered in the Industrial Design Register (license, pledge or similar right), the industrial design rights holder may not renounce the right without written consent of the person whose name has been entered in the Register.

Should the holder of the industrial design right fail to pay the administrative fees and duties charged for the maintenance of the validity of the registered industrial design within the prescribed time period, and the license, lien, or any other right in favor of a third person has been entered in the Industrial Design Register, the competent authority shall notify such person that administrative fees and duties have not been paid and that he/she may make due

payment within six months following the beginning of the year for which administrative fees and duties are due and thus maintain validity of the entered right.

VII. INTERNATIONAL REGISTRATION OF INDUSTRIAL DESIGNS

International Registration Procedure

Article 41

The international industrial design registration shall be done in accordance with the Hague Agreement.

The application for international industrial design registration shall be filed directly to the International Bureau of the World Intellectual Property Organization (hereinafter referred to as: the International Bureau).

The prescribed international industrial design registration fees shall be payable directly to the International Bureau.

The provisions of the present Law, excluding Article 34 thereof, shall be applicable to the requests seeking expansion of effectiveness of the international registration to the territory of Montenegro, pursuant to Article 8 of the Hague Act of the Hague Agreement and Article 12 of the Geneva Act of the Hague Agreement.

VIII. UNREGISTERED INDUSTRIAL DESIGN

Novelty and Duration of Protection of Unregistered Designs

Article 42

An industrial design which has not been registered with the competent authority (hereinafter referred to as: the Unregistered

Design) shall be considered new if an identical industrial design was not made available to the public prior to the date when the unregistered industrial design was made available to the public.

The protection right for an unregistered industrial design shall last for three years from the date when the design was made available to the public in Montenegro for the first time.

An unregistered design shall be deemed to have been made available to the public, if it has been published, exhibited or used in trade in goods or otherwise disclosed in the course of regular business activities to the groups specialized in the given sector in Montenegro.

The industrial design shall not be deemed to have been made available to the public if it has been disclosed to a third person under conditions of confidentiality related to the industrial design.

Provisions of Articles 6, 10 and 11 of the present Law shall be applicable to unregistered industrial designs.

IX. CIVIL LAW PROTECTION

Declaration of Invalidity of the Industrial Design Registration

Article 43

Any legal or natural person shall be entitled to file a lawsuit with a competent authority aimed at declaring the industrial design registration invalid either in whole or in part, in the course of duration of the right.

The lawsuit referred to in paragraph 1 of the present Article may be filed where a design has been registered contrary to the provisions of Article 11 paragraph 1 items 1, 2 and 3 of the present Law.

The court shall be obliged to submit to the competent authority the final judgment declaring the industrial design registration invalid either in whole or in part.

Contending the Industrial Design Right

Article 44

A designer or his/her legal successor shall be entitled to file a lawsuit with the court seeking declaration that he/she is the holder of the industrial design registered to the defendant's name contrary to the provisions of Article 12 of the present Law, or that the he/she is the industrial design holder together with the person to whom the industrial design has been registered.

Following the receipt of the final court decision, the competent authority shall enter the plaintiff into the Register at his/her request as a holder of the industrial design.

Lawsuit for Acknowledging Authorship

Article 45

By filing a lawsuit with the court, the person who considers himself/herself as being the author of the industrial design or his/her legal successor, may seek the declaration that he/she is the author of the industrial design registered to the defendant's name contrary to the provisions of Article 13 of the present Law, and that he/she be entered into all documents and the Register as the author of the design.

The plaintiff referred to in paragraph 1 of the present Article may request that the judgment be published at the expense of the defendant, seek compensation for moral and material damage as well as payment of costs and expenses of the court proceedings.

The period for filing the lawsuit referred to in paragraph 1 of the present Article shall not have a time limit.

Lawsuit in Case of Industrial Design Rights Infringement

Article 46

Industrial design rights infringement shall be considered to be any unauthorized use of a registered industrial design by any party to trade, within the meaning of Article 15 of the present Law.

In case of infringement of industrial design rights, the design rights holder may request from the competent court to determine the industrial design rights infringement.

In the lawsuit referred to paragraph 2 of the present Article, the plaintiff shall be entitled to request:

- 1) Cessation of the industrial design rights infringement;
- 2) That the items used in infringement of the right be destroyed or modified;
- 3) That the tools and equipment used for production of the articles used in infringement of the right be destroyed or modified;
- 4) Compensation for material injury and reimbursement of costs and expenses associated with court proceedings;
- 5) Publication of the verdict at the expense of the defendant;
- 6) That the information on any third persons participating in infringement of rights be revealed.

A person infringing industrial design rights shall be held liable for the injury pursuant to the general rules on compensation of damages.

When determining on the lawsuit referred to in paragraph 3 items 2 and 3 of the present Article, the court shall examine all the circumstances of the case, in particular the proportionality between the severity of the infringement and damage caused.

The proceedings on the referred to in paragraph 2 of the present Article shall be administered in an expedited manner.

The lawsuit for infringement of the industrial design rights may be filed within three years following the day the plaintiff has become aware of the infringement and the infringer, but not later than within five years following the day when infringement was committed for the first time.

Provisional Measures

Article 47

At the request of the person who makes it likely that his/her industrial design rights or the rights arising from the application have been infringed, or that such infringement is imminent, the court may order a provisional measure of seizure or withdrawal from circulation of the articles used in infringement and means for production of such articles, or the measure prohibiting continuation of any activities by way of which the infringement may be committed.

Provisional measures referred to in paragraph 1 of the present Article and the securing of evidence referred to in Article 48 of the present Law, may be requested prior to the filing of a lawsuit against the infringement of a protected industrial design or of the rights arising from the application, provided the lawsuit has been filed within a time period of fifteen days from the date of execution of the request for pronouncing a provisional measure and/or the request for securing of evidence.

An appeal against the court decision pronouncing the provisional measure referred to in paragraph 1 of the present Article shall not delay the enforcement of the decision.

Securing of Evidence

Article 48

At the request of the person who makes it likely that his/her industrial design rights or rights arising from the application have been infringed, or that there is a reasonable suspicion that evidence thereof will be destroyed or that it will not be possible to obtain such evidence later on, the court may order a measure to secure evidence without giving prior notice to or hearing the person from which evidence is to be collected.

For the purposes of paragraph 1 of the present Article, the securing of evidence shall mean the inspection of premises, vehicles, books, documents, as well as the seizure of infringing goods, questioning of witnesses and expert-witnesses.

The court order for an interim measure to secure evidence shall be served on the person from which evidence is to be collected, on the occasion of the collection of evidence, and to an absent person, as soon as that becomes possible.

Collateral Security

Article 49

At the request of a person against whom the proceedings for infringement of the industrial design right or proceedings for imposing a provisional measure have been initiated, the court may determine an appropriate amount of money, to be borne by the applicant, as a security in the event that request is found to be groundless.

Duty to Provide Information

Article 50

The court may order the infringer of the protected industrial design or the witness to furnish information about third parties who have taken part in infringement of the right and about their distribution channels, provided there are no reasons to withhold witness statements pursuant to provisions of the law governing civil proceedings.

The person who fails to perform its duty referred to in paragraph 1 of the present Article shall be liable for the damage thus incurred.

X. REPRESENTATION

Requirements for a Representative

Article 51

An industrial design representative may be:

- 1) A natural person with Montenegrin citizenship residing in Montenegro, having university degree and having successfully passed the industrial design representative exam before a competent authority;
- 2) Law office or a lawyer entered into the Montenegro Bar Association Register unless otherwise provided by ratified international treaties;
- 3) Legal person with its legal seat in Montenegro employing at least one employee meeting the criteria referred to in paragraph 1 of the present Article or having cooperation with such person based on other type of contractual relationship and providing registration services before competent authorities as its registered business activity.

Register of Representatives

Article 52

Competent authority shall maintain the Register of Industrial Design Representatives.

Persons meeting the requirements referred to in Article 51 of the present Law shall be entered into the Register of Industrial Design Representatives.

Entry into the Register of Industrial Design Representatives shall be subject to the payment of the prescribed administrative fees and duties.

The industrial design representative exam referred to in Article 51 paragraph 1 item 1 of the present Law shall be taken before a panel of experts of the competent authority.

The curriculum and the manner of taking the industrial design representative exam, the panel composition, examination fee and content of the Register of Industrial Design Representatives shall be determined by the Ministry.

Removing a Representative from the Register of Industrial Design Representatives

Article 53

A representative shall be removed from the Register of Industrial Design Representatives:

- 1) At his/her own request;
- 2) If a final court judgment has been passed prohibiting him/her from performing representation activities;
- 3) If he/she has been convicted to a prison sentence exceeding six months, of which he/she must duly notify the competent authority.

XI. TRANSITIONAL AND FINAL PROVISIONS

Initiated Procedures

Article 54

Procedures initiated prior to the effectiveness of the present Law shall be finalized in keeping with the present Law, if this is more favorable to the party.

The Industrial Design Register established prior to the effectiveness of this Law shall be harmonized with the present Law within a time period of six months from the date of effectiveness of the present Law.

Industrial Design Application Register established prior to the effectiveness of the present Law shall become a record of applications and shall be harmonized with this Law, within a time period of six months from the date of effectiveness of the present Law.

Recognized Rights

Article 55

Industrial designs registered and entered into the Industrial Design Register with the Serbia and Montenegro Intellectual Property Institute (herein after referred to as: Serbia and Montenegro Institute), and/or Serbia Intellectual Property Institute (herein after referred to as: Serbia Institute) until 28 May 2008, shall be valid in Montenegro without requiring the payment of the fee until the expiry of their validity, and/or until the expiry of the time period for which the Serbia Institute has been paid the rights maintenance fee, if their holders have submitted the application for entry into the Register within the time period of one year from the effectiveness date of the present Law.

Industrial designs for which the competent authority has issued the industrial design validity certificate in a form of a note affixed to the copy of the certificate issued by Serbia and Montenegro Institute or Serbia Institute, the competent authority shall enter such designs into the Register without requiring that a separate request be filed, within a time period of one year from the effectiveness date of the present Law.

The competent authority shall issue the rights validity certificate for industrial designs for which rights validity applications have been filed and it shall enter those industrial designs into the Register within a time period of one year from the effectiveness date of the present Law.

Industrial design validity renewal applications, assignment applications and applications for the change of name and address for industrial designs referred to in paragraph 1 of the present Article shall be deemed as applications for the entry into the Register.

Industrial design rights referred to in paragraph 1 of the present Article shall be established on the basis of design documentation and/or certificate issued by the Serbia Institute.

By-laws

Article 56

By-laws for the enforcement of the present Law shall be adopted within six months from the date of the present Law taking effect.

Until the adoption of the by-laws referred to in paragraph 1 of the present Article, the provisions of the by-laws adopted on the basis of the Law on the Legal Protection of Designs („Official Gazette of Serbia and Montenegro”, No. 61/04) shall be applicable, unless they are contrary to the provisions of the present Law.

Cessation of the Application of the Law

Article 57

The Law on the Legal Protection of Designs („Official Gazette of Serbia and Montenegro” No. 61/04) shall cease to be applicable as of the date of the present Law taking effect.

Entry into force

Article 58

This Law shall enter into force on the eighth day from the date of its publication in the “Official Gazette of the Montenegro”.

SU-SK No. 01-692/7

Podgorica

22 December 2010

PARLIAMENT OF MONTENEGRO
IN ITS 24TH CONVOCATION

SPEAKER OF THE PARLIAMENT

Ranko Krivokapić