

Pursuant to Article 95, item 3 of the Constitution of Montenegro, I hereby pass the

DECREE
ON PROMULGATION OF THE LAW ON AMENDMENTS TO THE LAW ON
TRADEMARKS

I hereby promulgate the Law on Amendments to the Law on Trademarks, adopted by the 25th Assembly of the Parliament of Montenegro, at the second sitting of the first regular (spring) session in 2014, held on 26th March 2014.

Number: 01-486/2
Podgorica, 3rd April 2014

The President of Montenegro,
Filip Vujanovic, sgd.

Pursuant to Article 82, paragraph 1, item 2 of the Constitution of Montenegro and Amendment IV, paragraph 1 to the Constitution of Montenegro, the 25th Assembly of the Parliament of Montenegro, at the second sitting of the first regular (spring) session in 2014, held on 26th March 2014, adopted the

LAW
ON AMENDMENTS TO THE LAW ON TRADEMARKS

This Law has been published in the "Official Gazette of Montenegro", No. 18/2014 from 11.04.2014.

Article 1

In the Law on Trademarks ("Official Gazette of Montenegro", No. 72/10 and 44/12), in Article 2, paragraph 2, after the word "represented" the following words shall be added: "and which is capable of distinguishing the goods or services of one legal or natural person from goods or services of another legal or natural person".

In paragraph 3, after the word "drawings" a comma and the word "colours" shall be added.

In paragraph 4, the word "and" shall be replaced by the word "or".

Article 2

In Article 6, paragraph 1, item 14 shall be deleted.

In paragraph 2, the words: "paragraph 1, items 2, 3 and 4" shall be replaced by words: "paragraph 1, items 2 to 5".

Article 3

In Article 7, paragraph 1, item 1, the words: "the same type of goods" shall be replaced by words: "identical goods".

In paragraph 1, item 2 shall be amended to read as follows:

"2) Should, because of the identity with, or similarity to the earlier trademark and because of the identity or similarity with goods or services covered by the trademark, there exists a likelihood of confusion of the public, which includes a likelihood of association with the earlier trademark;"

In paragraph 2, item 3 shall be amended to read as follows:

"3) A trademark which is well known in Montenegro on the day of application for the registration or on the day of priority right, if the priority has been claimed, pursuant to Article 6bis of the Paris Convention."

Paragraph 4 shall be amended to read as follows:

"In establishing whether the trademark referred to in paragraph 2, item 3 of this Article is well known in Montenegro pursuant to Article 6bis of the Paris Convention, the familiarity of the relevant part of the public with the trademark shall be taken into account, including their familiarity with the trademark as a consequence of trademark-related marketing activities."

Paragraph 6 shall be amended to read as follows:

"Based on an opposition a new trademark for which the registration application has been filed shall not be registered if such trademark is identical or similar to an earlier trademark, and the registration of goods or services has been sought which are not similar to goods or services for which the earlier trademark has been registered, when this earlier trademark has a reputation in Montenegro and when the use of the later trademark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trademark."

Article 4

In Article 8, paragraph 1 shall be amended to read as follows:

"Based on an opposition of the trademark holder from a member state of the Paris Union for the protection of Industrial Property (hereinafter referred to as: "Paris Union") or from a member state of the World Trade Organisation, a trademark cannot be registered in the name of its trade agent or representative without the consent of the trademark holder, unless the trade agent or representative justifies his/her action."

Paragraph 4 shall be amended to read as follows:

"Based on an opposition, a trademark shall not be registered if the trademark applicant acted unfairly at the time of filing."

Article 5

In Article 10, paragraph 2, item 3 shall be amended to read as follows:

"3) Any sign which is identical with, or similar to, his/her trademark in relation to goods or services which are not similar to goods or services for which the trademark has been registered, where such trademark has a reputation in Montenegro and where use of that sign without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the trademark."

After paragraph 2, three new paragraphs shall be added to read as follows:

"Rights arising from trademark shall produce effect on third parties from the date of publication of trademark registration.

Notwithstanding paragraph 3 of this Article, the trademark holder shall be entitled to compensation of damage for actions taken after the date of publication of trademark application, and which shall be prohibited after publication of trademark registration.

The Court can not decide on the request referred to in paragraph 4 of this Article until the trademark registration is published."

Article 6

The title of Article 11 shall be amended to read as: "Use of a Trademark ".

In paragraph 1, in the introductory sentence, after the word "prohibit" the following words shall be added: "or allow".

In paragraph 1, item 2, after the word "or" the following words shall be added: "offering or".

In paragraph 2, the word "sign" shall be replaced by the word "trademark".

Article 7

In Article 14, after paragraph 1, a new paragraph shall be added to read as follows:

"Using referred to in paragraph 1 of this Article shall be in accordance with good business customs and practice in industrial or trade activity."

The present paragraph 2 shall become paragraph 3.

Article 8

Article 15 shall be amended to read as follows:

"Putting on the market of goods that are marked with a trademark by the trademark holder or with his/her explicit consent, in the territory of Montenegro, shall exhaust the exclusive rights arising from the trademark in relation to those goods, unless there are legitimate reasons based on which the trademark holder retains the exclusive rights arising from the trademark.

Putting on the market of goods that are marked with a trademark by the trademark holder or with his/her explicit consent, in the territory of some of the countries of the European Union or countries that are Parties to the Agreement on European Economic Area, shall exhaust the exclusive rights arising from the trademark in relation to those goods, unless there are legitimate reasons based on which the trademark holder retains the exclusive rights arising from the trademark.

A legitimate reason referred to in paragraphs 1 and 2 of this Article shall be considered especially to be changed or impaired condition of the goods after their putting on the market."

Article 9

In Article 17, paragraph 1 shall be amended to read as follows:

"Should the trademark holder failed to actually use the trademark for goods or services for which such trademark has been registered within a period of five years following the

trademark registration or if such use has been suspended during an uninterrupted period of five years, the provisions of Articles 33, 33a, 53 and 54 of this Law shall apply, unless justified reasons exist for non-use."

Article 10

Article 21 shall be amended to read as follows:

"Application Division

Article 21

The application specifying several types of goods or services (hereinafter referred to as: "the initial application") may, at the request of the applicant, be divided into two or more applications, before the trademark is entered into the Register, by dividing the list of goods or services.

The divided applications shall preserve the filing date of the initial application and its priority date, if the priority right has been claimed.

Data on divided trademark applications shall be entered into the application records and published in the Official Gazette if the initial application has been published.

The content of the request referred to in paragraph 1 of this Article and the documentation to be submitted with the request shall be prescribed by the Ministry."

Article 11

In Article 28, after paragraph 4, two new paragraphs shall be added to read as follows:

"Should the applicant fail to submit his/her observations about the existence of grounds for refusing the registration referred to in Article 6 of this Law, within the time period referred to in paragraphs 3 and 4 of this Article, in relation to all the goods or services for which registration is sought, or fail to dispute the grounds for refusing the registration in his/her observations, the competent authority shall render a decision refusing the application for registration in whole.

Should the applicant fail to submit his/her observations about the existence of grounds for partial refusing of the registration referred to in Article 6 of this Law, within the time period referred to in paragraphs 3 and 4 of this Article, or should the competent authority, after receiving the observations about the grounds for refusing the registration in relation to all the goods or services, determine that the sign does not meet the requirements for registration in relation to certain goods or services, it shall render a decision refusing the application for registration partially."

Article 12

In Article 29, after paragraph 1, a new paragraph shall be added to read as follows:

"If the application for the registration of a trademark has been partially refused, the data from the application in relation to goods or services for which the registration may be approved shall be published after the final decision referred to in Article 28, paragraph 6 of this Law."

The present paragraph 2 shall become paragraph 3.

Article 13

Article 33 shall be amended to read as follows:

"Review of the Opposition

Article 33

Should the applicant submit his/her observations regarding the opposition within a time period referred to in Article 32, paragraph 3 of this Law, the competent authority shall assess the validity of the reasons stated in the opposition and in the applicant's observations.

The holder of the earlier trademark who has been registered for at least five years at the day of publication of the application, and who has opposed the trademark registration, shall be obliged, at the request of the applicant:

1) to prove that during a period of five years prior to the date of publication of the application he/she has been actually using the trademark in Montenegro in accordance with Article 17 of this Law for goods or services for which it has been registered and which he/she states as the reason for an opposition, or

2) to offer proof of justified reasons for not using the trademark.

Should the holder of the earlier trademark fail to prove the use of the trademark referred to in paragraph 2, item 1 of this Article or should he/she fail to offer proof referred to in paragraph 2, item 2 of this Article, the competent authority shall render a decision refusing the opposition.

If the earlier trademark has been used only for some goods or services for which it has been registered, it shall be considered, in the course of the opposition procedure, that such trademark has been registered only for those particular goods or services."

Article 14

After Article 33, a new Article shall be added to read as follows:

"Merits of the Opposition

Article 33a

Should the competent authority, in the course of the opposition procedure, determine that the opposition is without merits, it shall render a decision refusing the opposition.

Should the competent authority, in the course of the opposition procedure, determine that the opposition has merits, it shall render a decision refusing the trademark registration of the published application, either entirely or in part for certain goods and/or services.

The competent authority shall forward the decision referred to in Article 33, paragraph 3 of this Law and paragraphs 1 and 2 of this Article to the applicant and to the opponent.

The decision referred to in paragraph 2 of this Article shall be subject to an appeal which can be filed with the Ministry.

Should the applicant fail to submit his/her observations within a prescribed time period, the requested trademark registration shall be refused within the limits of the requests stated in the opposition.

The competent authority may, in the course of the opposition procedure, set an oral hearing."

Article 15

In Article 34, paragraph 1, after the word "proceedings" the following words shall be added: "if due to such failure the loss of rights from the trademark application or trademark rights have come into effect".

In paragraph 3, after the words: "continuation of the procedure" a comma and the following words shall be deleted: "if the loss of right has not come into effect".

Article 16

In Article 37, paragraph 1 shall be amended to read as follows:

"At the request of the trademark holder, the changes related to the change of the name and address of the trademark holder, alteration of the list of goods or services, correcting of errors in the text or copy or correcting of other obvious error shall be entered into the Register."

After paragraph 4, two new paragraphs shall be added to read as follows:

"The provisions of paragraphs 1 to 4 of this Article shall also apply to entry of changes in the application for the registration of a trademark.

If the application has been published, the changes made by entering into the application records shall be published in the Official Gazette."

Article 17

Article 51 shall be amended to read as follows:

"Annulment of the Trademark

Article 51

If the trademark has been registered contrary to the provisions of Articles 6 to 8 of this Law, the competent court may annul the registered trademark in whole or in part.

The claim for annulment of the registered trademark may be filed for the entire duration of the trademark right, as well as after the expiration of the right duration.

In cases of trademark registration contrary to Article 6 of this Law, the claim may be filed by any interested party, the State Prosecutor and the competent authority *ex officio*.

In cases of trademark registration contrary to Article 7 of this Law, the claim may be filed by the holder of the earlier trademark.

In cases of trademark registration contrary to Article 8 of this Law, the claim may be filed by the person whose right has been infringed.

When the trademark has been registered contrary to Article 6 of this Law, the trademark shall be annulled if the grounds for annulment exist at the time of rendering of the decision on the trademark annulment."

Article 18

After Article 51, a new Article shall be added to read as follows:

"Annulment of the Collective Trademark

Article 51a

The competent court may annul the registered collective trademark for the reasons set forth in Article 51, paragraph 1 of this Law, as well as in the case when amendments to the general act on collective trademark use are contrary to Article 47 of this Law.

The claim for annulment of the collective trademark referred to in paragraph 1 of this Article may be filed by any interested party, the State Prosecutor and the competent authority *ex officio*."

Article 19

Article 52 shall be amended to read as follows:

"Additional Conditions

Article 52

When the trademark has been registered contrary to Article 6, paragraph 1, items 2 to 5 of this Law, the trademark may be annulled only if the claim for annulment has been filed within ten years from the date of trademark registration.

When the trademark has been registered contrary to Article 6, paragraph 1, items 2 to 5 of this Law, the trademark shall not be annulled if the trademark holder proves that the trademark has, after registration and due to its use, acquired a distinctive character in relation to goods or services for which it has been registered.

The trademark may not be annulled on the basis of an earlier trademark which has not acquired a reputation in Montenegro in accordance with this Law until the priority date of the later trademark.

The trademark may not be annulled because it conflicts with an earlier trademark, if the earlier trademark does not meet the requirements referred to in Article 17 of this Law and if the earlier trademark has been registered for at least five years on the date of filing of the claim for annulment of the trademark.

If the earlier trademark referred to in paragraph 4 of this Article has been used only in relation to the part of the goods or services for which it has been registered, it shall be considered for the needs of the examination of the claim for annulment of the trademark that it has been registered only for that part of the goods or services.

When the reasons for annulment of the trademark exist in relation to only some goods or services for which the trademark has been registered, the trademark annulment shall include only those goods or services."

Article 20

After Article 52, a new Article shall be added to read as follows:

"Submission of Verdict

Article 52a

The court shall be obliged to submit the final verdict by which it has annulled the trademark in whole or in part to the competent authority and the parties to the proceedings, without delay.

The competent authority shall enter in the Register and publish in the Official Gazette the declaration of invalidity of the trademark."

Article 21

Article 53 shall be amended to read as follows:

"Revocation of Trademark

Article 53

The competent court may render a decision on the revocation of the registered trademark, in whole or in part, if the holder of the trademark or a person authorised by him/her has, for an uninterrupted period of five years from the date of registration, i.e. the date when the trademark has been last used, without a justified reason, in accordance with Article 17 of this Law failed to actually use the trademark in Montenegro for goods or services for which such trademark has been registered.

The competent court shall reject the claim for revocation of the trademark, if the use of the trademark has begun or has continued following the expiry of an uninterrupted five-year period of non-use of the trademark and prior to the submission of a claim for revocation of the trademark, except if the commencement or continuation of use of the trademark has occurred after the holder of the trademark has become aware that a claim for the revocation of his/her trademark is going to be submitted and if the use has begun or has continued within a period of three months prior to the submission of a claim for the revocation.

The competent court may render a decision on the revocation of the registered trademark, in whole or in part and, if such trademark after the date of registration due to:

- 1) acts or omissions of the trademark holder has become an ordinary term in trade for goods or services for which it has been registered;
- 2) use by the trademark holder or with his consent for goods or services for which it has been registered may mislead the public, in particular regarding the type, quality and geographical origin of the goods or services."

Article 22

Article 54 shall be amended to read as follows:

"Claim and Decision on Claim

Article 54

Any interested party may file a claim for revocation of the registered trademark.

When the reasons for revocation of the registered trademark exist in relation to only some goods or services for which the trademark has been registered, the decision on the revocation of the registered trademark shall include only those goods or services.

The court shall be obliged to submit the final verdict by which it has revoked the trademark in whole or in part to the competent authority and the parties to the proceedings, without delay.

The competent authority shall enter in the Register and publish in the Official Gazette the revocation of the registered trademark."

Article 23

Article 55 shall be amended to read as follows:

"Claim for Establishing and Claim for Termination of the Trademark Infringement

Article 55

The trademark holder may request by a claim at the competent court establishing of the trademark infringement against a person who has infringed the trademark by unauthorised exercise of any of the activities referred to in Articles 10 and 11 of this Law.

The trademark holder may request by a claim against the person referred to in paragraph 1 of this Article termination of the infringement and prohibition of such or similar infringement in the future, under the threat of payment of fine.

Against a person who has, by exercise of an activity, caused a serious danger to the trademark to be infringed within the meaning of Articles 10 and 11 of this Law, the trademark holder may request by a claim cessation of such activity and prohibition of trademark infringement, under the threat of payment of fine.

Claims referred to in paragraphs 1, 2 and 3 of this Article may also be filed against a person who, in carrying out his/her economic activity, provides services that are used in activities which infringe the trademark, i.e. which threaten the trademark infringement.

Claims referred to in paragraphs 1 and 2 of this Article may be filed within five years from the date of trademark infringement.

If the plaintiff proves that the person referred to in paragraph 1 of this Article has acted intentionally, the claims referred to in paragraphs 1 and 2 of this Article may be filed for the entire duration of trademark protection.

The claim referred to in paragraph 3 of this Article may be filed within five years from the date of undertaking of activity which threatens the trademark infringement."

Article 24

After Article 55, three new Articles shall be added to read as follows:

"Claim for Seizure and Destruction of Objects

Article 55a

Against a person who has infringed the trademark by unauthorised exercise of any of the activities referred to in Articles 10 and 11 of this Law, the trademark holder may request by a claim removal from trade, seizure or destruction of products which infringe trademark .

The trademark holder may also request the measure referred to in paragraph 1 of this Article in relation to tools, equipment and other objects used only for manufacturing or creating the products which infringe trademark.

The court shall impose measures referred to in paragraphs 1 and 2 of this Article at the expense of the defendant, unless there are particular reasons not to decide so.

When imposing measures referred to in paragraphs 1 and 2 of this Article, the court shall take into account all the circumstances of the case, in particular that they are proportionate to the nature and intensity of the infringement, as well as the interests of third parties.

The claims referred to in paragraphs 1 and 2 of this Article may be filed within five years from the date of infringement.

Claim for Compensation of Damage, Usual Compensation and Return of without Merits Acquired Benefits

Article 55b

The trademark holder may request compensation of damage by a claim from the person who has caused him/her damage by unauthorised exercise of any of the activities referred to in Articles 10 and 11 of this Law, according to the general rules on compensation of damage stipulated by the law governing obligatory relations.

Instead of the request for compensation of damage referred to in paragraph 1 of this Article, when the circumstances of the case justify that and if the defendant acted without authorisation, the trademark holder may request by a claim the payment of compensation in an amount which, under the circumstances, he/she could request on the basis of a license agreement, if it has been concluded.

If he/she proves that the defendant acted intentionally or by gross negligence, the trademark holder may request by a claim the triple amount of compensation referred to in paragraph 2 of this Article.

Against a person who has infringed the trademark and thus acquired some benefit without merits in a legal transaction or in the law by undertaking any of the activities referred to in Articles 10 and 11 of this Law, the trademark holder may, regardless of the defendant's guilt, request by a claim the return or compensation of values of acquired benefits according to the general rules on acquisition without merits, in accordance with the law governing obligatory relations.

The claims referred to in paragraphs 1 and 4 of this Article may be filed within the periods stipulated by the law governing obligatory relations.

The claims referred to in paragraphs 2 and 3 of this Article may be filed within three years from the date the plaintiff became aware of the infringement and the offender, i.e. no later than within five years from the date of infringement.

Request for Publication of Verdict

Article 55c

In cases referred to in Articles 55, 55a and 55b of this Law, the trademark holder may request the final verdict, by which the claim has been approved in part or in whole, to be published in printed or electronic media at the expense of the defendant.

The court shall, within the limits of the claim, decide in which media the verdict will be published, as well as on the scope of the publication (in whole or in part) of the verdict.

If the court decides that only a part of the verdict should be published, it shall determine, within the limits of the claim, that at least the operative part should be published and, if necessary, part of the verdict from which the type of infringement and the person who has infringed the trademark can be seen."

Article 25

Article 56 shall be amended to read as follows:

"Provisional Measures for Trademark Infringement

Article 56

At the request of the trademark holder who makes it probable that the trademark has been infringed or that there is imminent threat of trademark infringement, the court shall impose a provisional measure giving the order to:

1) the opponent of the securing to cease or desist from acting that infringes the trademark and, if necessary, the court shall also give the same order to the intermediary whose services are used by third parties in order to infringe the trademark;

2) temporary seize from the opponent of the securing or the intermediary or remove from trade products which infringe trademark, i.e. tools, equipment and other objects used only for manufacturing or creating the products which infringe trademark.

At the request of the trademark holder who makes it probable that the trademark has been infringed when carrying out economic activity in order to obtain commercial or economic benefit and that there is a threat of irreparable damage to him/her due to such infringement, in addition to the provisional measures referred to in paragraph 1 of this Article, the court may order:

1) seizure of movable and immovable objects owned by the opponent of the securing that are not directly related to the infringement;

2) prohibition on disposal of assets at financial institutions and disposal of other assets of the opponent of the securing.

For imposing and enforcement of provisional measures referred to in paragraph 2 of this Article, the court may order the opponent of the securing or other person who disposes the banking, financial and other economic data to submit these data and provide access to other necessary data and documents.

The court shall be obliged to protect the confidentiality of data and documents referred to in paragraph 3 of this Article and prohibit any misuse thereof."

Article 26

After Article 56, a new Article shall be added to read as follows:

"Imposing Provisional Measures without Notice

Article 56a

"The court may impose provisional measures referred to in Article 56, paragraph 1 of this Law without notifying the opponent of the securing if the trademark holder makes it probable that otherwise provisional measure will not be effective or that there is a threat of irreparable damage.

The court may also impose provisional measures referred to in Article 56, paragraph 2 of this Law without notifying the opponent of the securing if the trademark holder makes it probable that the provisional measure will not be effective or that, given the particularly difficult circumstances of the infringement, these measures are necessary.

In cases referred to in paragraphs 1 and 2 of this Article, the court shall deliver a decision on provisional measure to the opponent of the securing immediately upon its execution.

If the claim has not been filed, the deadline for filing the claim in order to justify the provisional measure may not be longer than 20 working days, i.e. 31 calendar days from the date of submission of the decision on imposing the provisional measure to the trademark holder, depending on which period expires later.

The provisions of Article 56 of this Law and this Article shall not exclude the possibility of imposing provisional measures in accordance with the provisions of this Law and the law governing enforcement proceedings."

Article 27

Article 57 shall be amended to read as follows:

"Provisional Measures for Securing of Evidence

Article 57

At the request of the trademark holder who makes it probable that the trademark has been infringed or that there is imminent threat of trademark infringement, the court may impose a provisional measure for securing of evidence, and in particular it may order:

1) to the opponent of the securing to give a detailed description of the objects for which the trademark holder makes it probable that they perform infringement of the trademark, with or without taking samples of these objects;

2) seizure of the objects for which the trademark holder makes it probable that they perform infringement of the trademark;

3) seizure of products, tools, equipment and other objects used for manufacturing and distribution of objects for which the trademark holder makes it probable that they perform infringement of the trademark, as well as business documents relating thereto.

The court may impose provisional measures referred to in paragraph 1 of this Article in cases of emergency and without notifying the opponent of the securing if the trademark holder makes it probable that otherwise provisional measure will not be effective or that there is a threat of irreparable damage.

In cases referred to in paragraph 2 of this Article, the court shall deliver a decision on the provisional measure to the opponent of the securing immediately upon its execution.

If the claim has not been filed, the deadline for filing the claim in order to justify the provisional measure may not be longer than 20 working days, i.e. 31 calendar days from the date of submission of the decision on imposing the provisional measure to the trademark holder, whereby the deadline for filing the claim shall be the period which expires later.

The provisions of paragraphs 1 to 4 of this Article shall not exclude the possibility of imposing provisional measures in accordance with the provisions of this Law and the law governing enforcement proceedings, as well as the measures for securing of evidence in accordance with the law governing civil proceedings."

Article 28

Article 58 shall be amended to read as follows:

"Securing of Evidence in Civil Proceedings

Article 58

When one party in litigation for protection of trademark against infringement in accordance with Articles 55 to 59b of this Law refers to certain evidence, claiming that it is with the other party or under his/her control, the court shall invite that party to submit such evidence within a specified time period.

When the trademark holder, as a plaintiff in the claim for protection of trademark against infringement in accordance with Articles 55 to 59b of this Law, makes it probable that the trademark infringement occurred when carrying out economic activity in order to obtain commercial or economic benefit, the court shall at his/her request require from the defendant

to provide banking, financial and similar business documents, papers and other evidence found at him/her or under his/her control, within a specified time period.

When the party that has been requested to submit evidence referred to in paragraphs 1 and 2 of this Article denies that these evidences are in his/her possession or under his/her control, the court may, in order to establish this facts, present evidences.

Regarding the rights of a party to withhold the submission of evidence, the provisions on withholding the witnessing shall be applied in accordance with the law governing civil proceedings.

The court shall, regarding all the circumstances, by its own belief, conclude of what importance is the occasion in which a party, having the evidence in possession or under control, does not want to comply with the court decision to submit evidence or, contrary to the court's belief, denies that the evidence is in his/her possession or under his/her control."

Article 29

Article 59 shall be amended to read as follows:

"Obligation to Provide Information

Article 59

The trademark holder, who initiated litigation to protect the trademark against infringement, may require the submission of data on the origin and distribution channels of products which infringe the trademark.

The request referred to in paragraph 1 of this Article may be filed against:

- 1) a defendant in civil proceedings referred to in paragraph 1 of this Article;
- 2) a person who, in carrying out his/her economic activity, possesses products for which the holder of rights makes it probable that they infringe the trademark;
- 3) a person who, in carrying out his/her economic activity, provides services for which the holder of rights makes it probable that they infringe the trademark;
- 4) a person who, in carrying out his/her economic activity, provides services that are used in activities for which the holder of rights makes it probable that they infringe the trademark;
- 5) a person who has been, by the person referred to in items 1 to 4 of this paragraph, designated as a person involved in the manufacturing or distribution of products or provision of services for which the holder of rights makes it probable that they infringe the trademark.

The request referred to in paragraph 1 may be filed as a request in civil proceedings, claim or request for imposing provisional measure.

The request referred to in paragraph 1 of this Article shall in particular contain the following information:

- 1) names, i.e. titles and addresses of manufacturers and distributors, suppliers and other previous holders of goods, as well as wholesalers and retailers to which these goods are intended;
- 2) quantities of produced, manufactured, delivered, received or ordered products, as well as the prices obtained for these products.

A person, against whom the request referred to in paragraph 1 of this Article has been filed, may refuse to submit the data for reasons from which according to the provisions of the law governing civil proceedings this person may refuse to testify.

If the person, against whom the request referred to in paragraph 1 of this Article has been filed, refuses to provide information without a legitimate reason, he/she shall be liable for damage in accordance with the law governing obligatory relations.

The provisions of this Article shall not exclude the application of Articles 57 and 58 of this Law, regulations on the use of classified information in civil and criminal proceedings, regulations governing liability for misuse of the right to obtain information, as well as the application of regulations governing processing and protection of personal data."

Article 30

After Article 59, four new Articles shall be added to read as follows:

"Alternative Measures

Article 59a

At the request of the defendant in civil proceedings referred to in Articles 55 to 59 and Article 59b of this Law who proves that he/she has not been acting intentionally, the court may impose, instead of the measure requested by the trademark holder, the payment of monetary compensation to the holder of the trademark, if the execution of that measure to the defendant would cause disproportionate harm and if monetary compensation, considering all the circumstances of the case, may be considered a reasonable and satisfactory compensation for the trademark infringement.

Persons Authorised to Submit Requests for the Protection of Rights

Article 59b

Besides the trademark holder, i.e. a person authorised by him/her in accordance with the general regulations on representation, the protection of trademark against infringement in accordance with Articles 55 to 59 of this Law may be required by the holder of an exclusive license to the extent to which he/she has acquired the right to use the trademark, as well as by the professional organisation for the protection of the rights which has the right to represent the holder of intellectual property rights in accordance with the law.

Urgency and Application of Provisions of Other Laws

Article 59c

Proceedings for infringement of rights referred to in Articles 55 to 59 of this Law shall be urgent.

The law governing civil or enforcement proceedings shall be applied to proceedings for infringement of rights referred to in Articles 55 to 59 of this Law in all matters that are not regulated by this Law.

Costs of proceedings referred to in Articles 55 to 59 of this Law shall be compensated in accordance with the law governing civil or enforcement proceedings.

Filing a Claim for Annulment and Revocation of Trademark

Article 59d

Regarding proceedings initiated for the purpose of trademark protection in accordance with Articles 55 to 59 of this Law, the defendant may file a complaint for annulment and revocation of the trademark referred to in Articles 51 to 54 of this Law.

In the case of filing claims for annulment and/or revocation of the trademark, the court shall, having regard to all circumstances of the case and in accordance with the general regulations governing civil or enforcement proceedings, determine whether it shall suspend

the proceedings of protection of the trademark from infringement and under which conditions, or whether it shall merge the proceedings for joint discussion."

Article 31

After Article 62, two new chapters and four new Articles shall be added to read as follows:

"Xa. SUPERVISION

Article 62a

Supervision of the implementation of this Law and regulations adopted on the basis of this Law shall be carried out by the Ministry.

Inspection supervision of the implementation of this Law shall be carried out by the administrative authority responsible for inspection supervision tasks.

Inspection Supervision Procedure

Article 62b

The law governing inspection supervision shall apply to matters of inspection supervision that are not specifically regulated by this Law.

Inspection supervision procedure shall be initiated *ex officio* or at the written request of the trademark holder (hereinafter referred to as the "request") or a person having his/her authorisation to submit the request on the basis of the general rules on representation.

The request referred to in paragraph 2 of this Article may be individual, when it refers to a specific type and quantity of goods or general, when it refers to all quantities of specific goods for a specific time period.

The request referred to in paragraph 2 of this Article shall contain data which can identify goods that infringe the trademark as well as evidence that the applicant is the trademark holder and, if it is a general request, also the time period to which the request refers.

Securing, Costs of Proceedings and Compensation of Damage

Article 62c

When the competent inspector assesses in the inspection supervision procedure that there has been the trademark infringement, he/she shall be obliged to take administrative measures and actions regulated by the law governing inspection supervision.

If he/she assesses that it is justified given the circumstances of the case, the competent inspector may, in the proceedings initiated at the request, condition imposing of measures referred to in paragraph 1 of this Article by giving adequate securing of the applicant for the purpose of compensation of costs for storage of temporarily seized goods or damage incurred due to the failure of the applicant or unjustified seizure of objects.

The costs of the proceedings initiated at the request of the holder of rights which has been resolved in favour of the subject of supervision shall be borne by the applicant.

The competent inspector shall not liable for compensation of damage incurred due to unjustified temporary seizure of goods at the request of the holder of rights.

If it is determined in the proceedings that the goods have been unjustifiably seized at the request of the holder of rights, the applicant shall be obliged to compensate the damage incurred due to temporary seizure of goods to the owner of the goods or the person from whom the goods have been seized.

Xb. PENALTY PROVISIONS

Misdemeanours against Trademark

Article 62d

A fine ranging from EUR 1,500 to EUR 20,000 shall be imposed to a legal person which, without the permission of the trademark holder or other person authorised to give such permission:

- 1) affixes a trademark to the goods, its packaging or on means used for marking the goods (Article 11, paragraph 1, item 1);
- 2) offers goods, puts them on the market, stock them for those purposes or offers or supplies services under the trademark (Article 11, paragraph 1, item 2);
- 3) imports or exports the goods under the trademark (Article 11, paragraph 1, item 3);
- 4) uses the trademark on business papers or in advertising (Article 11, paragraph 1, item 4).

A fine ranging from EUR 500 to EUR 2,000 shall be imposed to a natural person and the responsible person in the legal person for the misdemeanour referred to in paragraph 1 of this Article.

A fine ranging from EUR 1,300 to EUR 6,000 shall also be imposed to an entrepreneur for the misdemeanour referred to in paragraph 1 of this Article.

Objects that have been intended or used only for infringement or that have been created by infringement referred to in paragraph 1 of this Article shall be seized and destroyed, regardless of whether they are property of the offender."

Article 32

After Article 65, a new Article shall be added to read as follows:

"Deferred Application

Article 65a

The provision of Article 15, paragraph 2 of this Law shall be applied from the date of accession of Montenegro to the European Union"

Cessation of Validity

Article 33

On the date of entry into force of this Law, Article 4, paragraph 1, item 5, Article 21 and Article 26, items 2 to 7 of the Law on Application of Regulations Governing the Protection of Intellectual Property Rights ("Official Gazette of RoM", No. 45/05) shall cease to be valid.

Entry into Force

Article 34

This Law shall enter into force on the eighth day of its publication in the "Official Gazette of Montenegro".

Podgorica, 26th March 2014

25th Assembly of the Parliament of Montenegro

The President,

Ranko Krivokapic, sgd.