

THE LAW ON TRADEMARKS¹

Article 1

- (1) This Law shall govern the manner of acquisition and the protection of rights with respect to marks used in trade of goods and/or services.
- (2) A trademark shall be the right that protects a mark used in the course of trade to distinguish goods and/or services of one natural or legal person from identical or similar goods and/or services of another natural or legal person.

Article 2

- (1) A trademark may be individual, collective, or warranty trademark.
- (2) A collective trademark shall mean a trademark of a legal person representing a certain type of association of manufactures and/or providers of services, which may be used by persons who are members of such association, under the conditions prescribed by this Law.
- (3) The user of a collective trademark shall be entitled to use such mark only in the manner laid down in the general act on collective trademarks.
- (4) A warranty trademark shall mean a trademark that is used by several companies under supervision of the trademark holder, as a warranty of quality, geogographic origin, manner of manufacturing or other common characteristics of the goods and/or services provided by such companies.
- (5) The holder of the warranty trademark shall allow any company to use the warranty trademark for goods and/or services which have common characteristics prescribed by general act on the warranty trademark.

Article 3

Seals, stamps and hallmarks (official marks for marking precious metals, measurements and the like) shall not be deemed trademarks for the purposes of this Law.

¹ Official Gazette of Serbia and Montenegro, No. 61, 24 December 2004. Entered into force 1 January 2005.

I. SUBJECT - MATTER AND CONDITIONS FOR PROTECTION

Article 4

Any mark that is used to distinguish goods and/or services in trade and that may be graphically presented, shall be protected by the trademark. A mark may be comprised, *inter alia*, of the following: words, slogans, letters, numbers, images, drawings, combinations of colors, three-dimensional shapes, combinations of such marks, as well as of graphically presentable musical notes.

Article 5

- (1) A trademark shall not be used to protect a mark that:
- 1) is contrary to the morals or public order;
 - 2) has a general appearance that does not enable goods and/or services to be distinguished in the course of trade;
 - 3) represents a shape determined exclusively by the nature of the product or a shape indispensable to obtain a given technical result;
 - 4) designates exclusively the type, purpose, time or method of production, quality, price, quantity, weight or geographical origin of the goods and/or services;
 - 5) is customary for designating a given type of goods and/or service;
 - 6) by its appearance or content, may create confusion in commerce with respect to the origin, type, quality or other characteristics of the goods and/or services;
 - 7) contains official marks or hallmarks of quality control or warranty, or imitations thereof;
 - 8) is identical with a protected mark of another person for identical or similar goods and/or services;
 - 9) is similar to a mark already protected on behalf of another person for identical or similar goods and/or services, if such similarity may lead to confusion in commerce and misleads the participants in commerce;
 - 10) is identical or similar to a mark for identical or similar goods and/or services, which is well-known in Serbia and Montenegro within the meaning of Article 6^{bis} of the Paris Convention for the Protection of Industrial Property;
 - 11) regardless of the goods and/or services concerned, is a reproduction, imitation, translation or transliteration of a registered trademark, or the essential segment thereof, which is known without any doubt to those participating in the commerce in Serbia and Montenegro as a mark of widespread reputation (hereinafter; "well-known trademark") used by other persons for marking their goods and/or services, if the use of such a mark would result in an unfair benefit from the reputation acquired by the well-known trademark or in harm to its distinctive character and/or reputation;
 - 12) by its appearance or content, infringes copyright or industrial property rights;
 - 13) comprises of state or other public coat of arms, flag or other emblem, name or abbreviation of the name of a country or of an international organization, or imitations thereof, unless the competent authority of the country or organization concerned has given its authorization for such use;

- 14) represents or imitates a national or religious symbol.
- (2) A mark referred to in items 2, 4 and 5 of paragraph 1 of this Article may be protected as a trademark if the applicant for trademark registration proves that the serious use of such mark has rendered the mark capable of being distinguished in the trade in goods and/or services concerned.
- (3) A mark which is a subject-matter of application for trademark registration, shall also be considered as protected mark referred to in items 8 and 9 of paragraph 1 of this Article, provided that such application for trademark registration is granted.
- (4) The awareness of the relevant part of the public about the mark, including knowledge gained through promotion of the mark shall be taken into account when determining whether the mark defined in item 11 of paragraph 1 of this Article is known without any doubt as a mark of widespread reputation. The relevant part of the public shall comprise actual and potential users of the goods and/or services which bear such mark, as well as persons involved in the distribution channels of concerned goods and/ or services
- (5) The likeness or name of a person shall be protected as a trademark only with such person's consent.
- (6) The likeness or name of a deceased person shall be protected as a trademark only with consent of parents, spouse and children of the deceased person.
- (7) The likeness of a historical person or other deceased famous person shall be protected as a trademark only with the authorization of the competent authority and the consent of such persons's relatives up to the third degree of kinship.

Article 6

Foreign natural and legal persons in Serbia and Montenegro shall enjoy the same rights with respect to the trademark protection as domestic natural and legal persons if such rights derive from international agreements or from the principle of reciprocity. The person claiming reciprocity shall have to prove its existence.

II. PROTECTION PROCEEDURE

Common Provisions

Article 7

- (1) Legal protection of marks used in trade of goods and/or services shall be acquired by means of an administrative proceedings conducted by the administrative authority of the Council of Ministers responsible for intellectual property matters (hereinafter referred to as "competent authority").
- (2) Decisions refered to in pargraph 1 of this Article shall be final and subject to administrative dispute procedure.

Article 8

- (1) The competent authority shall maintain the Register of Applications for Trademark Registration (hereinafter referred to as "the Register of Applications") and the Register of Trademarks.
- (2) The Registers referred to in paragraph 1 of this Article shall be open to the public and any interested person may view them free of any charge.
- (3) Any interested person, upon the oral request, may inspect the files of registered trademarks, in the presence of an official.
- (4) Upon the written request of an interested person and subject to payment of the prescribed fee, the competent authority shall make available the copies of the documents and the corresponding attestations and certificates with respect to facts contained in the official records kept by the authority.
- (5) The content of registers referred to in paragraph 1 of this Article shall be prescribed by special regulation.

Article 9

The competent authority shall provide an access to its documentation and information on trademarks to any interested natural person.

Article 10

- (1) The holder of a trademark or the person filing a trademark registration application may request international registration of the trademark in accordance with international agreements.
- (2) The request for international registration referred to in paragraph 1 of this Article shall be filed through the competent authority.
- (3) An application for international registration shall be subject to payment of the prescribed fee.
- (4) The content of an application for the international registration of the trademark and the conduct of the competent authority upon such application shall be prescribed by the special regulation.

Article 11

Foreign natural and legal persons shall be represented in the proceedings before the competent authority by a professional representative registered in the Register of Representatives maintained by the competent authority, or a domestic attorney.

Article 12

- (1) Natural and legal persons who meet the requirements set by the Law regulating patent protection shall be entered into the Register of Representatives maintained by the competent authority.
- (2) A representative who conducts activities in representing persons in exercising their rights under this Law shall be a Faculty of Law graduate.

Initiation of the Proceedings for Trademark Registration

Article 13

The procedure for the trademark registration shall be initiated by filing an application for trademark registration (hereinafter referred to as "the application"). The essential elements of the application shall be:

- 1) the request for the trademark registration;
- 2) the mark for which protection is requested;
- 3) the list of goods and/or services to which the mark relates.

Content of the Essential Elements of the Application

Article 14

- (1) The request for the trademark registration shall include:
 - 1) the particulars of the applicant;
 - 2) a statement to the effect that the mark is an individual mark, collective mark or warranty mark;
 - 3) the signature and the stamp of the applicant.
- (2) An application may contain a request for registration of a single trademark relating to one or more types of goods and/or services.
- (3) If the mark referred to in Article 13, paragraph 2, item 2 of this Law includes a figurative element, the depiction of such element shall be clear, made on a good quality paper and suitable for reproduction.
- (4) An application may contain a description of the mark specifying the appearance and/or the meaning thereof.
- (5) If protection is requested for a mark in color, the application shall include the relevant color and/or combination of colors.
- (6) The goods and/or services referred to in Article 13, paragraph 2, item 3 of this Law shall be marked and classified in accordance with the classes of the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Trademarks.

- (7) The manner of presentation and number of copies of certain essential parts of application, as well as the content of any annexes that may be submitted with the application, shall be prescribed by the special regulation.

Application for Registration of a Collective and Warranty Trademarks

Article 15

- (1) An application for registration of a collective trademark shall, in addition to the elements referred to in Article 14 of this Law, be accompanied with the general act on collective trademark, whereas the application for the registration of a warranty trademark shall be accompanied with the general act on warranty trademark.
- (2) The general act on collective trademark shall contain: the particulars of the applicant or its representative; the provisions relating to the appearance of the mark and to the goods and/or services to which it relates; the provisions identifying the holders of the right to use the collective trademark and setting out the conditions for such use; the provisions on the rights and obligations of users of the collective trademark in the event of infringement of the trademark and the provisions setting out measures and consequences in case of violation of the provisions of the general act.
- (3) The general act on warranty trademark shall contain, besides the provisions referred to in paragraph 2 of this Article, provisions on common characteristics of goods and/or services guaranteed by the warranty trademark and provisions on the supervision of use of the warranty trademark by its holder.
- (4) The applicant, and/or the holder of the collective trademark and/or the warranty trademark shall submit to the competent authority any change of the provisions of the general act on collective trademark or warranty trademark.
- (5) Any person may examine the general act on collective trademark and/or the warranty trademark.

Article 16

In the administrative proceedings before the competent authority, fees and costs of proceedings shall be paid in accordance with special regulation on administrative fees and costs of proceedings, as well as the fees for the provision of information services.

Register of Applications

Article 17

- (1) The data on the essential elements of the application referred to in Articles 13, 14 and 15 of this Law, and other prescribed data, shall be entered into the Register of Applications.
- (2) The content of the Register referred to in paragraph 1 of this Article shall be prescribed by the special regulation.

Filing Date of an Application

Article 18

- (1) In order for the filing date of an application to be recognized, the application submitted to the competent authority on such date shall contain:
 - 1) Indication that the trademark registration is requested;
 - 2) First name and the last name, or the company name and the address of the applicant;
 - 3) Mark for which protection is requested;
 - 4) List of goods and/or services to which the mark relates.
- (2) Upon the receipt of the application the competent authority shall examine whether the conditions referred to in paragraph 1 of this Article have been met.
- (3) The note of a filing number, date and the time of the receipt shall be made by the competent authority on an application submitted, which contains elements referred to in paragraph 1 of this Article, and the certificate to that effect shall be issued to the applicant.
- (4) Where the application does not contain elements referred to in paragraph 1 of this Article, the competent authority shall request the applicant to correct the deficiencies because of which it has not been possible to enter the application into the appropriate register within a period of 30 days.
- (5) If the applicant corrects deficiencies within the period referred to in paragraph 4 of this Article, the competent authority shall, by an individual decision, recognize the date when the motion correcting deficiencies was received as the filing date of the application.
- (6) The application for which the filing date has been recognized shall be entered in the appropriate register of applications.
- (7) If the applicant does not correct deficiencies within the period referred to in paragraph 4 of this Article, the competent authority shall, by an individual decision, reject the application.

Priority Right

Article 19

As of the filing date the applicant shall enjoy a priority right over all other persons who have subsequently filed an application for the same mark or for a similar mark concerning the same or similar product and/or service.

Article 20

- (1) Any legal or natural person who has filed an orderly trademark application effective in any country member of the Paris Union or the World Trade Organization shall be granted a right of priority in Serbia and Montenegro as of the filing date of the original application, provided that an application for the same mark is filed in Serbia and Montenegro within six months from the effective date of the application in the concerned country. The filing date of the original application, the number of the application and the country where it has been filed shall be specified in the application for trademark registration.
- (2) An orderly application referred to in paragraph 1 of this Article shall be deemed to be any application that meets all the necessary requirements prescribed by the law of any Paris Union or World Trade Organization member-country in which the application was filed or by an international agreement signed between these countries, regardless of the subsequent legal effect of such application.
- (3) Any legal or natural person referred to in paragraph 1 of this Article shall submit to the competent authority a copy of the application duly certified by a competent authority of the Paris Union, the World Trade Organization member-country or the international organization to which the application has been filed, within three months from the filing date of the application in Serbia and Montenegro.
- (4) The content of a request for issuance of a certificate of priority right and the content of such certificate, which is issued by the competent authority, shall be prescribed by the special regulation.

Article 21

- (1) An applicant who, within three months preceding filing of the application, has used a mark, to mark a product and/or service in an exhibition or a fair of international character in Serbia and Montenegro or in any other member-country of the Paris Union or the World Trade Organization, may request in his application to be granted the priority right as from the date of the first use of such mark.

- (2) The applicant referred to in paragraph 1 of this Article shall submit the application accompanied by an attestation by the competent body of the member-country of the Paris Union or the World Trade Organization, certifying that an exhibition and/or a fair was of an international character and also providing information on the nature of an exhibition or a fair, the place where it was held, opening and closing dates and the date of the first use of the mark for which protection is requested.
- (3) The attestation certifying that an exhibition or a fair held in Serbia and Montenegro was of an officially recognized international character shall be issued by the Chamber of Commerce of Serbia or the Chamber of Commerce of Montenegro.

Article 22

Recognition of the priority right referred to in Article 21 shall not extend the time limits referred to in Article 20 of this Law.

Article 23

- (1) The application may not be subsequently substantially amended with respect to the appearance of the mark nor can additions be made to the list of goods and/or services.
- (2) The transcription of a mark consisting of words into a particular typeface shall not be deemed to be an amendment of the mark.

Article 24

- (1) Applications shall be examined in the order determined by their filing dates.
- (2) Notwithstanding the provisions of paragraph 1 of this Article, an application may be examined under the expedited procedure:
 - 1) in the case of the court proceedings or the inspectorial supervision, at the request of the court or the competent market inspectorate authority;
 - 2) if the application for the international registration of the trademark has been filed;
 - 3) where, in accordance with other regulations, it is critical to carry out the registration rapidly, subject to filing of a special request to that effect.
- (3) In the cases referred to in paragraph 2 of this Article, the request for an expedited examination of an application shall be filed.
- (4) The request for an expedited examination of an application referred to in items 2 and 3 of paragraph 2 of this Article shall be accompanied with the payment of the prescribed fee.

Formal Examination of the Application

Article 25

- (1) An application shall be deemed orderly if it contains essential elements referred to in Articles 13, 14 and 15 of this Law, proof of payment of the filing fee and any other prescribed data.
- (2) Where the application was found not to be orderly, the competent authority shall notify the applicant in writing and request the application to be regularized within the specified period of time, asserting the reasons for such request.
- (3) Upon the justified request of the applicant, the competent authority may extend the time limit referred to in paragraph 2 of this Article for a period deemed appropriate, against the payment of the prescribed fee.
- (4) Where the applicant fails to regularize the application or does not pay the regularization fee within the prescribed time limit, the competent authority shall decide to reject the application.
- (5) In the case referred to in paragraph 4 of this Article, the applicant may file a motion and request for the restoration in the previous condition, within three months as of the date he was served the decision rejecting the application.

Examination of Conditions for Recognition of Right

Article 26

- (1) Where the application was found orderly within the meaning of Article 25 of this Law, the competent authority shall examine whether the requirements for registration of the trademark are met.
- (2) The requirements for the registration of a trademark need to be met at the time of passing a decision to register a trademark.
- (3) The competent authority shall not examine *ex officio* whether requirements referred to in Article 5, paragraph 1, item 10 of this Law have been met.

Article 27

- (1) If the competent authority determines that the application does not meet requirements for registration of a trademark, it shall notify the applicant in writing asserting the reasons for which the trademark cannot be registered and request the applicant to submit his comments within a period of time specified by the authority.
- (2) Upon the justified request of the applicant, the competent authority may extend the time limit referred to in paragraph 1 of this Article for a period deemed appropriate, against payment of the prescribed fee.

- (3) If a trademark contains an element which is not appropriate for the purposes of distinguishing the goods and/or services in circulation, and if inclusion of such element in the mark could cause doubt about the extent of the protection of the registered trademark, the competent authority may request the applicant to submit, within a specified period of time, a written declaration waiving any exclusive rights with respect to such element.
- (4) If a trademark contains a vague or ambiguous element, the competent authority shall request the applicant to submit, within a specified period, a description of the mark more closely explaining such element.
- (5) The competent authority shall decide to reject the application for the trademark registration if the applicant does not act upon the request of the competent authority referred to in paragraphs 1, 3 and 4 of this Article or, if he does act but the competent authority nevertheless finds that the mark may not be registered.
- (6) The competent authority shall decide to accept an application for trademark registration in part, if the applicant does not act upon the request of the competent authority referred to in paragraphs 1, 3 and 4 of this Article or, if he does act but the competent authority finds that the mark may be registered only for particular goods and/or services.

Article 28

- (1) In examining whether the requirements for registering a collective trademark and warranty trademark have been met, the competent authority shall especially examine whether the general act on a collective trademark and/or warranty trademark is in contravention of the morality or public order.
- (2) If the general act on a collective trademark and/or guarantee trademark is found to be in contravention of the morality or public order, the provisions of Article 27 of this Law shall apply *mutatis mutandis*.
- (3) Paragraphs 1 and 2 of this Article shall apply to all alterations of the general act on a collective trademark and/or a warranty trademark.

Division of the Application

Article 29

- (1) The application for the registration of a trademark specifying a list of products and/or services (hereinafter: initial application) may, at the request of the applicant, be separated into two or more applications, before the trademark is entered into the Register of Trademarks, by dividing the list of products and/or services. The application for division of application shall contain all prescribed data.

- (2) A separated application shall retain the filing date of the initial application and its right of priority.
- (3) A special decision shall be issued on a division of an application specifying the number or numbers of the new application(s), the mark from the initial application as well as the goods and/or services that will remain in the initial application and/or the goods and/or services that will be included in separate application(s).
- (4) Separated applications shall be entered into the Register of Applications.
- (5) Provisions of paragraphs 1 to 4 shall not apply to application for registration of a collective and/or warranty trademark.

Article 30

- (1) If the application meets requirements for the registration of a trademark, the competent authority shall request the applicant to pay a fee for the first ten years of protection and the costs of publication of the trademark and to furnish the evidence of payment.
- (2) The application shall be deemed withdrawn if the applicant does not furnish the evidence of payment referred to in paragraph 1 of this Article within the specified time limit.
- (3) In the case referred to in paragraph 2 of this Article, the applicant may file a request for restoration to the previous conditions against the payment of prescribed fee within three months as of the date he was served the decision on termination of the proceedings.

Entry in the Trademark Register

Article 31

When the applicant submits the evidence of payment referred to in the Article 30, paragraph 1 of this Law, the competent authority shall enter the recognized right together with the prescribed data in the Trademark Register and issue a trademark registration certificate to the holder of the right. The trademark registration certificate shall be considered to be a decision in an administrative procedure.

Publication of the Recognized Right

Article 32

- (1) Recognized right referred to in Article 31 of this Law shall be published in the official publication of the competent authority.
- (2) The content of the trademark registration certificate and data which are to be published in the official publication shall be prescribed by the special regulation.

III. CONTENT, ACQUISITION AND THE SCOPE OF RIGHTS

Article 33

- (1) The holder of a trademark shall have the exclusive right to use the mark protected by the trademark on goods and/or services to which it relates and to prohibit others from unauthorized use of an identical or similar mark for marking identical or similar goods and/or services, if such mark could cause confusion in commerce.
- (2) The right referred to in paragraph 1 of this Article shall encompass:
 - 1) Marking of goods or packaging with the protected mark;
 - 2) Offering of goods, their placement into circulation or storage for such purposes, or supply of services under the protected mark;
 - 3) Import or export of goods with the protected mark;
 - 4) Use of the protected mark in business documents or in an advertisement.
- (3) The rights referred to in paragraphs 1 and 2 of this Article shall also belong to the applicant as from the filing date of application, as well as to the owner of the mark known in Serbia and Montenegro within the meaning of Article 6^{bis} of the Paris Convention on the Protection of Industrial Property.

Article 34

If the mark protected by a trademark consists of words or of letters or a combination of words and letters, protection shall apply to those words and letters and combinations thereof, their transcriptions or transliterations, in whatever font type or a color, or expressed in any other manner.

Reproduction of the Protected Mark in a Dictionary

Article 35

- (1) If the reproduction of a protected mark in a dictionary, encyclopedia or similar publication creates an impression that the mark is a generic term for goods or services for which that mark has been protected, the holder of the trademark may request from the publisher that in the following edition, at the latest, the reproduction of the mark is accompanied with a indication clarifying that it is the protected mark (the symbol "®").
- (2) Provision of paragraph 1 of this Article shall also apply when the work is published in an electronic form.

Exhaustion of Rights

Article 36

- (1) A trademark does not entitle its holder to bar its use in connection with goods marked with such trademark and placed in circulation anywhere in the world by the holder of the trademark or other person authorized by the holder.
- (2) Provision of paragraph 1 of this Article shall not apply if the holder of the trademark has a legitimate interest to oppose further placement in circulation of goods marked with such trademark, especially if a defect or other fundamental change of condition of the goods has occurred after their placement into circulation for the first time.

Limitations of Rights

Article 37

- (1) The holder of a trademark shall not to bar other persons from placing into circulation their goods and/or services marked with the same or similar mark if that mark represents their company name or a designation acquired in good faith before the recognized priority date of trademark.
- (2) The holder of a trademark shall not to bar others from using, in accordance with good business practices, of:
 - 1) its name or address;
 - 2) the indication of the type, quality, quantity, purpose, value, geographical origin, date of production or other characteristics of the goods and/or services;
 - 3) the registered trademark, in cases where its use is necessary to indicate the purpose of the goods or services, in particular where the spare parts or equipment are concerned.

Article 38

If the object of protection of a collective trademark or warranty trademark is a mark that implies a specific geographical area where the goods and/or services originated from, the user of a collective trademark or warranty trademark shall not bar others from using such mark in accordance with good business practices or bar its use to users of identical or similar registered mark of origin for the same or similar types of goods and/or services.

Article 39

- (1) The holder of a trademark shall not bar other persons from using the same or similar mark for marking goods and/or services of a different type, except in the case of a well-known trademark.

- (2) The holder of a registered well-known trademark may bar other persons from using the same or similar mark for marking goods and/or service, which are not similar to those for which the trademark has been registered if such use of the mark would indicate a connection between those goods and/or service and the holder of a well-known trademark and if it is likely that the interests of the holder of the well-known trademark would suffer damages by such use.

Article 40

The right to a trademark shall be acquired by the entry into the Register of Trademarks and shall be effective as of the filing date of the application.

Article 41

- (1) A trademark shall be valid for a period of ten years as of the filing date of the application. This period may be extended, upon the payment of the prescribed fee, for an unlimited number of times.
- (2) The content of the application for extension of a trademark protection shall be prescribed by the special regulation.

Article 42

The holder of a trademark must use the trademark.

Division of a Trademark

Article 43

- (1) A trademark registered for several goods and/or services (hereinafter referred to as: "initial registration") may be divided at any time, at the request of the holder of trademark, into two or more registrations by separating the list of products and/or services. The request for trademark division shall contain all prescribed data.
- (2) A separated trademark shall retain all the rights contained in the initial registration.
- (3) A special decision shall be issued on a division of a trademark, specifying the number or numbers of the new trademark(s), the mark from the initial registration as well as the list of goods and/or services which remain in the initial registration and the goods and/or services that belong to separate trademark.(s).
- (4) Separated trademark(s) shall be entered into the Register of Trademarks.
- (5) Provisions of paragraphs 1 to 4 of this Article shall not apply to collective warranty trademarks.

IV. TRANSFER OF RIGHTS

Article 44

- (1) A trademark and/or the right from an application may subject to a contract on the cession of right, license, pledge, franchise or a like.
- (2) Contract referred to in paragraph 1 of this Article shall be made in writing and entered into the appropriate register at the request of a contracting parties.
- (3) Contract referred to in paragraph 1 of this Article shall not have legal effect with regard to third parties unless entered in the appropriate register.
- (4) Procedure for registration of the contract referred to in paragraph 1 of this Article and any changes with respect to the holder of a trademark shall be prescribed by the special regulation.

Cession of the Right

Article 45

- (1) The holder of a trademark or the applicant may, by a contract, cede the trademark and/or the right arising from the trademark application, either for all or for some of the goods and/or services comprised.
- (2) The contract on cession referred to in paragraph 1 of this Article shall be made in writing and shall contain: the identification of the contracting parties, the number of the trademark or the application filing number and the amount of remuneration, if agreed upon.
- (3) A collective trademark, warranty trademark and the right to their use shall not be the subject of the a contract on cession.

The License

Article 46

- (1) The holder of a trademark or the applicant may license the right to use the trademark or the right arising from the application either for all or for some of the goods and/or services comprised.
- (2) The licensing contract referred to in paragraph 1 of this Article shall be made in writing and shall contain: the duration of license, its scope and the amount of remuneration, if agreed upon.
- (3) A collective trademark and guarantee trademark shall not be the subject of a licensing contract.

V TERMINATION OF RIGHTS

Article 47

- (1) The trademark shall be terminated upon expiry of the ten-year period for which the fee has been paid, unless its validity has been extended.
- (2) The trademark may be terminated prior to expiry of the period referred to in paragraph 1 of this Article:
 - 1) If the holder of a trademark relinquishes his trademark right — on the day following the day on which the competent authority receives the statement of relinquishment;
 - 2) as a result of a court decision or a decision by the competent authority, in cases set out in this Law — on the day specified in the concerned decision;
 - 3) if the legal person that is the holder of the trademark ceased to exist or if the natural person who is the holder of the trademark has died — on the day of the cessation or the day of death respectively, except where the trademark has been transferred to the successors in rights of such persons.
- (3) Collective trademark and warranty trademark shall also be terminated if the competent authority, while inspecting changes of the general act on the collective trademark determines that the requirements prescribed by the Article 28, paragraph 1 of this Law have not been met, whereas a special decision shall be issued to that effect.

Article 48

- (1) If a certain right has been entered into the Trademark Register on behalf of a third party (license, pledge or other right), the holder of the trademark may not relinquish his trademark rights without the written consent of the person on whose behalf such right has been entered.
- (2) If the holder of the trademark does not pay the prescribed fee within the prescribed time limits and if a license, pledge or other right has been entered in the Trademark Register on behalf of a third party, the competent authority shall notify such third party that the fee has not been paid and that he may maintain the validity of the trademark by payment of such fee within a period of six months as of the day he was served such notification.

Article 49

In the event of a trademark termination due to failure to pay the prescribed fee, the holder of the trademark shall have the exclusive right to request, within a period of one year as from the termination and subject to filing a new application, that the trademark be registered again in his name for the same goods and/or services.

VI. ANULLMENT OF THE DECISION ON TRADEMARK REGISTRATION AND/OR INTERNATIONAL REGISTRATION

Article 50

- (1) The decision on trademark registration and/or an international registration of a trademark for Serbia and Montenegro may be annulled, in whole or for some goods and/or services comprised, if it is determined that, at the time of issuance of the decision, the requirements for trademark registration prescribed by this Law have not been met.
- (2) The decision on registration of a collective trademark or a warranty trademark shall be annulled if it is determined that the general act on collective trademark or warranty trademark, and/or the changes thereof, did not meet requirements prescribed by the Article 28, paragraph 1 of this Law.
- (3) Where the requirement referred to in Article 5, paragraph 1 item 10 of this Law has not been met, the person entitled to protection within the meaning of Article 6^{bis} of Paris Convention for Protection of Industrial Property shall exercise its rights in the court proceedings referred to in Article 67 of this Law.
- (4) The procedure for annulment of the decision on trademark registration referred to in paragraph 1 of this Article shall be prescribed by the special regulation.

Article 51

- (1) The decision on registration of a trademark and/or an international registration of a trademark for Serbia and Montenegro may be annulled at any time during the term of protection, either *ex officio* or at the request of an interested party or at the request of the State Prosecutor.
- (2) Notwithstanding the provisions of paragraph 1 of this Article, the request for nullification of the decision on registration of a trademark or an international registration of a trademark for Serbia and Montenegro in accordance with Article 5, paragraph 1, items 8, 9, 11 and 12 of this Law, may be submitted only by the holder of the former right or person authorized by him, unless he knew, for the period of five years preceding the submission of the request for nullification, of the use of a latter trademark whose holder acted in good faith, and has not objected it.

- (3) The decision on trademark registration and/or an international registration of a trademark for Serbia and Montenegro may not be annulled in accordance with Article 5 paragraph 1, items 8 and 9 of this Law if the earlier trademark had not been used in Serbia and Montenegro for the purposes of marking goods or services comprised, for a period of five years preceding the submission of the request for annulment, unless the applicant for the registration of the later trademark had not acted in good faith. In the proceedings upon request for annulment of trademark, holder of the earlier registered trademark or his successors in rights must present evidence that the registered trademark has been used.
- (4) The request for nullification of decision on registration of a trademark and/or international trademark registration for Serbia and Montenegro shall be accompanied with the appropriate evidence.

Article 52

If the person requesting the annulment of the decision on trademark registration or an international registration of a trademark for Serbia and Montenegro withdraws the request during the proceedings, the competent authority may continue the proceedings *ex officio*.

VII. SPECIAL CASES OF TRADEMARK TERMINATION

Article 53

- (1) At the request of an interested party, the competent authority may issue a decision on termination of a trademark if the holder of the trademark or a person authorized by him fail, without a justified reason, to seriously use trademark on the domestic market for marking of goods and/or services comprised, for an uninterrupted period of five years as of the day on which the trademark was entered in the Trademark Register or from the day of its last use. During the proceedings for termination of a trademark due to its non-use, the trademark holder or a person authorized by him must prove that the trademark has been used.
- (2) Use of the trademark, within the meaning of paragraph 1 of this Article and Article 51, paragraph 3 of this Law shall also mean the use of the mark protected by the trademark in a form which differ in elements that do not alter the distinctive character of the mark, as well as the use of the protected mark on goods or packaging of goods intended exclusively for export.
- (3) Justified reasons for not using a registered trademark referred to in paragraph 1 of this Article shall be understood to mean circumstances occurring independently of the trademark holder's will that are an obstacle to the use of the trademark, such as a decision of a state authority, an import prohibition or any other prohibition affecting goods and/or services protected by the trademark.

- (4) Advertising the registered trademark without possibility of supplying the goods and/or using the services comprised shall not be considered as the use of the trademark.
- (5) Payment of taxes for extending the validity of the trademark or conclusion of contracts on transfer of rights, license, pledge, franchises or similar, shall not be considered as the trademark use.
- (6) The competent authority shall not issue a decision on termination of a trademark due to its non-use, if the use of the trademark had begun or was continued after the expiry of the five-year period of non-use of the registered trademark and before submission of a request for a termination of trademark due to its non-use except if the commencement or continuation of use of the registered trademark occurred after the holder of the right had become aware that a request for the termination of his trademark will be submitted and if the use had begun or was continued within a period of three months before the submission of a request for the termination of a trademark.
- (7) Procedure for trademark termination due to its non-use referred to in paragraph 1 of this Article shall be prescribed by the special regulation.

Article 54

In the case referred to in Article 53 of this Law, trademark shall be terminated upon expiry of a 5-year period from the date of the last use of trademark, or upon expiry of a 5-year period from the date of trademark entry in the Register of Trademarks, if the trademark had not been used

Article 55

- (1) The competent authority may, at the request of an interested party, issue a decision on termination of a trademark in the following cases:
 - 1) if the mark protected by a trademark, due to actions or omissions by the holder of trademark or his successor in rights, has become a generic term for the goods and/or services for which it was registered;
 - 2) if the mark protected by a trademark, due to the manner of use by its holder or his successor in rights, has become capable of causing confusion in commerce about the origin, type, quality or other characteristics of the goods and/or services;
 - 3) if the mark protected by a trademark has become contrary to morals or public order.
- (2) The right to use a collective trademark and a warranty trademark may also be terminated if the collective trademark or the warranty trademark are being used contrary to a general act on collective trademark or warranty trademark.

- (3) In the cases referred to in paragraphs 1 and 2 of this Article, the trademark shall be terminated on the day following the day when decision on its termination becomes final and enforceable.
- (4) Procedure for trademark termination referred to in paragraphs 1 and 2 of this Article shall be prescribed by the special regulation.

Article 56

- (1) Annulment of a decision on trademark registration and trademark terminations shall not affect court decision with respect to determination of the infringement of rights, which have been final and enforceable at the time of issuance of such decision, and shall not affect contracts on cession of rights and/or licensing of rights, if such contracts have been performed and to the extent they have been performed, provided that the plaintiff, and/or trademark holder has acted in good faith.
- (2) The competent authority may schedule a hearing when deciding on annulment of a trademark or in special cases of trademark termination.

VIII. CIVIL LAW PROTECTION

Protection in the Event of a Trademark Infringement

Article 57

- (1) In the event of a trademark infringement or an infringement of the right from the trademark application, the action may be filed and the plaintiff may request the following:
 - 1) determination of infringement;
 - 2) termination of the infringement;
 - 3) destruction or alteration of the infringing objects;
 - 4) destruction or alteration of the tools and equipment used to manufacture the infringing objects, if necessary for the protection of rights;
 - 5) reimbursement of pecuniary damages and justifiable legal costs and expenses;
 - 6) publication of the court decision at the expense of the defendant;
 - 7) supplying of information about third parties participating in the infringement of rights.
- (2) Any infringer shall be liable for the damages in accordance with general rules of compensation of damages.
- (3) If the infringement was intentional, the plaintiff may, instead of remuneration of the pecuniary damage, request from defendant the compensation amounting up to

three times of usual license fee he would have obtained for the use of the trademark

- (4) Proceedings on action referred to in paragraph 1 of this Article shall be urgent.

Article 58

- (1) Any unauthorized use of a protected mark by any economic operator within the meaning of Article 33 shall constitute an infringement of a trademark or any rights arising from an application.
- (2) The imitation of a protected mark shall also constitute an infringement referred to in paragraph 1 of this Article.
- (3) Addition to the protected mark of the words 'type', 'manner', 'according to the procedure' or a like, shall also constitute an infringement referred to in paragraph 1 of this Article.

Article 59

- (1) An action for infringement of trademark may be filed by a trademark holder, by an applicant, by the holder of an exclusive license, any user of the collective trademark, with the consent of the collective trademark holder and any user of the warranty trademark, with the consent of the warranty trademark holder.
- (2) An action for infringements of trademark may be filed provided that trademark was used within the meaning of Article 53 of this Law.
- (3) The Court shall suspend proceedings on actions for infringement of rights arising from the application for trademark registration, pending a decision by the competent authority.
- (4) If procedures defined in Articles 50, 53, 55, 66 and 67 of this Law have been initiated before the competent authority or the court, the court acting on the basis of the action referred to in Article 57 of this Law must delay proceedings, pending a final decision of the competent authority or the court.

Article 60

An action for trademark infringement or infringement of rights arising from an application may be filed within a period of three years as of the day on which the plaintiff became aware of the infringement and the identity of the infringer, but not later than five years as of the day of the first infringement.

Article 61

- (1) At the request of a person that makes it probable that his registered trademark or the right arising from the trademark application has been infringed or is about to

be infringed, the court may order a provisional measure for seizure or removal from the circulation of infringing products, the equipment for production of those products, and/or an injunction prohibiting the continuation of activities already commenced which could result in an infringement.

- (2) The court must order a provisional measure referred to in paragraph 1 of this Article if it determines the identity or significant similarity within the meaning of Article 34 of this Law.

Article 62

- (1) At the request of a person who makes it probable that its trademark or a right contained in the application for trademark has been infringed, and that there is reasonable doubt that evidence thereof will be destroyed or that later it will not be possible to obtain them, the court may decide to secure an evidence without prior notification or hearing of the person from whom the evidence is to be collected.
- (2) An inspection of premises, vehicles, books and documents, as well as the seizure of objects, hearing of witnesses and expert witnesses shall be deemed securing of evidence within the meaning of paragraph 1 of this Article.
- (3) The person from whom the evidence is being collected shall be served a decision to secure an evidence at the time of the collection of evidence, and to the absent person, as soon as it becomes possible.

Article 63

- (1) The provisional measures referred to in Article 61 of this Law and the securing of evidence referred to in Article 62 of this Law may also be requested before an action for infringement of a trademark or for infringement of right arising from the application is filed, provided that action is filed within 15 days from the date of execution of the request for provisional measure or a request to secure an evidence.
- (2) An appeal against a court decision ordering a provisional measure referred to in Article 61 shall not stay the execution of the decision.

Article 64

At the request of a person against whom a proceedings for infringement of a registered trademark or a proceedings for a provisional measure has been initiated, the court may determine an appropriate sum of money, to be borne by the applicant, as a security in the event that request is found to be groundless.

Article 65

- (1) A court may order a person responsible for an infringement of a trademark or a right arising from the application for a trademark registration to provide information about any third parties who have participated in the infringement of rights and about their distribution channels.
- (2) Person referred to in paragraph 1 of this Article who does not fulfill the obligation of providing information shall be held liable for any damages arising therefrom.

Challenge of a Trademark

Article 66

- (1) If an application was filed in contravention to the principle of a good faith or if a trademark was registered on the basis of such an application or on the basis of an application being a breach of a legal or contractual obligation, any person whose legal interest has been violated therefrom may request the court to declare such person as an applicant, or the right holder.
- (2) If the court grants the claim referred to in paragraph 1 of this Article, the competent authority shall, upon receipt of the court decision or at the request of the plaintiff, enter the plaintiff in the appropriate register as the trademark holder.

Article 67

- (1) Any natural or legal person who, in commercial activity, uses mark for marking of goods and/or service for which other person has filed an application or has registered it on its name for marking of the same or similar goods and/or services, may request the court to declare such person as an applicant or the right holder, provided such person proves that the concerned mark was well-known for marking of its goods and/or services, within the meaning of Article 6^{bis} of the Paris Convention for Protection of Industrial Property before the defendant has filed his application.
- (2) If the defendant proves that he has used the same or similar mark in commercial activity for marking of the same or similar goods and/or services for the same period of time as plaintiff or longer, the court shall reject the claim referred to in paragraph 1 of this Article.
- (3) The action referred to in paragraph 1 of this Article may not be filed if 5 years have expired from the day the trademark was entered into the Register of Trademarks.

Article 68

If the court grants the claim referred to in Article 67 of this Law, the competent authority shall, after receipt of the court decision or at the request of the plaintiff, enter the plaintiff in the appropriate register as the applicant or as the trademark holder.

Article 69

Any rights that any third party may have acquired from the former applicant or the trademark holder referred to in Articles 66 and 67 of this Law shall be terminated as of the day of entry of the new applicant and/or holder of trademark in the appropriate register.

IX. PENAL PROVISIONS

Article 70

- (1) Any company or other legal person shall be fined for the economic offence if, in the manner referred to in Article 58 of this Law, infringes the trademark and/or right arising from the application (Article 58).
- (2) Responsible person in the company or other legal person shall be fined for the economic offence for actions referred to in paragraph 1 of this Article.

Article 71

Natural person shall be fined for the misdemeanor for any actions referred to in Article 70, paragraph 1 of this Law (Article 58).

Article 72

- (1) Any company or other legal person shall be fined for the misdemeanor if it represents without authorization in the exercise of rights under this Law (Articles 11 and 12).
- (2) Responsible person in the company or other legal person shall be fined for the misdemeanor for any actions referred to in paragraph 1 of this Law.
- (3) Any natural person representing without authorization in the exercise of rights under this Law shall be fined for the misdemeanor (Articles 11 and 12).

Article 73

The amounts of fines referred to in Articles 70, 71 and 72 shall be specified by the regulation of the member states.

X TRANSITIONAL AND FINAL PROVISIONS

Article 74

- (1) Registered trademarks that are valid on the day on which this Law enters into force shall remain valid and the provisions of this Law shall apply to them.
- (2) The provisions of this Law shall also apply to any applications for trademark registration filed prior to the day on which this Law enters into force and for which the administrative procedure has not been completed.
- (3) Provision of Article 12 paragraph 2 shall not apply to persons who, on the day this Law comes into force, have been registered in the Register of Representatives referred to in Article 12 paragraph 1 of this Law,.

Article 75

On the day this Law enters into force, the provisions of the Law on Trademarks (Official Gazette of the Federal Republic of Yugoslavia No. 15/95 and 28/96) shall cease to be effective.

Article 76

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