DECREE LAW NO.56/95/M OF

November 6, 1995

The approval of this decree governing the protection of trade marks achieves the objective of setting up a local system of trade mark registration and thus, while maintaining cooperation in this respect, removes the need for intervention by a Portuguese administrative body — the National Institute of Industrial Property — in relation to the Territory of Macao, and confers the necessary powers for operating the said system on the Directorate of Financial Affairs.

Moreover, it meets the wider objective of setting up a credible system for the protection of industrial property rights which it is hoped will, together with the other benefits and incentives recently set up by the Government of the Territory, serve to attract the investment needed to provide a boost to the economy and development of Macao.

Therefore,

Having heard the Consultative Council,

The Governor-decrees, pursuant to the provisions of Article 13, No. 1 of the Fundamental Law of Macao, that the following shall have legal force in the Territory of Macao:

CHAPTER I RIGHT TO THE TRADE MARK

SECTION I GENERAL PROVISIONS

Article 1 (Scope of protection)

The present decree governs the protection of trade marks.

Article 2 (Right to the trade mark)

- 1. Anyone who adopts a certain trade mark to identify the goods or services produced by his economic activity and who satisfies the legal requirements, particularly those relating to registration, shall enjoy the ownership thereof and exclusive rights therein.
- 2. The right to the trade mark confers the guarantees established by law relating to property in general and is protected in particular by the terms of the present law and the provisions of international law.

Article 3 (Field of application)

1. The present decree shall apply to residents of the Territory of Macao and to the citizens of those countries which belong to the International Union for the Protection of Industrial Property, the terms of the Paris Convention of 20th March 1883 and subsequent revisions thereto, regardless of their place of domicile or abode, subject to the special provisions concerning jurisdiction and lawsuits.

- Citizens of any other country who have a domicile or a real and effective industrial or commercial establishment in the territory of one of the member countries shall be deemed to be citizens of the countries belonging to the Paris Convention.
- As far as citizens of other countries are concerned, the provisions of the international agreements between Macao and the state in question, or, failing any such agreements, a reciprocal arrangement, shall apply.

Article 4 (Use of unregistered trade marks)

- 1. The use of unregistered industrial or commercial trade marks or service marks shall be permitted.
- Anyone who uses an unregistered trade mark for a period of no more than six months shall, during this period, have the right of priority in applying for registration, and may claim against applications previously made by others.

Article 5 (Legal presumption of grant of the right to the trade mark)

Registration of the trade mark simply implies a presumption of novelty or distinction compared with those previously registered, and shall be granted at the expense and risk of the applicant.

Article 6 (Optional use of the trade mark)

Without prejudice to the provisions concerning the lapse of the right to the trade mark, the use thereof is optional, except in the case of goods or services for which the use of a registered trade mark has been declared mandatory by law.

Article 7 (Right to use the trade mark)

The right to use the trade mark shall be conferred on anyone who has a legitimate interest therein, i.e.:

- a) Industrialists or manufacturers, in order to identify goods produced by their industry or factory,
- b) Businessmen, in order to identify goods produced by their business
- c) Craftsmen, in order to identify goods produced by their art, craft or trade
- d) Service providers, in order to identify their particular field of activity.

Article 8 (Collective mark)

- In addition to the provisions of the previous article, the right to use a trade mark shall also be granted to organisations which supervise or regulate economic activities, in order to identify goods produced by the activities which they supervise or regulate, in accordance with their purposes and pursuant to the terms of their respective statutes or constitutional charters.
- 2. The organisations referred to in the above paragraph shall, as applicable, arrange for the insertion of provisions in their respective constitutional charters or statutes specifying:
- a) who shall be entitled to use the trade mark
 - b) the conditions under which the trade mark can be used
 - c) the rights and obligations of interested parties in the case of infringement

3. The Directorate of Financial Affairs shall be notified by the management of the organisation owning the trade mark within thirty days of any changes to the statutes which alter the collective mark system.

Article 9 ("Registered Trade mark")

Throughout the validity of the registration, the proprietor of the trade mark has the right to add to it the term "Marca Registada" or the initials "M.R." or simply the letter "R", as well as the Chinese expression [Chinese characters] and the corresponding romanised version in Cantonese, chu chak seong pio, or in Mandarin, zhù cè shang biao, and the English expressions "Registered Trade mark" or "T.M.".

Article 10 (Registration for goods and services)

The registration of trade marks is carried out for goods or services, the Directorate of Financial Affairs being responsible for indicating the corresponding classes, in accordance with the prescribed system of classification, to be published by government directive.

Article 11 (Addition and substitution of goods or services)

Any goods or services added subsequently, and the substitution of one product or service by another, even if within the same class, shall be subject to a new registration procedure.

Article 12 (Inalterability of the trade mark)

- 1. The trade mark may not be altered, any change to any of its component parts being subject to a new registration procedure.
- The provisions of the above paragraph shall not apply to simple changes which do not affect the identity of the trade mark and affect only its proportions or the material in which it has been stamped, engraved or reproduced, including the colour, if this is not expressly claimed as one of the characteristics of the trade mark.

Article 13 (Commencement and duration of the trade mark)

The right to the trade mark shall take effect from the date of grant and shall remain valid for a period of seven years from the date of filing of the respective application, and shall be renewable for the same period under the terms of Article 71.

Article 14 (Composition of the trade mark)

- The trade mark may consist of one or more words or figurative or emblematic designs which, when applied in some form to goods or to their packaging, distinguish those goods from other identical or similar goods.
- 2. The trade mark may also comprise the shape of goods or their packaging inasmuch as these distinguish them from other identical or similar goods or packaging.
- 3. Colours in themselves do not constitute a trade mark except, if the interested party has applied for their protection, where they are combined either together or with graphics, printed words or other items, in a particular and distinctive fashion.
- 4. The trade mark may not consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or the

time of production of goods or which have become customary in current language or in the bona fide and established practices of the trade.

Article 15 (Languages which may be used in the trade mark)

- 1. The words in the trade mark shall be in Portuguese, Chinese or English, or any combination of these languages.
- 2. In the registration application, Chinese characters shall be romanised, and a translation given, unless they comprise an invented design.
- 3. Trade marks for goods destined solely for export may be written in any language, but the trade mark shall lapse if they are used in Macao.
- 4. The obligation to use Portuguese, Chinese or English shall not apply to applications for international trade mark applications and to those made by foreign individuals or companies not domiciled in Macao.

Article 16 (Publication)

- 1. All notices specified in the present decree shall be published, at the applicant's expense, in the Official Gazette of Macao, with the official support of the Directorate of Financial Affairs.
 - 2. The following are to be published in the form of notices: a) The application for registration of the trade mark b) The grant or refusal of right to the trade mark c) Any assignment, encumbrance or licence of exploitation of the right to the trade mark d) Changes in address, registered office or name of the proprietor of the trade mark e) The renewal, lapse or revocation of the right to the trade mark.

Article 17 (Notification)

- 1. Notifications to be issued under the terms of this decree, with the exception of those arising during legal proceedings, in which case the provisions of procedural law shall apply, shall be sent by registered letter.
- 2. Notifications issued under the terms of the above paragraph shall be deemed to have been served on the third day after posting, or on the first working day after this, if it is not a working day, and shall not take effect prior to this date.
- 3. The assumption made in paragraph 2 above may be refuted by the recipient of the notification if the notification is received later than the presumed date, for reasons not attributable to the recipient, proof of the actual date of receipt being required from the postal service.

Article 18 (Persons entitled to take action)

1. Action and proceedings may be instigated only: a) By the interested parties or by their duly empowered representatives, if they are

domiciled or established in Macao; b) By lawyers.

- 2. If the petitions are signed by representatives as specified in paragraph a) above, the relevant power of attorney must be attached thereto, and if a power of attorney has been issued in a foreign country, it must be duly authenticated and translated.
- Lawyers may instigate in the name and on behalf of their clients all types of proceedings
 and action specified in this decree, and are exempt from having to present their credentials,
 except in the case of proceedings involving the renunciation or surrender of the right to the
 trade mark.

Article 19 (Fees)

The Governor shall issue an order specifying the fees due for the proceedings specified in this decree and also the terms and conditions of payment thereof.

Article 20 (Public nature of registers)

Anyone may request a certified copy or photocopy of registration entries, filed documents and pending applications for registration which have already been published, as well as information on the date of publication of any of the documents referred to in this decree.

SECTION II REGISTRATION PROCEDURE

SUBSECTION I APPLICATION FOR REGISTRATION IN MACAO

Article 21 (Priority of registration application)

- 1. Except in the cases specified in the following articles, the registration of the right to the trade mark shall be granted to whomever first submits the corresponding application, accompanied by the required documents which provide the information specified by law.
- 2. If the application is not accompanied by all the required documents, the priority shall apply from the date and time at which the last document is provided.

Article 22 (Priority of registration application submitted in a Paris Convention member country)

- 1. Anyone who has personally or through his legal representative submitted a regular application for registration of a trade mark in any of the Paris Convention member countries, or the applicant's successor in title, shall have the right of priority in applying for registration in Macao.
- The term regular application for registration shall be deemed to mean an application which has been submitted under conditions which allow the date on which it was submitted in the country in question to be established, whatever may subsequently have affected it in any way.
- 3. The duration of the right of priority shall be six months from the day immediately following the date on which the application for registration was filed.

Article 23 (Scope of priority of registration application submitted in a Paris Convention member country)

1. A registration application submitted within the priority period referred to in the above article may not be refused or invalidated on the basis of any fact verified between the initial

registration application and that made in Macao, including in particular any other application for registration with an identical object or on the basis of use of the trade mark.

2. The facts referred to in the latter part of the above paragraph cannot in any case give rise to rights of third parties or the priority of registration based on use.

Article 24 (Priority of the Paris Convention)

- An applicant who wishes to avail himself of the priority for a registration application made in a
 Paris Convention member country shall, together with all other formalities necessary for
 processing his registration application in Macao, declare his intention to do so, stating the
 number, date and time and country of filing of the application.
- 2. The applicant shall also, within a period of three months from the date of submission of the registration application in Macao, attach a copy of the registration application which gives rise to the priority, clearly indicating the date on which that application was filed.
- 3. The documents referred to in the above paragraph do not have to be legalised, but they must be authenticated by the authority which received the initial application.
- 4. In the case of succession to a title, the successor to the right of the original applicant must provide evidence of such succession when the registration application is submitted in Macao.

Article 25 (Failure to fulfil legal formalities)

Any failure to fulfil the formalities referred to in the above article shall result in the loss of the right of priority.

Article 26 (Priority based on use of an unregistered trade mark)

- 1. Applicants who wish, under the terms of paragraph 2, Article 4, to claim priority for their registration application based on the use of an unregistered trade mark shall, together with all other items necessary for processing the application registration in Macao, submit all documents providing evidence of the said use.
- 2. The documents to be used as evidence, as referred to in the above paragraph, shall be freely assessed, except in the case of authentic documents.

Article 27 (Application for registration)

- 1. The trade mark registration process begins with the submission to the Directorate of Financial Affairs of two copies of an application for registration, signed by the applicant or by the applicant's representative and drawn up using the proper printed form of the type shown in the example attached to this decree.
 - 2. The applicant must specify on the form referred to in the above paragraph:
 - a) His name, firm or company name;
 - b) His nationality;
 - c) His profession or main occupation;
 - d) His address or registered office;
 - e) Whether the trade mark relates to goods or services;
 - f) The class and the goods or services to which the trade mark relates;

- g) Whether the trade mark is industrial or commercial;
- h) The items referred to in Article 24 if the applicant wishes to claim the priority of the Paris Convention:
- i) The items referred to in the preceding article if the applicant wishes to claim priority on the basis of use of an unregistered trade mark;
- j) The legal or statutory provisions under which the collective mark system has been established, if applicable.

Article 28 (Processing of application for registration)

The following items must be submitted with the application for registration:

- a) A representation of the trade mark, attached to the appropriate section of the printed form;
- b) Two photolithographs, with maximum dimensions of 7 x 8 cm and minimum of 1.5 cm x 1.5 cm, for typographic reproduction of the trade mark;
- c) Authorisation from a third party if the applicant plans to include in the trade mark that party's name, firm or company name, insignia or likeness;
- d) Authorisation to include in the trade mark any flags, armorial bearings, shields, coats of arms, or other emblems of the Territory, municipal authorities or other public or private entities, whether national or foreign, official badges, stamps and seals of certification and guarantee, private emblems or names of the Red Cross or other similar organisations
- e) The items referred to in Article 26in the case where the applicant wishes to claim priority on the basis of the use of an unregistered trade mark.

Article 29 (Proof of filing of application for registration)

The duplicate of the application for registration shall be returned to the applicant duly stamped and bearing a note of its number as well as the date and time, to serve as proof of filing.

Article 30 (Classification of goods and services)

- 1. Once the application for registration of the trade mark has been made, the Directorate of Financial Affairs will classify the goods and services in accordance with the provisions of Article 10
- If the application includes goods or services classified under different classes, the applicant shall be told to restrict the application to one single class and to make further applications, if required, for the different goods or services.
- The applicant may oppose the classification within a period of thirty days from the date of publication of the application for registration of the trade mark.
- 4. A decision shall be taken concerning the opposition referred to in the above paragraph within a maximum of fifteen days and shall be notified to the applicant.
- 5. An appeal may be made against the decision on the opposition to the court having jurisdiction in the matter. The appeal shall be lodged within thirty days of publication of the notice of the grant of right to the trade mark, the provisions of Article 47 applying, as appropriate.

Article 31 (More than one trade mark included in a single registration)

- 1. It is permitted to include in a single application for registration a series of trade marks which differ only in the name of the goods or services to which they apply.
- 2. Each of the trade marks referred to in the above paragraph shall have independent effect, but ownership of the series shall be indivisible, and the series shall have just one registration number, with a different letter to identify each trade mark in the series.

Article 32 (Rectification of irregularities in the application for registration)

- 1. If, prior to publication of the notice of application for registration, it is found that a document is missing or that there is some other irregularity, the applicant shall be notified and required to rectify the situation within a period of thirty days.
- 2. The publication referred to in the preceding paragraph shall take place only once the situation has been rectified.
- 3. If the application for registration of the trade mark is not rectified within the period specified in paragraph 1, it shall be cancelled and revoked.

Article 33 (Publication of the application for registration)

- 1. Once the application for registration has been received and the goods and services have been classified, the application shall be published in accordance with the terms of Article 16.
- 2. Publication of the notice of application for registration includes the typographic reproduction of the trade mark and an indication of the class and of the goods or services for which it is to be used.

Article 34 (Opposition proceedings)

Anyone who considers the potential grant of registration prejudicial to his interests may give notice of opposition to the registration to the director of the Directorate of Financial Affairs within ninety days of the date of the publication referred to in the preceding paragraph.

Article 35 (Rejection of the opposition)

- 1. Failure to give notice of opposition before the end of the period referred to in the preceding paragraph will result in a declaration of rejection issued by the director of the Directorate of Financial Affairs within fifteen days of the date on which the opposition is lodged.
- 2. Notification of the rejection decision shall be sent to both the opponent and the applicant.
- 3. There is no independent appeal procedure against the rejection decision although the opponent may, under the terms of Article 47, appeal against the decision granting the right to the trade mark, it being a prerequisite that such appeal is made on the grounds of the invalidity of the said decision.

Article 36 (Notification of and response to opposition)

- 1. Once the opposition has been received, the applicant shall be notified thereof within fifteen days of the date of its submission and must respond within thirty days.
 - 2. A copy of the opposition shall be sent to the applicant with the notification.

Article 37 (Rejection decision and notification of the response to the opposition)

- 1. The provisions of paragraphs 1 and 2 of Article 35 shall apply, as appropriate, to the submission of the response.
 - 2. The opponent shall be sent a copy of the response within fifteen days.

Article 38 (Obligation to provide copies)

- 1. As many copies of the opposition and the response to the opposition shall be submitted as there are applicants or opponents.
- 2. In addition to the copies referred to in the preceding paragraph, an additional copy must be sent for the archives and to be used as a basis for rectifying matters in the case of mistakes.

Article 39 (Filing of documents)

- 1. The documents shall be filed together with the document which summarises the facts referred to therein and not, under any circumstances, any later.
 - 2. The provisions of the preceding article shall apply to the filing of documents.

Article 40 (Inspection)

- 1. In the case of either the opposition or the response, the parties may, giving reasons, request an inspection of a commercial or industrial establishment or other relevant premises, with a view to supporting or clarifying their allegations.
- 2. If an inspection has been requested and once the period allowed for response to the opposition has expired, the director of the Directorate of Financial Affairs shall decide on the matter.
- 3. Once the inspection has been authorised, it shall take place within fifteen days of notification of the decision referred to in the preceding paragraph.
- 4. The inspection may not be postponed, and any failure to carry it out as a result of an impediment affecting either of the parties shall be freely assessed on the basis of the circumstances of each case.
- 5. The cost of the inspection shall be borne by the party whose claim is rejected in the final decision.

Article 41 (Subsequent proceedings)

- 1. Once the opposition or the response have been submitted, or after the respective periods allowed have elapsed, and after any inspections have been carried out, the application for registration of the trade mark shall be examined and a decision taken.
- 2. Notification of rejection of the application for trade mark registration shall be sent to the applicant and, if there was any opposition, to the opponent.

Article 42 (Examination of the trade mark application)

- 1. The examination of the application shall consist principally of the examination of the requested trade mark and comparison with the registered trade mark or marks relating to the same goods and services and to similar goods and services.
- 2. The examination of the trade mark shall always, as far as any words included in the trade mark are concerned, include an assessment of the possibility of confusion between the Portuguese,

Chinese, English or other characters and sounds, either in each language on its own or between the various languages.

Article 43 (Refusal of registration)

Registration of the trade mark be refused if:

- a) The fees have not been paid;
- b) The required documents have not been provided;
- c) Other essential formalities have not been carried out;
- d) The applicant is likely to practise unfair competition, or if this might occur for reasons beyond his control;
- e) The provisions concerning the composition of the trade mark or the language used have not been complied with;
- f) The trade mark consists, in whole or in part, of flags, armorial bearings, shields, coats of arms or other emblems of the Territory, municipal authorities or other public or private entities, whether national or foreign, without the necessary authorisation having been obtained;
- g) The trade mark consists, in whole or in part, of official badges, stamps and seals of certification and guarantee, in respect of trade marks to be used for goods identical or similar to those to which they are to be applied, unless appropriate permission has been obtained;
- h) The trade mark consists, in whole or in part, of coats of arms or heraldic insignia, devices, decorations, names, titles and honours to which the applicant is not entitled or, if he is entitled thereto, which could be disrespectful to or detract from the prestige of such insignia;
- i) The trade mark consists, in whole or in part, of the emblem or name of the Red Cross or other organisations which have been granted by the Governor the right to use private emblems, unless special permission has been obtained;
- j) The trade mark consists, in whole or in part, of a firm or company name, name or logo which do not belong to the applicant or which the applicant is not authorised to use;
- I) The trade mark consists, in whole or in part, of the names or likenesses of individuals, without permission for such use from the individuals in question, or, if they have died, from their heirs or relatives up to the fourth degree, or if, in the case where such permission has been obtained, the trade mark in question could be disrespectful to or damage the reputation of such individuals;
- m) The trade mark consists, in whole or in part, of the illegal reproduction of a protected literary, artistic or other work, unless appropriate permission has been obtained;
- n) The trade mark consists, in whole or in part, of false information concerning the nature, quality or use of the goods and services to which it applies;
- o) The trade mark consists, in whole or in part, of a false indication of provenance of the goods, whether the country, region or locality, or the factory, property or establishment;
- p) The trade mark consists, in whole or in part, of the reproduction or imitation of all or part of a trade mark registered earlier by someone else for the same goods or services or similar goods or services, which could mislead consumers.

Article 44 (Imitation or infringement of trade mark)

- 1. Trade marks shall be deemed to have been imitated or infringed in whole or in part, in the case where a trade mark for goods or services entered in the classification list under the same number or under a different but very similar number, bears such a close similarity in graphics or words, or figurarively or phonetically, to another previously registered trade mark as to easily mislead or confuse consumers, since they would not be able to distinguish between the two without close examination or comparison.
- 2. Trade marks shall be deemed to have been partially imitated or infringed in the case of use of a particular invented or fanciful name which forms part of a earlier trade mark belonging to someone else, or solely of the external appearance of the packaging or wrapping with the relevant colours and arrangement of wording, devices and insignias, in such a way that illiterate persons would not be able to distinguish them from others adopted by the proprietors of legitimate trade marks, especially well-known trade marks or those of international renown.

Article 45 (Well-known trade marks)

- Interested parties may request the refusal of an application for registration of a trade mark if it
 consists, in whole or in large part, of the reproduction, imitation or translation of another
 well-known trade mark which is known to belong to an individual or company who is a national
 of or whose registered office is located in another Paris Convention country, if it is applied to
 identical or similar goods or services and with which it could be confused.
- Interested parties seeking the refusal of a trade mark as mentioned in the preceding paragraph may intervene in the proceedings only if they can provide evidence of having already requested in Macao the relevant registration or if they do so at the same time as submitting the request for refusal.

Article 46 (Legal remedy)

- 1. An appeal against the decision to refuse registration of the trade mark or the decision to grant it, in the case of opposition proceedings, may be made to the court having jurisdiction in the matter.
 - 2. The following shall be entitled to lodge such appeal:
 - a) The applicant for the registration which has been refused, or his successors in title;
 - b) The opponent or his successors in title.
 - 3. The appeal shall be lodged within thirty days of notification of the decision.

Article 47 (Appeals procedure)

- 1. If there are no grounds for preliminary refusal and if the application is admissible, a summons shall be addressed to the Director of the Directorate of Financial Affairs, requiring him to refer the matter to which the summons relates to the courts within a period of thirty days, or to reply, as he sees fit
- Once an appeal has been lodged against the decision to refuse or to grant registration of the trade mark, the applicant or the opponent, as applicable, shall also be summoned-to reply within the same period.
 - 3. Failure to reply shall not have comminatory effect.

4. Subsequent proceedings shall take the form of summary civil proceedings, in which all evidence shall be submitted and in which any decision shall be subject to appeal to a higher court of law.

Article 48 (Evidence of right to the trade mark)

Evidence of the right to the trade mark shall be provided by the title to the registration.

Article 49 (Grant of title to the registration)

- 1. If the right to the trade mark is granted without any opposition proceedings, the document granting title to the registration may be issued after payment of the fee due.
- 2. If the right to the trade mark is granted despite opposition proceedings, the document granting title to the registration may be issued, after payment of the fee due, once the period specified in Article 46, paragraph 3, has expired, and the Directorate of Financial Affairs has been informed by the court that no appeal proceedings have been lodged against the decision.
- 3. If appeal proceedings are lodged, the document granting title may be issued once the applicant submits an attestation of the court ruling in his favour and pays the corresponding fee.

Article 50 (Content of the document granting title to the registration of the trade mark)

The document granting title to the registration of the trade mark referred to in the preceding articles shall contain the following information, plus any other details deemed necessary for proper identification of the property to which it relates:

- a) Designation of the Territory of Macao as the place of issue;
- b) Designation of the issuing body;
- c) Date of grant;
- d) Duration of the period for which the right to the trade mark is granted;
- e) Legal provisions applicable;
- f) Date and signature of the competent authorities.

Article 51 (Registration certificate)

The proprietor of the trade mark registration may obtain a certificate containing the same information as in the document granting title for the purpose of proving his legal rights.

Article 52 (Notification to the Commercial and Vehicle Registration Office)

The Commercial and Vehicle Registration Office shall be notified by the Directorate of Financial Affairs of the granting of the trade mark registration so that the former does not authorise or register trade or other names which might be confused with the wording of the registered trade mark

Article 53 (Amendment of the trade mark)

Any application for amendment subject to new registration shall be processed in accordance with the above articles.

SUBSECTION II APPLICATION FOR INTERNATIONAL REGISTRATION

Article 54 (Requirements)

- 1. The proprietor of a registered trade mark who is resident or established in Macao and who wishes to seek legal protection of his trade mark in the countries which are, or may in future be, party to the Madrid Agreement of 14th April 1891 concerning the international registration of trade or commercial marks, should submit an application to the Directorate of Financial Affairs
 - a) Date of registration and of the last renewal requested;
 - b) Number of the registration proceedings;
 - c) Date and number of previous international registrations of the trade mark in question, as well as changes of proprietor and changes in the name, firm or company name even if these are not entered in the international register,
 - d) If the applicant is claiming the colour to be a distinctive element of the trade mark, the application must contain a declaration to this effect;
 - Details of the date on which, the form in which and the person by whom the payment of the international fee was made and whether this payment covers the full twenty years of

containing the following information, in addition to that specified in Article 27:

protection granted by the registration or the first ten years only.

2. The documents necessary for processing the application, as specified by the Madrid Agreement of 14th April 1891 concerning the international registration of trade or commercial marks, shall be submitted together with the application for registration referred to in the preceding paragraph.

Article 55 (Processing of application for registration)

- After establishing both that the information contained in the application conforms to the items
 required respectively for processing and registration and that the type mould conforms to
 requirements, the Directorate of Financial Affairs shall draw up the prescribed forms, with a
 black and white reproduction of the trade mark in each, and, in case of any claim in this respect,
 a colour reproduction next to the former.
- 2. If the applicant has failed to fulfil any of the required formalities, he is given notice to rectify the situation within thirty days, at the end of which period the file is archived and can only be reopened on submission of a new application.
- 3. Once the formalities referred to in the preceding paragraphs have been completed, the application is sent to the International Bureau.

Article 56 (Delivery of form to the applicant)

Once the form sent by the International Bureau, duly signed and sealed and giving the date and the international registration number, has been received by the Directorate of Financial Affairs, a copy shall be sent to the applicant or the applicant's representative, after the number and date thereof have been recorded in the Macao register.

Article 57 (Partial surrender of registered trade mark)

The proprietor of an international registration may surrender the protection of the trade mark in respect of one or more of the countries in which it is registered, by making a declaration to this effect to the Directorate of Financial Affairs, which is forwarded to the International Bureau and then passed by the latter on to the countries affected by the said surrender.

Article 58 (Renewal of the registration)

Renewal of the international registration shall be subject to the same formalities as required for the original application.

Article 59 (Addition or substitution of goods)

The provisions of the preceding paragraph shall also apply in the case of the subsequent addition of new goods or classes and substitution of one product or class by another.

Article 60 (Notification of alterations to the International Bureau)

The Directorate of Financial Affairs shall notify the International Bureau of any alterations to trade marks registered in Macao which might affect the international register, with a view to registering and publishing such alternations and notifying the member countries in which the trade marks have been granted protection.

Article 61 (Effects of international registration)

- An application for protection in Macao of an internationally registered trade mark, received in accordance with the terms of the Madrid Agreement of 14th April 1891, shall be published under the terms of and for the purposes specified in Articles 33 and 34.
- Once the period allowed for opposition has expired, the application shall be examined and a
 decision taken, and protection in Macao shall be refused if any of the situations which, under
 the terms of Article 43, are grounds for refusal of registration of trade marks in the Territory are
 found to exist.
- 3. An appeal may be lodged under the terms of the present decree against the decision refusing the right to the trade mark, or against the decision to grant it, in the case of opposition.

Article 62 (Formalities for notification of refusal)

- 1. The International Bureau shall be notified of the refusal of protection. Three copies of the notice shall be sent, one for the said Bureau, one for the industrial property office in the country of origin and the last for the proprietor of the registered trade mark.
 - 2. The notice of refusal shall contain the following information:
 - a) Reference to the Territory of Macao;
 - b) The date of issue;
 - c) The number and date of the international registration;
 - d) The name and address of the proprietor;
 - e) The reason for refusal;
 - f) The period allowed for appeal and the court to which such appeal should be made;
 - g) If the refusal is partial, indication of the goods or services to which the trade mark cannot apply in Macao;

- h) If the reason for refusal is the existence of an earlier trade mark, indication of the national or international trade mark which prevents the registration from being granted, an example of the trade mark in question, the name and address of its proprietor and the date and number of registration.
- 3. The provisions of the present decree which served as grounds for the refusal shall be transcribed on the reverse of the notice of refusal, which shall also specify the period allowed for appeal and the court to which such appeal should be made.

Article 63 (Period for notification of refusal)

The notice of refusal of protection in the Territory of Macao shall be sent to the International Bureau within a period of one year from the date of international registration of the trade mark.

Article 64 (Refusal of renewal on the grounds of alterations to the trade mark)

Protection may be refused, in the case of renewal, to internationally registered trade marks which have been subject to alterations which change their distinctive character or the indication of the goods or services to which they apply.

Article 65 (New registration on the grounds of refusal of renewal)

- 1. If protection is refused, in the case of renewal, the trade mark may be protected by a new registration as long as the necessary requirements and legal formalities are observed.
- 2. If protection is granted under the terms of this article, it shall take into account the rights and priorities relating to the goods and services identified in the same terms in both the earlier registration and the current registration.

SECTION III ASSIGNMENT, ENCUMBRANCE AND LICENCE OF EXPLOITATION OF THE RIGHT TO THE TRADE MARK

Article 66 (Assignment of ownership of the trade mark)

- 1. The ownership of registered trade marks may be assigned free of charge or subject to payment, independently of the assignment or transfer of the business operations.
- 2. The transfer of the goodwill in the business shall be deemed to include the assignment of ownership of the trade mark, unless otherwise stipulated.
- 3. If the assignment of ownership of the trade mark is concurrent with that of the goodwill in the business of which it is a part, the contract shall be subject to the formalities required for assignment of the goodwill in the business.
- 4. If the assignment of ownership of the trade mark is to be independent of the assignment of the goodwill in the business, the relevant agreement shall be made in writing and the signatures of the contracting parties shall be authenticated by notary.

Article 67 (Grant of licence of exploitation of the trade mark)

1. The proprietor of the registered trade mark may grant to a third party a licence to use it, free of charge or subject to payment, in respect of all or some of the goods or services it covers.

- 1. As the licence shall be exclusive, no other licence may be granted while the former remains valid
- 2. The rights obtained from the licence of exploitation may not be transferred or temporarily assigned without the written consent of the proprietor of the registered trade mark, unless otherwise stipulated in the licence agreement.
- 3. The licensee shall, unless otherwise stipulated in the licence agreement, enjoy the same rights as were granted to the proprietor of the registered trade mark.
- 4. The licence agreement shall be made in writing and the signatures of the contracting parties shall be authenticated by notary.

Article 68 (Non-transferability of the ownership of certain trade marks)

Trade marks registered by organisations which regulate or supervise economic activities shall not be transferable, unless specific provisions to this effect are included in the statutes or constitutional charters of such organisations.

Article 69 (Registration of assignment, encumbrance and licence of exploitation of the right to the trade mark)

- 1. The assignment, encumbrance and licence of exploitation of the right to the invention shall not take effect vis-à-vis third parties until they have been registered with the Directorate of Financial Affairs.
- 2. The registration shall be entered on the certificate of registration and in the books or computer records at the request of any interested party, on submission of the documentation relating to the assignment, encumbrance or licence of exploitation.
- 3. The registration certificate shall be returned to the applicant and the documents shall be attached to the file, together with the corresponding application.
 - 4. The registration shall be published as specified in the present decree.

Article 70 (Registration of changes of address, registered office or firm or company name)

The provisions of the preceding article shall apply to changes of address, registered office, and firm or company name or any other similar details, as applicable.

SECTION IV RENEWAL, LAPSE AND REVOCATION OF TRADE MARKS

Article 71 (Renewal of the right to the trade mark)

- 1. The right to the trade mark may be renewed by submitting an application six months prior to the date of lapse, attaching the original registration certificate.
- 2. Renewal of the right to the trade mark shall be published under the terms of the present decree and shall be entered on the registration certificate.

Article 72 (Lapse of trade marks)

Trade marks shall lapse as a result of:

a) Expiry; b) Surrender; c) Failure to pay the corresponding fees; d) Alterations to the trade mark which affect its identity; e) Grant of a new right to the trade mark by the addition or substitution of goods or

services.

2. Lapse shall occur as a result of: a) The expiry of the period for which the right to the trade mark was granted; b) The failure to use the trade mark for three consecutive years, except in the case of duly

proven force majeure. c) The situation specified at the end of paragraph 3of Article 15.

- 3. Collective trade marks shall also lapse if:
 - a) The organisation which is the proprietor of the trade mark ceases to exist;
 - b) It is used for purposes other than the general or mandatory purposes set out in the statutes of the organisation which is the proprietor of the trade mark and with its knowledge.
- 4. The lapse of the trade mark shall be published in accordance with the terms of the present decree.

Article 73 (Lapse as a result of surrender)

- 1. Surrender of the right to the trade mark shall be made on the proper form, signed by the proprietor, whose signature must be authenticated by a notary.
- 2. Surrender of the right to the trade mark shall not prejudice the rights of third parties, including in particular any rights arising from a licence of exploitation agreement or from any encumbrance of the right to the trade mark, in which case the surrender shall not take effect until the period for which the licence was granted or the encumbrance established has elapsed.
- 3. If the application to surrender the right has not been signed by the proprietor, his representative or lawyer must attach the power of attorney established to this effect.

Article 74 (Revocation of the registration of the trade mark)

- 1. The following shall be considered grounds for revocation of the registration of the trade mark:
 - a) The grounds for refusal of registration as specified in Article 43;
 - b) The grant of the right to a trade mark which consists, in whole or in part, of the reproduction, imitation or translation of another well-known trade mark which is known to belong to citizen of another Paris. Convention country, if it is applied to identical or similar goods or services and with which it could be confused.
- 2. Interested parties seeking the revocation of the registration of a trade mark as mentioned in paragraph b) above may do so only if they can provide evidence of having already requested the registration of the trade mark with which it may be confused.

Article 75 (Revocation proceedings)

- 1. Revocation proceedings must be referred to the court having jurisdiction in the matter within a period of one year from the date on which the grounds for such revocation became known.
- Once the court ruling has been made, the decision to revoke the trade mark registration shall be notified to the Directorate of Financial Affairs and shall be published, in accordance with the provisions of the present decree, at the expense of the interested party.

CHAPTER II INFRINGEMENT OF REGISTERED TRADE MARK AND PROHIBITION OF UNFAIR COMPETITION

Article 76 (Infringement of the right to the trade mark)

- 1. Any person who:
- a) Copies, in whole or in part, or otherwise reproduces by whatever mean a registered trade mark without the consent of the legitimate proprietor;
- b) Imitates some or all of the characteristic features of a registered trade mark;
- c) Uses a counterfeit or copied trade mark;
- d) Fraudulently uses for his own goods or services a registered trade mark belonging to someone else;
- e) Fraudulently uses his trade mark on goods or services belonging to someone else, for the purpose of misleading the consumer in respect of the origin thereof;
- f) Imports, sells, offers for sale or supplies goods or services with a trade mark which is counterfeit, copied or fraudulently used as specified in the preceding paragraphs,
- g) Uses a collective mark for purposes other than those specified in the statutes or constitutional charters of the organisations in question

shall be subject to a penalty of up to one year in prison or a fine of between five thousand and five hundred thousand patacas.

2. In the case of a repeated offence, the penalty shall be a prison sentence of up to three years or a fine of between fifty thousand and one million patacas.

Article 77 (Liability in the case of revoked registration)

Anyone who fraudulently makes an application for the registration of a trade mark which is subsequently revoked on the grounds of infringement of third party rights shall be subject to the same penalties as those which apply to the offence of making fraudulent declarations.

Article 78 (Failure to use a mandatory trade mark)

Any goods which are subject to a mandatory trade mark shall, if such a mark is not used, except where otherwise stipulated by special legislation, be confiscated and those responsible shall, by law, be liable for any loss or damage so caused.

Article 79 (Unfair competition)

1. The term unfair competition shall mean any competition contrary to the normal and honest practices of any particular trade.

- 2. The following in particular are prohibited:
- a) Any acts likely to cause confusion with the establishment, the goods, the services or the credit of competitors, whatever the means used;
- b) False declarations made in the course of trade, industry or services, with a view to discrediting the establishment, the goods, the services or the reputation of competitors;
- c) Unauthorised statements or references, made with the intention of obtaining personal benefit from the credit or reputation of the name of a company, brand, product or service belonging to someone else;
- d) False statements, for personal benefit, about the credit or reputation of a company or its proprietor, as regards their capital or financial situation, the nature or extent of their activities and business or the quality and quantity of their customers;
- e) Fraudulent advertising and false descriptions or information about the nature, quality and use of goods or services;
- f) False information concerning the provenance, place, region or territory, factory, property or company, whatever the method used;
- g) The suppression, removal or alteration by the seller or by any intermediary of the original name of the goods or of the registered trade mark of the producer or manufacturer in the case of goods for resale which have not been modified;
- h) The illicit appropriation, use or disclosure of industrial or commercial secrets belonging to others.

Article 80 (Subsidiary application)

The provisions prohibiting unfair competition shall apply only if the actual situation does not fall within the scope of the provisions relating to the infringement of registered trade marks or of any other industrial property rights.

Article 81 (Third party liability)

Anyone who carries out the activities prohibited by the provisions of this section shall, by law, be held liable for any loss or damage caused thereby.

CHAPTER III FINAL AND TRANSITORY PROVISIONS

Article 82 (Entry into force)

- 1. The present decree shall enter into force thirty days after publication.
- 2. The provisions of this decree relating to international registration shall enter into force as soon as the Madrid Agreement of 1891 concerning the international registration of trade marks or commercial marks is applicable in Macao.

Article 83 (Earlier trade marks)

Trade marks granted by the National Institute of Industrial Property and applicable in Macao shall remain fully valid for the period for which they were granted. However, the provisions of the present decree shall apply on renewal thereof.

Article 84 (Outstanding registration applications)

- Applications for registration of trade marks which are still outstanding on the date of entry into
 force of the present decree and which have not yet been published in the Official Journal of
 Industrial Property shall be resubmitted by the National Institute of Industrial Property to the
 Directorate of Financial Affairs, which shall then be responsible for subsequent processing
 thereof.
- 2. Any other applications for registration of trade marks which are still outstanding on the date of entry into force of the present decree shall be subject solely to the provisions of the legislation currently in force.
- 3. The provisions of the present decree shall apply to the renewal of the registrations referred to in the preceding paragraph.

Article 85 (Abrogative clause)

All laws containing provisions which are contrary to those of the present decree are hereby repealed. This applies in particular to the following:

- a) Decree Law No. 44/87/M of 29th June;
- b) Articles 165 to 216, 264, 265, 269, 270 and 290 to 293 of the Industrial Property Code, approved by Decree Law No. 16/95 of 24th January, published in the Official Gazette, No. 36, Series 1, of 4th September 1995.

Approved on [date] 1995

Be it known.

The Governor

Vasco Rocha Vieira