

CAYMAN ISLANDS



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**A BILL FOR A LAW TO MAKE NEW PROVISION FOR REGISTERED
TRADE MARKS; TO PROVIDE FOR THE REGISTRATION OF
COLLECTIVE MARKS AND CERTIFICATION MARKS; TO
ESTABLISH A TRADE MARK REGISTRY; AND FOR INCIDENTAL
AND CONNECTED PURPOSES**

THE TRADE MARKS BILL, 2016

MEMORANDUM OF OBJECTS AND REASONS

The Bill seeks to make new provision for the registration of trade marks and the establishment of a trade mark registry in the Cayman Islands. The legislation is born out of a wider proposal to modernise aspects of the intellectual property laws in the Cayman Islands. The Bill seeks to provide the mechanism for the registration of trade marks in the Cayman Islands without the need for the applicant for the registration of a trade mark to have a trade mark already registered in the United Kingdom.

The current legislative regime is such that the proprietors of well-known trade marks are not required to take steps to register their trade marks in the Cayman Islands where the trade mark is already registered in the United Kingdom. Unless the proprietor of a trade mark intends to licence the use of their trade mark in the Islands to a local franchise owner or there is concern regarding the likelihood of local infringement there is currently little to be gained by registration in the Cayman Islands once United Kingdom registration is secured.

Further, a business wishing to protect its trade mark in the Cayman Islands only would incur the expense of first applying for and obtaining a United Kingdom trade mark. However the UK law makes registration of such trade marks, intended for local use in the Cayman Islands, subject to a potential challenge by a third party in the event that the owner cannot prove use in the United Kingdom within five years of obtaining the United Kingdom registration.

It has been observed too that the word “Cayman” has been registered. This has resulted in businesses based in the Cayman Islands having a challenge in securing UK trade mark registrations where the trade mark includes the word “Cayman”. A regime which provides for a system of local registration which prevents any one person having the exclusive right to the use of such words as “Cayman” would address this matter.

The current legislative provisions pertaining to trade marks within the Patents and Trade Marks Law, 2011 (Law 30 of 2011) are scheduled to be repealed by way of amendments to that Law.

Part 1 of the Bill provides for the preliminary provisions in the legislation and consists of clauses 1 through 5. Clause 1 provides for the short title and commencement.

Clause 2 provides for the definitions used throughout the legislation.

Clause 3 sets out that a trade mark is a property right obtained by the registration of the trade mark and that its proprietor has the rights and remedies provided under the legislation.

Clauses 4 and 5 provide for collective marks and certification marks.

Part 2 of the Bill consists of clauses 6 through 12 and provides for the Registrar and the establishment of the Register.

The Registrar shall maintain a register of trade marks, certification marks and collective marks. In addition to maintaining the Register, the Registrar shall be responsible for the supervision of the Registry and its staff. Clauses 7 and 8 provide for the appointment and duties of the Registrar as well as provides for the Register of Trade Marks.

Clause 9 provides for the rectification of the Register. A person who has sufficient interest may apply to have the rectification of an erroneous entry or an omission in the Register. The effect of the rectification of the Register is that the erroneous entry or omission that is rectified is treated as if it had not been made.

Clause 10 provides for the classification of goods and services in accordance with a prescribed system of classification.

Clause 11 of the legislation provides that the Cabinet may, by way of subsidiary legislation, empower the Registrar to carry out such acts as may be necessary to implement amended classifications of goods for the purposes of the registration of trade marks.

The Registrar and the staff, in accordance with the provisions of clause 12, are excluded from liability for having warranted the validity of the registration of a trade mark or a required examination under this Law.

Part 3 provides for registration of a trade mark and consists of clauses 13 through 27.

Clause 13 sets out the procedure for making an application for the registration of a trade mark.

Clause 14 provides for the determination of the date of filing.

Clause 15 of the legislation requires, among other things, that where an application is made for the registration of a trade mark that the Registrar carries out a search of earlier trade marks as may be considered necessary by the

Registrar. Where the registration of a trade mark is not completed within six months from the date of application due to inaction or other default on the part of the applicant, the Registrar may, after giving notice in writing, treat the application as abandoned unless the applicant completes the application during such time period stated in the notice.

Clause 16 sets out the procedure that follows upon the Registrar's acceptance of an application for registration. The Registrar is required to cause the application for registration to be published in the Gazette when it has been accepted. A person may within sixty days of that publication give notice of opposition to the application. In addition to the notice of opposition, a person may, at any time before the registration of the trade mark, make observations in writing to the Registrar regarding whether the trade mark should be registered without becoming a party to any proceedings regarding the application.

Clause 17 provides that an applicant may at any time before the registration of the trade mark withdraw the application or restrict the goods or services to which the trade mark applies.

Clause 18 provides that the Registrar shall register the trade mark where an application has been accepted and there are either no valid notices of opposition or all opposition proceedings have been decided in the applicant's favour.

Clause 19 states that trade marks that are registered in accordance with the legislation are registered for a period of ten years.

Clause 20 provides that registration of a trade mark may be renewed on the application of the proprietor. This renewal is for a further period of ten years. Where registration is not renewed in accordance with the legislation, the Registrar is required to remove the trade mark from the Register and publish this removal by way of notice in the Gazette.

Clause 21 provides that the proprietor of a trade mark shall, by way of a registered agent, pay the prescribed annual fee for the trade mark. Where the annual fee in respect of a trade mark is unpaid at March 31 in a given year, the rights protected by the registration of the trade mark shall be in abeyance until the annual fee and the prescribed penalty is paid.

Clause 22 provides that a registered trade mark shall not be altered in the Register at the time of renewal of the registration.

Clause 23 sets out the absolute grounds for the refusal of registration. The grounds on which the Registrar shall refuse to register a trade mark include where

the mark is devoid of distinctive character, contrary to public policy or accepted principles of morality, or the mark is such that it is intended to deceive the public as to the nature or geographical origin of the goods or service, or the mark is specified by the Registrar to be a prohibited word, letter or device.

Clause 24 provides for specially protected emblems. A trade mark that consists of national flags, insignia of royalty or international organizations or national emblems may only be registered where the Registrar is satisfied that consent has been given by the respective Government or international organization.

Clauses 25 through 27 of the legislation provide for the relative grounds for refusal of registration and the procedure for the raising of relative grounds for refusal where there has been honest concurrent use of the trade mark. Clause 25 states, among other things, that a trade mark shall not be registered where it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected. Clause 26 sets out the conditions that must be in place before there is refusal to register a trade mark on the basis of an earlier trade mark. Clause 27 provides that a trade mark shall not be refused registration on any of the relative grounds for refusal unless objection is raised in opposition proceedings by the proprietor of the earlier mark.

Clause 28 states that the Cabinet may make regulations regarding the carrying out by the Registrar of searches of earlier trade marks.

Part 4 of the legislation provides for the effects of registration of a trade mark and consists of clauses 29 through 34.

Clause 29 sets out the rights that are conferred by way of a registered trade mark. The proprietor of a registered trade mark has exclusive rights in the trade mark. The exclusive rights are infringed by the use of the trade mark in the Islands without the proprietor's consent.

The acts that constitute the infringement of a trade mark are set out in clause 30 of the legislation. A person who is not the registered proprietor of a trade mark infringes a registered trade mark if a sign is used in the course of business that is identical to or similar to a registered trade mark. A person uses a sign if the person, among other things, affixes it to goods or packaging or offers goods for sale under the sign or imports or exports goods under the sign.

Clause 31 sets out the limits on the effect of a registered trade mark. A registered trade mark is not infringed where it is used in conjunction with a person's name or address, the use of indications concerning the quality, value or geographical

origin of the goods or services or where there is use of another registered trade mark in relation to goods for which the latter mark is registered.

Clause 32 provides that a registered trade mark is not infringed by the use of the trade mark in relation to goods that are marketed by the proprietor or with the proprietor's consent except where the proprietor legitimately opposes further dealings in the goods.

Clause 33 provides that an applicant or the proprietor of a registered trade mark may disclaim a right to the exclusive use of any specified element of a trade mark or agree that the rights conferred by the registration shall be subject to a territorial or other limitation. The clause empowers the Registrar and the Court, as a condition of the maintaining the registration of the trade mark, to require the proprietor of a trade mark to disclaim any right to the exclusive use of a word or other item in relation to any goods or services.

Clause 34 provides that the Registrar, after publication of an application for registration, shall provide any person with such information and permit such person to inspect any documents relating to the application or to any registered trade mark upon payment of the prescribed fee.

Part 5 of the Bill provides for the nature of the registered mark and licensing. The Part consists of clauses 35 to 42.

Clause 35 provides that a registered trade mark is personal property.

Clause 36 provides that no notice of trust shall be entered in the Register.

Clause 37 provides for the co-ownership of a trade mark. Where a registered trade mark is granted to two or more persons jointly each is entitled, subject to any agreement to the contrary, to an equal undivided share in the registered trade mark. A co-proprietor is not permitted, without the consent of the other co-proprietor to grant a licence to use or assign a share in the registered trade mark.

Clause 38 provides for the transmission of trade marks by way of assignment, testamentary disposition or by operation of Law.

Clause 39 sets out the procedure for the registration of transactions affecting a registered trade mark. Registrable transactions include the assignment of a trade mark or any right in it and the grant of a licence or any security interest in a registered trade mark.

Clause 40 provides for the registration of a trade mark as an object of property.

Clause 41 makes provision for the licensing of a registered trade mark. A licence is not effective unless it is in writing signed by or on behalf of the grantor of the licence.

Clause 42 sets out general provisions relating to rights of licensees in the event of infringement. A licensee has the right, unless the licence provides otherwise, to call on the proprietor of the registered trade mark to initiate infringement proceedings in any matter that affects the licensee's interests. Where the proprietor refuses to initiate proceedings, the licensee may do so in the licensee's own name.

Part 6 of the Bill provides for the surrender, revocation and invalidity of a registered trade mark. It consists of sections 43 through 46.

A registered trade mark may be surrendered by the proprietor in respect of some or all of the goods or services for which it is registered. Cabinet is empowered by clause 43 to make regulations providing for, among other things, the manner and effect of the surrender of a trade mark.

The registration of a trade mark may be revoked where the use of the trade mark by the proprietor, or a person acting with the proprietor's consent, is such that it is liable to mislead the public. Clause 44 provides that an application for the revocation may be made by any person and may be made either to the Registrar or the Court. The registration of a trade mark shall not be revoked without giving the proprietor an opportunity to be heard.

Clause 45 provides that the registration of a trade mark may be declared invalid on the ground that the mark was registered in breach of section 23. An application for the declaration of invalidity may be made by any person to either the Registrar or to the Court. A declaration of invalidity shall not be made without giving the proprietor an opportunity to be heard.

Clause 46 provides that the entitlement to apply for a declaration that the registration of a later trade mark is invalid shall cease where the proprietor, being aware of the use of the registered trade mark, has acquiesced for a continuous period of five years, unless the registration of the later trade mark was applied for in bad faith.

Part 7 provides for infringement and legal proceedings. The Part consists of sections 47 through 59.

Clause 47 provides that an action for infringement of a registered trade mark is actionable by the proprietor or registered licensee. All relief by way of damages,

injunctions, or otherwise, is available to an applicant under this Law as is available in respect of the infringement of any other property right.

The Court may make an order, clause 48 states, requiring a person who has infringed a registered trade mark to either cause the offending sign to be erased or where that is not practicable for the goods to be destroyed.

Clause 49 provides that the proprietor of a registered trade mark may apply to the Court for an order for the delivery up of any infringing goods or articles and clause 50 defines what are infringing goods, material and articles.

Clause 51 sets out the periods after which an application for an order for delivery up may not be made.

Clause 52 provides that where infringing goods, material or articles have been delivered up an application may be made to the Court for their destruction or forfeiture to such persons as the Court thinks fit or for a determination that no such order should be made. Where the Court determines that no order should be made, the person who had possession prior to the goods being delivered up is entitled to their return.

Clause 53 provides that a person who is threatened with infringement proceedings in respect of a registered trade mark (other than where the mark is applied to goods, the importation of goods to which the mark has been applied or services are supplied under the mark), may apply for a declaration that the threats are unjustifiable, an injunction against the continuation of the threats and damages for any loss that has been sustained as a result of the threats.

The registration of a person as the proprietor of a trade mark, clause 54 states, is prima facie evidence of the validity of the original registration and of any subsequent assignment or transmission of it.

Clause 55 provides that where the validity of the registration of a trade mark is contested before the Courts and it is found that the trade mark is validly registered, the Court may provide a certificate of validity.

Clause 56 provides that in proceedings before the Court involving an application for the revocation of registration, a declaration of invalidity or the rectification of the Register, the Registrar is entitled to appear if so directed by the Court.

The provisions in clause 57 establish the Appeals Tribunal, the members of which shall be appointed by the Cabinet. The Cabinet may make regulations to provide for the constitution, staffing and expenses of the Appeals Tribunal. The clause

also provides that a member of the Appeals Tribunal shall not be liable in damages for acts done or omitted in the carrying out of the member's duties under the Law, except where those acts or omissions were carried out in bad faith. Further, it provides that the Government shall indemnify members of the Appeals Tribunal against, among other things, all claims and expenses incurred in the discharge of duties except where the claims or expenses were caused by the bad faith of the member.

Clause 58 provides for appeals from decisions of the Registrar. An aggrieved person may, within fourteen days of notification of the Registrar's decision, appeal to the Appeals Tribunal.

Clause 59 provides that appeals may be made to the Grand Court from a decision of the Appeals Tribunal only on a point of law. Except where there is an appeal to the Grand Court, the decision of an Appeals Tribunal is final and binding on all parties.

Part 8 sets out the general provisions. It consists of clauses 60 through 71.

Clause 60 sets out the requirements for a person legally and ordinarily resident in the Islands to be recognized as a registered agent. The proprietor of a trade mark recorded at the Registry at the commencement of the Law shall appoint a registered agent. Except for the inspection of the Register, only a registered agent can transact business with the Registry.

Clause 61 sets out steps that may be taken by the proprietor of a registered trade mark or a licensee to restrict the importation of infringing goods, material or articles into the Islands.

Clauses 62 through 65 set out a number of offences under the legislation. In clause 62, the offences include applying to goods a sign identical to a registered trade mark and exposing for sale goods which bear a sign identical to a registered trade mark. It is also an offence for a person, with intent to cause loss to another and without the proprietor's consent to apply a sign identical to a registered trade mark to material intended to be used for the labelling, packaging or advertising of goods.

Clause 63 provides that a person who knowingly makes a false entry in the Register or who makes anything falsely purporting to be a copy of an extract of an entry in the Register commits an offence.

Clause 64 provides that it is an offence for a person to falsely represent that a sign is a registered trade mark or to make a false representation as to the goods or services for which a trade mark is registered.

Clause 65 provides for criminal proceedings where offences are committed by partnerships and bodies corporate.

Clause 66 provides that the police and the Department of Commerce and Investment shall be responsible for the duties under section 67 of the legislation and shall be assisted by such trade officers as are necessary for these purposes.

Clause 67 provides that, upon obtaining a warrant issued by a Magistrate or a Justice of the Peace, a police officer or a trade officer may, among other things, enter and search any premises, vessel or aircraft for goods which bear a sign likely to be mistaken for a registered trade mark. The police officer or trade officer may also seize, remove or detain any goods found on entering and searching the premises, vessel or aircraft.

Clauses 68 and 69 provide that a person who wilfully obstructs a police officer or a trade officer in the exercise of the officer's powers or duties or fails to comply with any requirements properly made under the legislation or knowingly gives false or misleading information commits an offence.

Clause 70 provides that the Cabinet may make regulations prescribing all matters required or permitted, necessary or convenient to be made for giving effect to the provisions of the legislation. This includes regulations providing for the filing of applications, the classification of goods and services for the purposes of the registration of trade marks, the translation of documents, the service of documents, rectification of irregularities, the extension of time limits, the payment of fees and the forms to be used for any of the purposes of the legislation.

Clause 71 sets out the transitional arrangements. It empowers the Cabinet to make regulations containing provisions of a saving or a transitional nature. The regulations may provide for the continued application of the repealed provisions relating to trade marks in the Patents and Trade Marks Law, 2011.

THE TRADE MARKS BILL, 2016

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CAYMAN ISLANDS

**A BILL FOR A LAW TO MAKE NEW PROVISION FOR REGISTERED
TRADE MARKS; TO PROVIDE FOR THE REGISTRATION OF
COLLECTIVE MARKS AND CERTIFICATION MARKS; TO
ESTABLISH A TRADE MARK REGISTRY; AND FOR INCIDENTAL
AND CONNECTED PURPOSES**

ENACTED by the Legislature of the Cayman Islands.

PART 1 - PRELIMINARY

1. (1) This Law may be cited as the Trade Marks Law, 2016.

Short title and
commencement

(2) This Law shall come into force on such date as may be appointed by Order made by the Cabinet and different dates may be appointed for different provisions of this Law and in relation to different matters.

2. (1) In this Law -

Interpretation

"business" includes a trade or profession;

"certification mark" means a mark indicating that the goods or services in connection with which it is used are certified by the proprietor of the mark in respect of origin, materials, mode of manufacture of goods or performance of services, quality, accuracy or other characteristics;

"collective mark" means a mark distinguishing the goods or services of members of an association which is the proprietor of the mark from those of other undertakings;

"Court" means the Grand Court of the Cayman Islands;

"earlier trade mark" means -

- (a) for a trade mark the subject of an application for registration, a registered trade mark which has a date of application for registration earlier than that of the trade mark in question;
- (b) a trade mark in respect of which an application for registration has been made and which if registered, would be an earlier trade mark under paragraph (a); or
- (c) a previously registered trade mark if the expiry of its registration is one year old or less unless the Registrar is satisfied that there was no bona fide use of the mark during two years immediately preceding the expiry;

"infringement proceedings" in relation to a registered trade mark, include proceedings for an order for delivering up of infringing goods;

"Register" means the Register of Trade Marks referred to in section 8;

"Registrar" means the Registrar of Trade Marks appointed under section 6;

"Registry" means the Registry of Trade Marks maintained by the Registrar pursuant to section 7;

(Law 30 of 2011) "repealed provisions" means the provisions in the Patents and Trade Marks Law, 2011 (Law 30 of 2011) relating to trade marks that are repealed prior to the coming into force of this Law;

(Law 21 of 2014) "trade officer" shall have the same meaning as under section 2 of the Trade and Business Licensing Law, 2014 (Law 21 of 2014); and

"trade mark" means any sign capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of other undertakings and it may, in particular, consist of words (including personal names) designs, numerals, letters or the shape of goods or their packaging.

(2) Reference in this Law to a trade mark includes, unless the context otherwise requires, reference to a collective mark or a certification mark.

3. (1) A registered trade mark is a property right obtained by the registration of the trade mark under this Law and the proprietor of a registered trade mark has the rights and remedies provided by this Law. Registered trade mark

(2) No proceedings shall lie to prevent, or recover damages for, the infringement of an unregistered trade mark as such but nothing in this Law affects the law relating to passing off.

4. The provisions of this Law apply to collective marks subject to the provisions of Schedule 1. Collective marks

5. The provisions of this Law apply to certification marks subject to the provisions of Schedule 2. Certification marks

PART 2 - REGISTRAR AND THE REGISTER

6. (1) The Registrar shall be the Registrar referred to in section 4 of the Patents and Trade Marks Law, 2011 (Law 30 of 2011) and shall maintain a register of trade marks, including certification marks and collective marks, in accordance with this Law. Registrar
(Law 30 of 2011)

(2) The Registrar shall enter in the Register in accordance with this Law -

- (a) registered trade marks;
- (b) such particulars as may be prescribed of registrable transactions affecting a registered trade mark; and
- (c) such other matters relating to registered trade marks, certification marks and collective marks as may be prescribed.

(3) The Register shall be kept in such a manner as may be prescribed, and provision shall in particular be made for -

- (a) the public inspection of the Register; and
- (b) the supply of certified or uncertified copies or extracts of entries in the Register to a registered agent under section 60 upon payment of the prescribed fee.

7. (1) The duties of the Registrar include -

- (a) management of the Registry of Trade Marks and its staff;
- (b) receipt of applications for registration of trade marks, certification marks and collective marks under this Law and the acceptance or rejection of such applications;
- (c) collection of the appropriate fees payable on application for registration or searches and accounting therefor to the general revenue of the Islands; and

Powers and duties of
Registrar

(d) maintenance of a register of persons who may act as registered agents in the Islands and who are recognised as such pursuant to section 60.

(2) The Registrar may require the use of such forms as may be prescribed for any purpose relating to the registration of any trade mark or any proceedings before the Registrar under this Law.

(3) For the purposes of proceedings before the Registrar under this Law, the Registrar may -

- (a) summon witnesses;
- (b) receive written or oral evidence on oath or affirmation; and
- (c) require the production of documents or articles for inspection and provide for the manner of inspection.

(4) The Registrar may make such orders as the Registrar thinks fit as respects any matter mentioned in subsection (3).

(5) Any order made by the Registrar under this section shall, with leave of the Court, be enforceable in like manner as an order of the Court.

The Register

8. (1) The Registrar shall maintain a Register to be known as the Register of Trade Marks.

(2) There shall be entered in the Register -

- (a) particulars as to applications for registration of trade marks (including a representation of the mark), the filing dates and dates of priority;
- (b) the names of the proprietors of registered trade marks;
- (c) particulars as to transactions, instruments or events affecting rights in or under registered trade marks and applications for registration; and
- (d) such other matters as the Registrar may think fit.

(3) The Register may be kept in documentary form or such other form as the Registrar may determine as appropriate.

(4) Upon entry of a trade mark in the Register, the Registrar shall publish in the Gazette a notice of the registration of the trade mark.

Rectification or
correction of the
Register

9. (1) Any person having a sufficient interest may apply to the Registrar, in such form as may be prescribed, for the rectification or correction of an error or omission in the Register except that an application shall not be made

under this section in respect of a matter affecting the validity of the registration of a trade mark.

(2) The effect of a rectification or correction made under this section is that the error or omission shall be treated as not having been made.

(3) The Registrar may, on an application made in the prescribed manner by the proprietor of a registered trade mark or a licensee, enter any change in the name or address as recorded in the Register.

(4) The Registrar may, subject to the provisions of this Law, remove from the Register any matter which appears to the Registrar to have ceased to have effect and have the fact of its removal published by way of notice in the Gazette.

10. (1) Goods and services shall be classified for the purposes of the registration of trade marks according to the prescribed system of classification.

Classification of trade marks

(2) Any question arising as to the class within which any goods or services fall shall be determined by the Registrar, whose decision shall be final.

11. (1) The Cabinet may make regulations empowering the Registrar to do such things as are considered necessary to implement any amended or substituted classification of goods or services for the purposes of the registration of trade marks.

Adaptation of entries to new classification

(2) Regulations made pursuant to this section may provide for the amendment of existing entries in the Register so as to accord with any new classification.

(3) Any power of amendment referred to in this section shall not be exercised so as to extend the rights conferred by registration except where it appears to the Registrar that full compliance with this requirement would involve undue complexity and that any extension would not adversely affect the rights of any person.

12. (1) The Registrar shall not be taken to warrant the validity of the registration of a trade mark under this Law or under any treaty, convention, arrangement or engagement to which the Cayman Islands is a party.

Exclusion of liability in respect of official acts

(2) The Registrar is not subject to any liability by reason of having warranted the validity of a trade mark or by reason of, or in connection with, any examination required or authorised under this Law or any such treaty, convention

arrangement or engagement, or any other report or proceedings consequent on such examination.

(3) No proceedings shall lie against any member of staff of the Registry in respect of any matter for which, by virtue of this section, the Registrar is not liable.

PART 3 - REGISTRATION

Application for registration

13. (1) An application for the registration of a trade mark shall be made to the Registrar.

(2) The application shall contain -

- (a) a request for registration of a trade mark;
- (b) the name and address of the applicant;
- (c) the name and address of the registered agent;
- (d) a statement of the goods or services in relation to which it is sought to register the trade mark;
- (e) the classification of the goods or services; and
- (f) a representation of the trade mark.

(3) The application shall be subject to payment of the application fee and such class fees as may be prescribed.

Date of filing

14. (1) The date of filing of an application for registration of a trade mark is the day on which documents containing everything required by section 13(2) are furnished to the Registrar by the applicant.

(2) If the documents are furnished on different days, the date of filing is the final day on which a relevant document was submitted.

Examination of application

15. (1) The Registrar shall examine whether an application for registration of a trade mark satisfies the requirements of this Law.

(2) For the purposes of subsection (1), the Registrar shall carry out a search of earlier trade marks to such extent as the Registrar considers necessary.

(3) Where it appears to the Registrar that the requirements for registration are not met, the Registrar shall inform the applicant and give an opportunity, within such period as the Registrar may specify, for the applicant to make representations or to amend the application.

(4) Where the applicant -

- (a) fails to satisfy the Registrar that requirements for registration are met;
- (b) fails to amend the application so as to meet the requirements for registration; or
- (c) fails to respond before the end of the specified period under subsection (3),

the Registrar shall not accept the application.

(5) Where it appears to the Registrar that the requirements for registration are met, the application shall be accepted.

(6) When registration of a trade mark is not completed within six months from the date of application by reason of default on the part of the applicant, the Registrar, after giving notice of the non-completion to the applicant in writing, may treat the application as abandoned, unless the applicant completes the application within such time as the Registrar shall specify in the notice of non-completion.

16. (1) When an application for registration has been accepted, the Registrar shall cause the application to be published in the Gazette, in the prescribed manner.

Publication, opposition proceedings and observations

(2) Any person may, within 60 days from the date of the publication of the application, give notice to the Registrar of opposition to the registration.

(3) The notice shall be given in writing in the prescribed manner, and shall include a statement of the grounds of opposition.

(4) Where an application has been published, any person, at any time before the registration of the trade mark, may make observations in writing to the Registrar as to whether the trade mark should be registered and the Registrar shall inform the applicant of those observations.

(5) A person who makes observations does not by those actions become a party to any proceedings regarding the application.

17. (1) An applicant may at any time before the registration of the trade mark withdraw the application or restrict the goods or services covered by the application.

Withdrawal, restriction or amendment of application

(2) Where the application has been published, the withdrawal or restriction shall also be published.

(3) An application may be amended after publication at the request of the applicant, for the following purposes only -

- (a) correcting the name and address of the applicant;
- (b) errors of wording or of copying; or
- (c) obvious mistakes,

and then only where the correction does not substantially affect the identity of the trade mark or extend the goods or services covered by the application.

(4) The Cabinet may make regulations providing for the publication of any amendment which affects the representation of the trade mark, or the goods or services covered by the application, and for the making of objections by any person claiming to be affected by it.

Registration

18. (1) Where an application has been accepted and -

- (a) no notice of opposition is given within the period referred to in section 16(2); or
- (b) all opposition proceedings are withdrawn or decided in favour of the applicant,

the Registrar shall register the trade mark, unless it appears, having regard to matters coming to the Registrar's attention since the application was accepted, that it was accepted in error.

(2) A trade mark shall not be registered unless the prescribed fees for the application are paid within the prescribed period and if the fees are not paid within that period, the application shall be considered as withdrawn.

(3) A trade mark when registered shall be registered as of the date of completion of the filing of the application for registration and that date shall be considered for the purpose of this Law to be the date of registration.

Duration of registration

19. (1) A trade mark shall be registered for a period of ten years from the date of registration.

(2) Registration may be renewed in accordance with section 20 for further periods of ten years.

Renewal of registration

20. (1) The registration of a trade mark may be renewed on the application of the proprietor, subject to payment of the prescribed renewal fee.

(2) An application for renewal shall be made and the renewal fee paid before the expiry of the registration.

(3) Where the application for renewal is not made before the expiration, the registration lapses.

(4) Notwithstanding subsection (3), where the application for renewal is made and the fee paid within six months of expiry of the registration, the lapsed registration shall be restored.

(5) Renewal shall take effect from the date of the expiry of the earlier registration.

(6) Where the registration is not renewed in accordance with subsections (1) and (2), the Registrar shall remove the mark from the Register and publish its removal by way of notice in the Gazette.

(7) The renewal or restoration of the registration of a trade mark shall be published in the Gazette in the prescribed manner.

(8) The Cabinet may make regulations providing for -

- (a) the notification to the proprietor of a registered trade mark of the date of expiry and the manner in which the registration may be renewed before the expiry of the registration; and
- (b) the restoration of the registration of a trade mark which has been removed from the Register,

subject to such conditions as the Registrar thinks fit.

21. (1) The proprietor of a trade mark recorded in the Registry shall, through the registered agent, by January 1 of each year after the year of initial registration, pay to the general revenue of the Islands the prescribed annual fee.

Annual Fees

(2) Where the annual fee remains unpaid at March 31 the rights protected by the registration shall be in abeyance as against the person in default from April 1 until the annual fee and the prescribed penalty have been paid.

22. A registered trade mark shall not be altered in the Register during or on the renewal of the registration.

Alteration of registered trade mark

Grounds for refusal of registration

23. (1) The following shall not be registered -

- (a) signs which do not satisfy the requirements of the definition of a trade mark;
- (b) trade marks which are devoid of any distinctive character;

Absolute grounds for refusal of registration

- (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or rendering of services, or other characteristics of goods or services;
 - (d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in bona fide and established practices of the trade.
- (2) A trade mark shall not be refused registration by virtue of subsections (1)(b), (c), or (d) if, before the date of application for registration, it had in fact acquired a distinctive character as a result of the use made of it by the applicant.
- (3) A sign shall not be registered as a trade mark if it consists exclusively of -
- (a) the shape which results from the nature of the goods themselves;
 - (b) the shape of goods which is necessary to obtain a technical result; or
 - (c) the shape which gives substantial value to the goods.
- (4) A trade mark shall not be registered if it is -
- (a) contrary to public policy or to accepted principles of morality;
 - (b) of such nature as to deceive the public as to the nature, quality, geographical origin of the goods or service or any other feature of the goods or service; or
 - (c) any word, letter or device specified by the Registrar as a restricted or prohibited word, letter or device, such word, letter or device being published by the Registrar by notice in the Gazette as a restricted or prohibited word, letter or device.
- (5) A trade mark shall not be registered if its use is prohibited in the Islands by any law.
- (6) A trade mark shall not be registered if or to the extent that the application for registration is made in bad faith.

Specially protected
emblems

24. A trade mark which consists of or contains -
- (a) national flags, insignia of royalty, insignia of international organisations and national emblems or the design of such flags, insignia or emblems; or
 - (b) words, letters or devices likely to lead persons to think that the applicant either has or recently has had Government patronage or authorisation,

may only be registered where the Registrar is satisfied that consent has been given by or on behalf of the respective Government or international organisation.

25. (1) A trade mark shall not be registered where it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

Relative grounds for refusal of registration

(2) A trade mark shall not be registered where -

- (a) it is identical with an earlier trade mark and the goods or services for which it is to be registered are similar to those for which the earlier trade mark is protected; or
- (b) it is similar to an earlier trade mark and the goods or services for which it is to be registered are identical with or similar to those for which the earlier trade mark is protected,

and there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

(3) A trade mark which is identical to or similar to an earlier trade mark shall not be registered where the earlier trade mark has a reputation in the Islands and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.

(4) A trade mark shall not be registered if, or to the extent that, its use in the Islands is liable to be prevented by virtue of the law of passing off or any law that protects an unregistered trade mark or other sign used in the course of trade.

(5) A person who is entitled to prevent the use of a trade mark is referred to in this Law as the proprietor of an "earlier right" in relation to the trade mark.

(6) Nothing in this section prevents the registration of a trade mark where the proprietor of the earlier trade mark or other earlier right consents to the registration.

26. (1) This section applies where on an application for the registration of a trade mark it appears to the Registrar that -

Raising of relative grounds in case of honest concurrent use

- (a) there is an earlier trade mark in relation to which the conditions set out in sections 25(1) through (3) obtain; or
- (b) there is an earlier right in relation to which the condition set out in section 25(4) is satisfied,

but the applicant shows, to the satisfaction of the Registrar, that there has been honest concurrent use of the trade mark for which registration is sought.

(2) The Registrar shall not refuse an application by reason of the earlier trade mark or other earlier right unless objection on that ground is raised in opposition proceedings by the proprietor of that earlier trade mark or other earlier right.

(3) For the purposes of this section, “honest concurrent use” means such use in the Islands by the applicant or use with the applicant’s consent, at the same time that use is made by the proprietor of the earlier trade mark.

(4) Nothing in this section affects -

- (a) the refusal of registration on the grounds mentioned in section 23; or
- (b) the making of an application for a declaration of invalidity under section 45(2).

Requirement that relative grounds be raised in opposition proceedings

27. A trade mark shall not be refused registration on a ground mentioned in section 25 unless objection on that ground is raised in opposition proceedings by the proprietor of the earlier trade mark or other earlier right.

Earlier trade mark searches

28. (1) The Cabinet may by regulations provide for -

- (a) the carrying out by the Registrar of searches of earlier trade marks; and
- (b) the person by whom an application for a declaration of invalidity may be made on the grounds specified in sections 45(2).

(2) Regulations under subsection (1)(a) may direct that the provisions of section 15 that require a search to be carried out shall cease to have effect.

(3) Regulations making such provisions under subsection (1)(b) may provide that the provisions of section 45(3) that provide that any person may make an application for a declaration of invalidity shall have effect subject to the provisions of the order.

(4) Regulations under this section may contain such transitional provisions as appear to the Cabinet to be appropriate.

PART 4 - EFFECTS OF REGISTRATION OF TRADE MARK

Rights conferred by registered trade mark

29. (1) Subject to the provisions of this Law, the proprietor of a registered trade mark has exclusive rights in the trade mark and those rights are infringed by use of the trade mark in the Islands without the proprietor’s consent.

(2) The acts amounting to infringement are specified in section 30, and references in this Law to the infringement of a registered trade mark are to any such infringement of the rights of the proprietor.

(3) The rights of the proprietor have effect from the date of registration which, in accordance with section 18(3), is the date of filing of the application for registration on the condition that -

- (a) no infringement proceedings may be begun before the date on which the trade mark is in fact registered; and
- (b) no offence under section 62 is committed by way of anything done before the date of publication of the registration.

30. (1) A person who is not the registered proprietor or licensee infringes a registered trade mark if the person uses in the course of trade a sign or mark which is identical to a registered trade mark and that sign or mark is used in relation to goods or services which are identical to those goods and services for which it is registered.

Infringement of
registered trade marks

(2) A person infringes a registered trade mark if the person uses in the course of trade a sign, such sign being -

- (a) identical to the registered trade mark and is used in relation to goods or services similar to those for which the trade mark is registered; or
- (b) similar to the registered trade mark and is used in relation to goods or services identical to or similar to those for which the trade mark is registered,

and because of this there exists a likelihood of confusion on the part of the public which includes the likelihood of association with the registered trade mark.

(3) A person infringes a registered trade mark if the person in the course of trade in relation to goods and services uses a sign which is identical to or similar to a registered trade mark, where the trade mark has a reputation in the Islands and the use of the sign, being without due cause, takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the trade mark.

(4) For the purpose of this section, a person uses a sign if the person -

- (a) affixes it to goods or the packaging thereof;
- (b) offers or exposes goods for sale, puts them on the market or stocks them for those purposes under the sign, or offers or supplies services under the sign;
- (c) imports or exports goods under the sign; or
- (d) uses the sign on business papers or in advertising.

(5) A person who applies a registered trade mark to material intended to be used -

- (a) for labelling or packaging goods or services;
- (b) as a business paper; or
- (c) for advertising goods or services,

shall be treated as a party to any use of the material which infringes the registered trade mark if when the person applied the mark the person knew or had reason to believe that the application of the trade mark was not duly authorized by the proprietor or a licensee of the registered trade mark.

(6) Nothing in this section shall be construed as preventing the use of a registered trade mark by any person for the purpose of identifying goods or services as those of the proprietor or a licensee, but any such use otherwise than in accordance with honest practices in industrial and commercial matters shall be treated as infringing the registered trade mark if the use without due cause takes unfair advantage of, or is detrimental to, the distinctive character or repute of the registered trade mark.

Limits on effect of registered trade mark

31. (1) Subject to section 45(6), a registered trade mark is not infringed by the use of another registered trade mark in relation to goods or services for which the latter is registered.

(2) A registered trade mark is not infringed by -

- (a) the use by a person of that person's own name or address;
- (b) the use of indications concerning the kind, quality, intended purpose, value, geographical origin, the production of goods or of rendering of services; or
- (c) the use of the trade mark where it is necessary to indicate the intended purpose of a product or service (in particular, as accessories or spare parts),

as long as the use is in accordance with honest practices in industrial or commercial matters.

(3) A registered trade mark is not infringed by the use by a person in the course of trade in the Islands of an unregistered trade mark or other sign in relation to goods or services if the unregistered trade mark or other sign has been so used in the Islands by that person or a predecessor in title continuously from a date preceding the earlier of -

- (a) the date of the first use in the Islands of the trade mark which is registered; and
- (b) the date of the registration in the Islands of that trade mark.

32. (1) A registered trade mark is not infringed by the use of the trade mark in relation to goods which have been put on the market under that trade mark by the proprietor or with the proprietor's consent.

Exhaustion of rights conferred by registered trade mark.

(2) Subsection (1) does not apply where there exists legitimate reason for the proprietor to oppose further dealings in the goods in particular where the condition of the goods has been changed or been impaired after they have been put on the market.

33. (1) An applicant for registration of a trade mark, or the proprietor of a registered trade mark, may -

Registration subject to disclaimer or limitation

- (a) disclaim any right to the exclusive use of any specified element of the trade mark; or
- (b) agree that the rights conferred by the registration shall be subject to a specified territorial or other limitation,

and where the registration of a trade mark is subject to a disclaimer or limitation, the rights conferred by section 29 are restricted accordingly.

(2) The proprietor of a registered trade mark may disclaim any right to the exclusive use of any part of the trade mark.

(3) The Registrar or the Court, as the case may be, may, as a condition of the registration of a trade mark not being revoked and where considered feasible, require the proprietor of the trade mark to disclaim any right to the exclusive use of a word or other item in relation to any goods or services.

(4) Where, in determining whether a trade mark is to be registered or is to remain on the Register, the Registrar or the Court forms the view that there are public interest reasons for doing so, the Registrar or the Court, as the case may be, may require, as a condition of the trade mark being on the Register, that the proprietor either -

- (a) disclaims any right to the exclusive use of any part of the trade mark; or
- (b) makes any other disclaimer considered necessary for the purpose of defining the proprietor's rights under the registration.

(5) Any disclaimer made under subsections (2), (3) or (4) shall affect only those rights of the proprietor of the trade mark that arise out of the registration of the trade mark.

34. (1) After publication of an application for registration of a trade mark, the Registrar shall, on request and upon payment of the prescribed fee, provide any

Information about application and registered trade marks

person with such information and permit such person to inspect any documents relating to the application, or any registered trade mark resulting from the registration, as may be specified in the request, subject to any prescribed restrictions.

(2) Any request referred to in subsection (1) shall be made in the prescribed manner and shall be accompanied by the prescribed fee.

(3) Before publication of an application for registration of a trade mark, documents or information constituting or relating to the application shall not be published by the Registrar or communicated by the Registrar to any person except -

(a) in such cases and to such extent as may be prescribed; or

(b) with the consent of the applicant,

but subject to the provisions of subsection (4).

(4) Where a person has been notified that an application for registration of a trade mark has been made, and that the applicant will, if the application is granted, bring proceedings against that person in respect of acts done after publication of the application, that person may make a request under subsection (1), notwithstanding that the application has not been published, and subsection (1) shall apply accordingly.

PART 5 - NATURE OF REGISTERED MARK AND LICENSING

Nature of registered
trade mark

35. A registered trade mark is personal property.

Trust and equities

36. (1) No notice of any trust, whether express, implied or constructive, shall be entered in the Register and the Register shall not be affected by any such notice.

(2) Subject to the provisions of this Law, equities in respect of a registered trade mark may be enforced in like manner as in respect of other personal property.

(3) For the avoidance of doubt, nothing contained in this section prevents the registration of a trade mark or the registration of particulars of a registrable transaction, in the name of a trustee.

Co-ownership of
registered trade mark

37. (1) Where a registered trade mark is granted to two or more persons jointly, each of them is entitled, subject to any agreement to the contrary, to an equal undivided share in the registered trade mark.

(2) Subsections (3) through (6) apply where two or more persons are co-proprietors of a registered trade mark by virtue of subsection (1) or otherwise.

(3) Subject to any agreement to the contrary, each co-proprietor is entitled, individually or by an agent, to do for the co-proprietor's own benefit and without the consent of or the need to account to the other, any act which would otherwise amount to an infringement of the registered trade mark.

(4) One co-proprietor may not without the consent of the other -

- (a) grant a licence to use the registered trade mark; or
- (b) assign or change the said co-proprietor's share in the registered trade mark.

(5) Infringement proceedings may be brought by any proprietor, but a co-proprietor may not, without the leave of the Court, proceed with the action unless the other, or each of the others, is either joined as a plaintiff or added as a defendant and shall not be made liable for any costs in the action unless the said co-proprietor takes part in the proceedings and nothing in this subsection affects the granting of interlocutory relief on the application of a single co-proprietor.

(6) Nothing in this section affects the mutual rights and obligations of trustees or personal representatives, or their rights and obligations as such.

38. (1) A registered trade mark is transmissible by assignment, testamentary disposition or operation of law in the same way as other personal or moveable property and it is so transmissible either in connection with the goodwill of a business or independently.

Assignment, etc. of
registered trade mark

(2) An assignment or other transmission of a registered trade mark may be partial, that is, limited so as to apply in relation to some but not all of the goods or services for which the trade mark is registered.

(3) An assignment of a registered trade mark, or an assent relating to a registered trade mark, is not effective unless it is in writing signed by or on behalf of the assignor or the assignor's personal representative, and this requirement may be satisfied in a case where the assignor or the personal representative is a body corporate by the affixing of its seal.

(4) Subsections (1) through (3) apply to assignment by way of security as they apply to any other form of assignment.

(5) A registered trade mark may be the subject of a charge in the same way as other personal or moveable property.

(6) Nothing in this Law shall be construed as affecting the assignment or other transmission of an unregistered trade mark as part of the goodwill of a business.

Registration of
transactions affecting
registered trade mark

39. (1) On application being made to the Registrar by -

- (a) a person claiming to be entitled to an interest in or under a registered trade mark by virtue of a registrable transaction; or
- (b) any other person claiming to be affected by a registrable transaction,

the prescribed particulars of the transaction shall be entered in the Register.

(2) The following are registrable transactions -

- (a) an assignment of a registered trade mark or any right in it;
- (b) the grant of a licence under a registered trade mark;
- (c) the grant of any security interest, whether fixed or floating, over a registered trade mark or any right in or under it;
- (d) the making by personal representatives of an assent in relation to a registered trade mark or any right in or under it;
- (e) an order of a court or any authority recognized by the Registrar as a competent authority transferring a registered trade mark or any right in or under it.

(3) Until an application has been made for registration of the prescribed particulars of a registrable transaction -

- (a) the transaction is ineffective as against a person acquiring a conflicting interest in or under the registered trade mark in ignorance of the transaction; and
- (b) a person claiming to be a licensee by virtue of the transaction does not have the protection provided by section 42.

(4) Where a person becomes the proprietor or a licensee of a registered trade mark by virtue of a registrable transaction, then unless -

- (a) an application for registration of the prescribed particulars of the transaction is made before the end of the period of six months beginning on the date of the transaction; or
- (b) the Court is satisfied that it was not practicable for such an application to be made before the end of that period and that an application was made as soon as practicable thereafter,

that person is not entitled to damages or an account of profits in respect of any infringement of the registered trade mark occurring after the date of the transaction and before the prescribed particulars of the transaction are registered.

- (5) The Cabinet may make regulations for -
- (a) the amendment of registered particulars relating to a licence so as to reflect any alteration of the terms of the licence;
 - (b) the removal of such particulars from the Register -
 - (i) where it appears from the registered particulars that the licence was granted for a fixed period and that period has expired; or
 - (ii) where no such period is indicated and, after such period as may be prescribed, the Registrar has notified the parties of the Registrar's intention to remove the particulars from the Register; or
 - (c) the amendment of or removal from the Register of particulars relating to a security interest on the application of, or with the consent of, the person entitled to the benefit of that interest.

40. (1) Sections 35 to 39 apply with the necessary modifications, in relation to an application for the registration of a trade mark as in relation to a registered trade mark.

Application for registration of trade mark as an object of property

(2) In section 37(1), as it applies in relation to an application for registration, the reference to the granting of the registration shall be construed as a reference to the making of the application.

(3) In section 39 as it applies in relation to a transaction affecting an application for the registration of a trade mark, the references to the entry of particulars in the register, and to the making of an application to register particulars, shall be construed as references to the giving of notice to the Registrar of those particulars.

Licensing

41. (1) A licence to use a registered trade mark may be general or limited and a limited licence may, in particular, apply in relation to some but not all of the goods or services for which the trade mark is registered.

Licence to use trade mark

(2) A licence is not effective unless it is in writing signed by or on behalf of the grantor.

(3) Unless the licence provides otherwise, the licence is binding on a successor in title to the grantor's interest.

(4) References in this Law to doing anything with or without the consent of the proprietor of a registered trade mark shall be construed as including, in

appropriate cases, references to requiring the consent of the licensee or not requiring the consent of the licensee, as the case may be.

(5) Where the licence so provides, a sub-licence may be granted by the licensee and references in this Law to a licence or licensee include a sub-licence or sub-licensee.

General provisions as to rights of licensees in case of infringement

42. (1) This section applies to a licensee in relation to infringement of a registered trade mark but does not apply where there is a right to bring the proceedings in the licensee's own name.

(2) A licensee is entitled, unless the licence provides otherwise, to call on the proprietor of the registered trade mark to take infringement proceedings in respect of any matter which affects the licensee's interests.

(3) Where a proprietor -

- (a) refuses to proceed in accordance with subsection (2); or
- (b) fails to do so within two months after being called on,

proceedings may be brought in the licensee's own name as if the licensee were the proprietor.

(4) Where infringement proceedings are brought by a licensee by virtue of this section, the licensee may not, without the leave of the Court, proceed with the action unless the proprietor is either joined as a plaintiff or added as a defendant but this does not affect the granting of interlocutory relief on an application by a licensee alone.

(5) A proprietor who is added as a defendant pursuant to subsection (4) shall not be made liable for any costs in the action unless the proprietor takes part in the proceedings.

(6) In infringement proceedings brought by the proprietor of a registered trade mark, any loss suffered or likely to be suffered by licensees shall be taken into account and the Court may give such directions as it thinks fit as to the extent to which the plaintiff is to hold the proceeds of any pecuniary remedy on behalf of the licensees.

(7) This section applies in relation to an exclusive licensee to the extent that the exclusive licensee has the rights and remedies of an assignee as if the exclusive licensee were the proprietor of the registered trade mark.

PART 6 - SURRENDER, REVOCATION AND INVALIDITY

43. (1) A registered trade mark may be surrendered by the proprietor in respect of some or all of the goods or services for which it is registered. Surrender of registered trade mark

- (2) The Cabinet may make regulations providing for -
- (a) the manner and effect of the surrender of a trade mark; and
 - (b) the protection of the interests of other persons having a right in the registered trade mark under subsection (1).

44. (1) The registration of a trade mark may be revoked if - Revocation of registration

- (a) the use made of the trade mark -
 - (i) by the proprietor; or
 - (ii) by another person with the proprietor's consent, in relation to the goods or services for which it is registered, is liable to mislead the public, particularly as to the nature, quality or geographical origin of those goods or services; or
- (b) as a consequence of the action or the inaction of the proprietor, the trade mark has become the common name in the respective trade for a product or service for which it is registered.

(2) For the purposes of subsection (1), "use made of the trade mark" includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and the use in the Islands includes affixing the trade mark to goods or to the packaging of goods in the Islands solely for export purposes.

(3) An application for revocation may be made by any person, and may be made either to the Registrar or to the Court, except that -

- (a) where proceedings concerning the trade mark in question are pending in the Court, the application shall be made to the Court; and
- (b) where in any other case the application is made to the Registrar, the Registrar may at any stage of the proceedings refer the application to the Court.

(4) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.

(5) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from -

- (a) the date of the application for revocation; or

(b) if the Registrar or the Court is satisfied that the grounds for revocation existed at an earlier date, from that earlier date.

(6) The registration of a trade mark shall not be revoked without giving the proprietor of the trade mark an opportunity to be heard.

Grounds for invalidity of registration

45. (1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 23 but where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

(2) The registration of a trade mark may be declared invalid on the ground that there is -

- (a) an earlier trade mark in relation to which the conditions outlined in sections 25(1), (2) or (3) apply; or
- (b) an earlier right in relation to which the condition outlined in section 25(4) or (5) is satisfied.

(3) An application for a declaration of invalidity may be made by any person to either the Registrar or to the Court, except that -

- (a) where proceedings concerning the trade mark in question are pending in the Court, the application shall be made to the Court; and
- (b) where in any other case the application is made to the Registrar, the Registrar may at any stage of the proceedings refer the application to the Court.

(4) In the case of bad faith in the registration of a trade mark, the Registrar may apply to the Court for a declaration of the invalidity of the registration.

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made on the condition that this declaration shall not affect transactions that are past and closed.

(7) The registration of a trade mark shall not be declared invalid under this section without giving the proprietor of the trade mark an opportunity to be heard.

46. (1) Where the proprietor of an earlier trade mark or other earlier right has acquiesced for a continuous period of five years in the use of a registered trade mark in the Islands, being aware of that use, there shall cease to be any entitlement on the basis of that earlier trade mark or other right -

Effect of acquiescence of earlier trade mark

- (a) to apply for a declaration that the registration of the later trade mark is invalid; or
- (b) to oppose the use of the later trade mark in relation to the goods or services in relation to which it has been so used,

unless the registration of the later trade mark was applied for in bad faith.

(2) Where subsection (1) applies, the proprietor of the later trade mark is not entitled to oppose the use of the earlier trade mark, or as the case may be, the exploitation of the earlier right, notwithstanding that the earlier trade mark or right may no longer be invoked against the later mark.

PART 7 - INFRINGEMENT AND LEGAL PROCEEDINGS

47. (1) An infringement of a registered trade mark is actionable by the proprietor or registered licensee of the trade mark.

Action for infringement

(2) In an action for infringement all such relief by way of damages, injunctions, accounts or otherwise is available to the applicant as is available in respect of the infringement of any other property right.

48. Where a person is found to have infringed a registered trade mark, the Court may make an order requiring the person -

Order for erasure etc. of offending sign

- (a) to cause the offending sign to be erased, removed or obliterated from any infringing goods, material or articles in the person's possession, custody or control; or
- (b) where it is not reasonably practicable for the offending sign to be erased, removed or obliterated, to secure the destruction of the infringing goods, material or articles in question.

49. (1) The proprietor of a registered trade mark may apply to the Court for an order for the delivery up to the proprietor, or such other person as the Court may direct, of any infringing goods, material, or articles which a person has possession, custody or control of in the course of business.

Order for delivery up of infringing goods, material or articles

(2) An application shall not be made after the end of the period specified in section 51 and no order shall be made unless the Court also makes, or it appears to the Court that there are grounds for making an order under section 52.

(3) A person to whom any infringing goods, material or articles are delivered up in pursuance of an order under this section shall, if an order under section 52 is not made, retain them pending the making of such order, or the decision not to make an order under that section.

(4) Nothing in this section affects any other power of the Court.

Meaning of "infringing goods", etc.

50. (1) In this Law the expression "infringing goods", "infringing material" and "infringing articles" shall be construed as provided in subsections (2), (3) and (4).

(2) Goods are "infringing goods" in relation to a trade mark, if they or their packaging bear a sign identical or similar to that mark and -

- (a) the application of the sign to the goods or their packaging was an infringement of the registered trade mark;
- (b) the goods are proposed to be imported into the Islands and the application of the sign in the Islands to them or their packaging would be an infringement of the registered trade mark; or
- (c) the sign has otherwise been used in relation to the goods in such a way as to infringe the registered trade mark.

(3) Material is "infringing material", in relation to a registered trade mark, if it bears a sign identical or similar to that mark and either -

- (a) it is used for labeling or packaging goods, as a business paper, or for advertising goods or services, in such a way as to infringe the registered trade mark; or
- (b) it is intended to be so used and such use would infringe the registered trade mark.

(4) "Infringing article", in relation to a registered trade mark, means an article -

- (a) which is specifically designed or adapted for making copies of a sign identical or similar to that mark; and
- (b) which is in a person's possession, custody or control, knowing or having reason to believe that it has been or is to be used to produce infringing goods or material.

Period after which remedy for delivery up not available

51. (1) Subject to subsection (2), an application for an order under section 49 may not be made after the end of the period of six years from -

- (a) in the case of infringing goods, the date on which the trade mark was applied to the goods or their packaging;
- (b) in the case of infringing material, the date on which the trade mark was applied to the material; or

- (c) in the case of infringing articles, the date on which they were made.

(2) If during the whole or part of that period referred to in subsection (1) the proprietor of the registered trade mark -

- (a) is under a disability; or
- (b) is prevented by fraud or concealment from discovering the facts entitling the proprietor to apply for an order,

an application may be made at any time before the end of the period of six years from the date on which the proprietor ceased to be under such disability or, as the case may be, could with reasonable diligence have discovered those facts.

52. (1) Where infringing goods, material or articles have been delivered up in pursuance of an order under section 49, an application may be made to the Court -

Order as to disposal of infringing goods, material or articles

- (a) for an order that they be destroyed or forfeited to such person as the Court may think fit; or
- (b) for a decision that an order should not be made.

(2) In considering what order, if any, should be made, the Court shall consider whether other remedies available in an action for infringement of the registered trade mark would be adequate to compensate the proprietor and any licensee and to protect their interests.

(3) Where there is more than one person interested in the goods, material or articles, the Court shall make such order as it thinks just.

(4) Where the Court decides that no order should be made under this section, the person in whose possession, custody or control the goods, material or articles were, before being delivered up, is entitled to their return.

(5) References in this section to a person having an interest in goods, material or articles include any person in whose favour an order would or may be made under this section.

53. (1) Where a person threatens another with proceedings for infringement of a registered trade mark other than where there is -

Remedy for groundless threats of infringement proceedings

- (a) the application of the mark to goods or their packaging;
- (b) the importation of goods to which, or to the packaging of which, the mark has been applied; or
- (c) the supply of services under the mark,

an aggrieved person may bring proceedings for relief under this section.

- (2) An aggrieved person may apply for any of the following reliefs -
- (a) a declaration that the threats are unjustifiable;
 - (b) an injunction against the continuance of the threats; or
 - (c) damages in respect of any loss the aggrieved person has sustained by the threats,

and the plaintiff is entitled to such relief unless the defendant shows that the acts in respect of which proceedings were threatened constitute (or if carried out would constitute) an infringement of the registered trade mark concerned.

(3) Pursuant to subsection (2), where a defendant shows that the acts constitute an infringement, the plaintiff is nevertheless entitled to relief if the plaintiff shows that the registration of the trade mark is invalid or liable to be revoked.

(4) The mere notification that a trade mark is registered, or that an application for registration has been made, does not constitute a threat of proceedings for the purposes of this section.

Legal proceedings generally

Registration to be prima facie evidence of validity

54. In all legal proceedings relating to a registered trade mark, including proceedings for rectification of the Register, the registration of a person as proprietor of a trade mark shall be prima facie evidence of the validity of the original registration and of any subsequent assignment or other transmission of it.

Certificate of validity of contested registration

55. (1) Where the validity of the registration of a trade mark is contested in proceedings before the Court and it is found by the Court that the trade mark is validly registered, the Court may give a certificate to that effect.

- (2) Where the Court gives a certificate and in subsequent proceedings -
- (a) the validity of the registration is again questioned; and
 - (b) a final order or judgment is obtained in the proprietor's favour,

the proprietor is entitled to costs as between attorney and client unless the Court directs otherwise, but this subsection does not extend to the costs of an appeal in any such proceedings.

Registrar's appearance in proceedings involving the Register

56. (1) The Court shall have jurisdiction in all matters affecting the rights and remedies in the Islands of the proprietor of a trade mark or a right in a trade mark conferred by this Law.

- (2) In proceedings before the Court involving an application for -

- (a) the revocation of the registration of a trade mark;
- (b) a declaration of the invalidity of the registration of a trade mark;
or
- (c) the rectification of the Register,

the Registrar is entitled to appear and be heard if so directed by the Court.

(3) Unless otherwise directed by the Court, the Registrar may, instead of appearing, submit to the Court a statement in writing signed by the Registrar and giving particulars of -

- (a) any proceedings before the Registrar in relation to the matter in issue;
- (b) the grounds of any decision given by the Registrar affecting it;
- (c) the Registrar's practice in like cases; or
- (d) such matters relevant to the issues and within the Registrar's knowledge as seen fit,

and the statement shall form part of the evidence of the proceedings.

(4) Any act which the Registrar is or may be authorised or required to do under this section may be done on the Registrar's behalf by a duly authorised officer of the Registry.

57. (1) There is established an Appeals Tribunal for the purpose of hearing appeals from persons aggrieved by a decision of the Registrar. Appeals Tribunal

(2) The Appeals Tribunal shall consist of a Chairman, a deputy chairman and not more than three other members appointed by the Cabinet.

(3) A person is not eligible to be appointed as chairman or deputy chairman unless the person -

- (a) is an attorney-at-law of at least five years' standing or has held judicial office; or
- (b) has considerable experience in trade marks matters.

(4) The members of the Appeals Tribunal shall hold and vacate office in accordance with the terms of appointment, subject to the following provisions -

- (a) the term of appointment of a member of the Appeals Tribunal shall not exceed three years and may be renewed;
- (b) a member of the Appeals Tribunal may resign the office by notice in writing to the Cabinet;
- (c) the Cabinet may, by notice in writing to the member concerned, remove the member from office where the member -

- (i) has become bankrupt or has made an arrangement with creditors;
- (ii) is incapacitated by physical or mental illness;
- (iii) is a Member of the Legislative Assembly; or
- (iv) is, in the opinion of the Cabinet, otherwise unable or unfit to perform the duties as member.

(5) The names of the members of the Appeals Tribunal as first constituted and thereafter of every change in the constitution of the Tribunal shall be published by way of notice in the Gazette.

(6) The quorum of the Appeals Tribunal shall be three members.

(7) The Cabinet may appoint a member of the Appeals Tribunal to perform all the functions of the Chairman in relation to the hearing of appeals where the Chairman is unable to perform the functions due to leave of absence.

(8) If a member of the Appeals Tribunal is by reason of illness, absence or other reasonable cause for the time being unable to perform duties, either generally or in relation to particular proceedings, a person may be appointed by the Cabinet to discharge the duties for a period not exceeding six months at one time or, as the case may be, in relation to those proceedings.

(9) Where a vacancy exists in the membership of the Appeals Tribunal, the Cabinet shall, in accordance with this section, appoint a person to fill the vacancy.

(10) There shall be paid to the members of the Appeals Tribunal such remuneration and allowances as the Cabinet may determine and, in accordance with the Public Service Management Law (2013 Revision), support staff for the Appeals Tribunal may be appointed.

(11) A member of the Appeals Tribunal shall not be liable in damages for anything done or omitted to be done in the discharge of the member's functions, responsibilities, powers and duties under this Law unless it is shown that the act or omission was in bad faith.

(12) The Government shall indemnify a member of the Appeals Tribunal against all claims, damages, costs, charges or expenses incurred by that member in the discharge of the member's functions, responsibilities, powers and duties under this Law, except claims, damages, costs, charges or expenses caused by the bad faith of that member.

(13) The Cabinet may, by regulations, provide further for the constitution, administration, staffing and expenses of the Appeals Tribunal.

58. (1) Any person aggrieved by a decision of the Registrar may, within fourteen days of notification of the decision, appeal to the Appeals Tribunal.

Appeals from decisions
of the Registrar

(2) For the purposes of this section a decision of the Registrar includes any act of the Registrar in exercise of a discretion vested in the Registrar by this Law.

(3) A person aggrieved by a decision of the Registrar under this Law is entitled to receive from the Registrar a written notice stating the following -

- (a) the decision and the reasons for it;
- (b) that the aggrieved person may appeal against the decision of the Appeals Tribunal; and
- (c) directions on how to appeal.

(4) An appeal under subsection (1) is brought by giving notice in writing to the Chairman of the Appeals Tribunal and to the Registrar.

(5) The giving of a notice of appeal pursuant to subsection (3) operates as a stay upon on any decision of the Registrar.

(6) Upon receipt of a notice, the Chairman of the Appeals Tribunal shall fix a date for the hearing of the appeal, being not less than 30 days nor more than 90 days from the date of the receipt of the notice of appeal, and shall give notice of that date forthwith to the appellant and to the Registrar.

(7) The Chairman of the Appeals Tribunal shall prescribe the procedure to be followed at the hearing of an appeal under this section.

(8) Within 30 days of the conclusion of the hearing of the appeal the Appeals Tribunal shall reach a decision upon the appeal and shall deliver a notification of that decision, together with written reasons therefor, to every party who appeared at the hearing of the appeal.

(9) The decision of the Appeals Tribunal upon an appeal shall, subject to subsection (10), be final and binding upon all parties.

(10) Decisions of an Appeals Tribunal may be made public at the discretion of the Appeals Tribunal and no member of the Appeals Tribunal shall be liable in any civil court for any act done or ordered to be done in good faith in the discharge of functions under this Law, unless it is proved that the member acted maliciously and without reasonable cause.

Appeals from decisions
of the Appeals Tribunal

59. (1) An appeal may be made to the Court from a decision of the Appeals Tribunal on a point of law only.

(2) An appeal pursuant to subsection (1) shall not operate as a stay of any award, order or decision of the Appeals Tribunal or of the effect of any notice, unless the Court so orders.

(3) An application for a stay of any award, order or decision of the Appeals Tribunal or the effect of any notice may be made to the Court.

PART 8 - GENERAL

Requirement for
registered agent

60. (1) Except for an inspection under sections 6(3)(a), 34(1), paragraph 1 of Schedule 1 and paragraph 6 of Schedule 2, only a registered agent may transact business with the Registry under this Law and the proprietor of a trade mark registered under this Law shall appoint a registered agent to transact business with the Registry in relation to the trade mark.

(2) Subject to subsection (3), a person legally and ordinarily resident in the Islands desirous of being recognized as a registered agent shall apply in writing to the Registrar.

(3) An application under subsection (2) shall be accompanied by the prescribed processing fee.

(4) A registered agent shall pay the prescribed annual fee.

(5) The proprietor of a trade mark recorded at the Registry as at the date of commencement of this Law, shall appoint a registered agent upon -

- (a) the next dealing with the Registry in relation to such trade mark;
- or
- (b) the payment of the next annual fee.

(6) Subject to subsection (7), where a recognized registered agent is unable to carry out duties as a registered agent, the agent shall take all reasonable steps to notify the Registrar and the proprietor of the registered trade mark of the inability of the registered agent to carry out duties.

(7) The Registrar, upon receipt of a notice under subsection (6), shall take such steps to notify the proprietor and to publish such notification in the Gazette and the proprietor shall appoint a new registered agent within 180 days of receipt of the notice.

(8) Where a registered agent is not appointed within the time set out in subsection (7), the rights protected by the trade mark for which the agent is recognized as the registered agent shall be in abeyance until the proprietor appoints a new registered agent.

(9) For the purpose of this section, legal and ordinary residence of a natural person shall be determined in accordance with the Immigration Law (2015 Revision).

61. (1) The proprietor of a registered trade mark, or a licensee, may give notice in writing to the Collector of Customs -

Provisions restricting importation of infringing goods

- (a) that the notifier is the proprietor or a licensee of the registered trade mark, as the case may be;
- (b) that at a time and place specified in the notice, goods which are, in relation to that registered trade mark, infringing goods, infringing material or infringing articles are expected to arrive in the Islands; and
- (c) that the Collector of Customs is requested to treat the goods as prohibited goods.

(2) When a notice is in force under this section, the importation of the goods to which the notice relates, otherwise than by a person for private and domestic use, is prohibited, but the importer is not by reason of the prohibition liable to any penalty other than forfeiture of goods.

(3) The proprietor of a registered trade mark or a licensee who gives notice to the Collector of Customs pursuant to subsection (1) shall comply with such conditions with respect to -

- (a) the form of notice;
- (b) the furnishing of evidence;
- (c) the payment of the prescribed fees in respect of the notice;
- (d) the giving of security in respect of any liability or expense which the Collector of Customs may incur in consequence of the notice by reason of the detention of any article or anything done to a detained article;
- (e) the indemnification of the Collector of Customs against any liability or expenses, whether security has been given or not; and
- (f) any other incidental procedural matters,

as may be prescribed.

(4) Notwithstanding anything in the Customs Law (2012 Revision), a person shall not be liable to any penalty under that Law (other than the forfeiture

of the goods) by reason only that any goods are treated as prohibited goods by virtue of this section.

(5) In this section "Collector of Customs" is the person appointed under section 4 of the Customs Law (2012 Revision).

Offences

Unauthorised use of
trade mark in relation to
goods

62. (1) A person commits an offence who, with a view to gain for that person or another person or with intent to cause a loss to another, and without the consent of the proprietor -

- (a) applies to goods or its packaging a sign identical to, or likely to be mistaken for, a registered trade mark;
- (b) sells or lets for hire, offers or exposes for sale or hire or distributes goods which bear, or the packaging of which bears, such a sign; or
- (c) has in that person's possession, custody or control in the course of a business any such goods with a view to the doing of anything alone or with another, which would be an offence under paragraph (b).

(2) A person commits an offence who with a view to gain for that person or another, or with intent to cause loss to another, and without the consent of the proprietor -

- (a) applies a sign identical to, or likely to be mistaken for, a registered trade mark to material intended to be used -
 - (i) for labelling or packaging goods;
 - (ii) as a business paper in relation to goods; or
 - (iii) for advertising goods;
- (b) uses in the course of a business material bearing such a sign for labelling or packaging goods, as a business paper in relation to goods, or advertising goods; or
- (c) has possession, custody or control in the course of business of any such material with a view to the doing of anything alone or with another, which would be an offence under paragraph (b).

(3) A person commits an offence who with a view to gain for that person or another or with intent to cause loss to another, and without the consent of the proprietor -

- (a) makes any article specifically designed or adapted for making copies of a sign identical to, or likely to be mistaken for, a registered trade mark; or

- (b) has possession, custody or control of such an article in the course of a business, knowing or having reason to believe that it has been, or is to be used to produce goods, material for labelling or packaging goods, as a business paper in relation to goods, or for advertising goods.

(4) A person does not commit an offence under this section except where -

- (a) the goods in question are goods in respect of which the trade mark is registered; or
- (b) the trade mark in question has a reputation in the Islands,

and the use of the signs takes or would take unfair advantage of, or is detrimental or would be detrimental to, the distinctive character or the repute of the trade mark.

(5) It is a defence for a person charged with an offence under this section to show that the person believed on reasonable grounds that the use of the sign in the manner which it was used, or was to be used, was not an infringement of the registered trade mark.

(6) A person who contravenes this section commits an offence and is liable-

- (a) on summary conviction to a fine of ten thousand dollars or to imprisonment for a term of three years or to both; or
- (b) on conviction on indictment to a fine of fifty thousand dollars or to imprisonment for a term of ten years, or to both.

63. (1) A person who makes, or causes to be made, a false entry in the Register of trade marks, knowing or having reason to believe that it is false commits an offence.

Falsification of Register

(2) A person who -

- (a) makes or causes to be made anything falsely purporting to be a copy of an extract of an entry in the Register; or
- (b) produces or tenders or causes to be produced or tendered in evidence any such thing, knowing or having reason to believe that it is false,

commits an offence and is liable on summary conviction to a fine of five thousand dollars or to imprisonment for a term of two years, or to both.

64. (1) A person who -

Falsely representing
trade mark as registered

- (a) falsely represents that a trade mark is a registered trade mark; or

- (b) makes a false representation as to the goods or services for which a trade mark is registered,

commits an offence and is liable on summary conviction to a fine of five thousand dollars or to imprisonment for a term of two years, or to both.

(2) For the purposes of this section, the use in the Islands in relation to a trade mark -

- (a) of the word "registered"; or
- (b) of any word or symbol importing a reference, express or implied, to registration,

is deemed to be a representation as to registration under this Law unless it is shown that the reference is to registration elsewhere than in the Islands and that trade mark is in fact so registered for the goods or services in question.

Offences committed by partnerships and bodies corporate

65. (1) Proceedings for an offence under this Law alleged to have been committed by a partnership shall be brought against the partnership in the name of the firm and not in that of the partners notwithstanding the liability of every partner under subsection (2).

(2) Where a partnership commits an offence under this Law, every partner, other than a partner who is proved to have been ignorant of or to have attempted to prevent the commission of the offence, also commits the offence and is liable to be proceeded against and punished accordingly.

(3) Where an offence under this Law that is committed by a body corporate is proved to have been committed with the consent or connivance of a director, manager, secretary or other similar officer of the body, or a person purporting to act in any such capacity, that person as well as the body corporate commits the offence and is liable to be proceeded against and punished accordingly.

(4) For the purposes of this section, "director", in relation to a body corporate whose affairs are managed by its members, means any member who has carried on functions of management as if the member were a director of the body corporate.

Enforcement

Powers of police officers and trade officers

66. (1) The police and the Department of Commerce and Investment shall be responsible for the duties under section 67 of this Law and shall be assisted by such trade officers as are necessary for these purposes.

(2) A trade officer shall have the authority and power to carry out such instructions as may be given by the Director of the Department of Commerce and Investment in accordance with this Law and may exercise on behalf of the Department any powers granted to the Department by this Law.

(3) The Director and trade officers shall have all the rights, powers, privileges and immunities of a constable when discharging duties under this Law.

67. (1) Subject to subsections (2) through (6), a police officer or a trade officer, may- Powers of entry, etc.

- (a) enter and search any premises or place in which the police officer or the trade officer reasonably suspects -
 - (i) there are goods which, or the packaging for which, bear a sign which is identical to or is likely to be mistaken for a registered trade mark;
 - (ii) there is material bearing such a sign and intended to be used for labelling or packaging goods, as a business paper in relation to goods,;
 - (iii) or for articles specifically designed or adapted for making copies of such sign;
- (b) stop, board and search any vessel (other than a ship of war) or any aircraft (other than a military aircraft) in which the police officer or the trade officer reasonably suspects there are goods or packaging referred to in paragraph (a);
- (c) stop and search any vehicle in which the police officer or trade officer reasonably suspects there are goods referred to in paragraph (a);
- (d) seize, remove or detain any goods or packaging referred to in paragraph (a) found by the police officer or trade officer pursuant to this subsection;
- (e) break open any outer or inner door of any premises which the police officer or trade officer is empowered or authorised by this Law to enter and search;
- (f) remove by force any person or thing obstructing the exercise of any power conferred on the police officer or trade officer by this Law;
- (g) detain any person found in any place which the police officer or trade officer is empowered or authorized by this Law to search, until such place has been searched;
- (h) detain any vessel or aircraft which the police officer or trade officer is empowered by this Law to stop, board and search, and prevent any person from approaching, boarding or disembarking such vessel or aircraft until it has been searched; or

- (f) detain any vehicle which the police officer or trade officer is empowered by this Law to stop and search until it has been searched.

(2) Where a police officer or trade officer determines that a person is obstructing the exercise of any power conferred by this Law, the police officer or trade officer, as the case may be, shall give a warning that the conduct of the person is obstructing the exercise of powers under this Law and that the police officer or trade officer, as the case may be, has the power to detain the person unless the person has a reasonable excuse for the obstructive conduct.

(3) No premises, vessel, aircraft nor vehicle shall be entered and searched by a police officer or a trade officer, and powers of seizure, detention or removal exercised in relation to those premises, unless a Magistrate or Justice of the Peace has issued a warrant under subsection (4).

(4) A Magistrate or Justice of the Peace may, where satisfied by information on oath that there are reasonable grounds for suspecting that there is in any premises, any article which may be seized, removed or detained under this section, issue a warrant authorising a police officer or a trade officer to enter and search the premises.

(5) A police officer or a trade officer authorised to enter and search any premises may call upon any police officer for assistance in entering and searching the premises.

(6) In this section, "premises" includes a vessel, aircraft nor vehicle.

Obstruction

68. Any person who -

- (a) wilfully obstructs a police officer or trade officer in the exercise of the powers or the performance of duties under this Law;
- (b) wilfully fails to comply with any requirements properly made by a police officer or trade officer; or
- (c) without reasonable excuse, fails to give a police officer or trade officer any assistance which may reasonably be required to be given for the purpose of exercising the officer's powers or performing duties under this Law,

commits an offence and is liable on conviction to a fine of one thousand dollars or to imprisonment for a term of twelve months.

False or misleading information

69. A person who, when required to give information to a police officer or trade officer exercising duties under this Law, knowingly gives false or misleading

information, commits an offence and is liable on summary conviction to a fine of five thousand dollars or to imprisonment for a term of two years.

70. (1) The Cabinet may make regulations prescribing all matters that are required or permitted to be prescribed or necessary or convenient to be prescribed for carrying out or giving effect to the provisions of this Law including regulations providing for - Regulations

- (a) the manner of filing of applications and other documents;
- (b) the translation of documents and the filing and authentication of any translation;
- (c) the service of documents;
- (d) the rectification of irregularities of procedure;
- (e) time limits for anything required to be done in connection with any proceeding under this Law;
- (f) the extension of any time limit so prescribed, or specified by the Registrar, whether or not it has already expired;
- (g) the payment of fees in respect of application for and registration of trade marks, and any penalties for the late payment of such fees;
- (h) the payment of a single fee in respect of two or more matters;
- (i) the forms to be used for any of the purposes of this Law;
- (j) the classification of goods and services for the purposes of registration of trade marks;
- (k) the regulation of the business of the Registry generally;
- (l) the recognition of persons as registered agents by the Registrar, including any qualification and application fees or the exemption of persons from applying where the applicant is a recognized registered agent for patents or design rights;
- (m) the circumstances, if any, in which a fee may be repaid or remitted;
- (n) the division of an application for the registration of a trade mark into several applications and the merging of separate applications or registrations;
- (o) defensive registration of well-known trade marks;
- (p) setting standards for trade marks;
- (q) the notification to the proprietor of a registered trade mark of the date of expiry and the manner in which the registration may be renewed before the expiry of the registration;
- (r) the restoration of the registration of a trade mark which has been removed from the Register, subject to such conditions as the Registrar thinks fit;
- (s) the Registrar's authorisation, in any proceedings before the Registrar under this Law -

- (i) to award any party such costs as may be considered reasonable;
- (ii) to direct how and by which party costs are to be paid; and
- (iii) in appropriate cases, to require a party to proceedings before the Registrar to give security for costs, in relation to those proceedings on appeal, and as to the consequences if such security is not given; and
- (t) any other matters or proceedings under this Law.

(2) An order of the Registrar made pursuant to regulations under subsection (2)(s) shall be enforced in the same way as an order of the Court.

(3) The regulations made pursuant to section (2)(s) may make provision for the giving of evidence before the Registrar by affidavit or statutory declaration.

Savings and transitional

71. (1) The Cabinet may make regulations containing provisions of a saving or a transitional nature.

(2) Without prejudice to the generality of subsection (1), the regulations may in particular provide for -

- (a) the application of provisions of this Law; or
- (b) the continued application of the repealed provisions of the Patent and Trade Marks Law, 2011 (Law 30 of 2011),

(Law 30 of 2011)

in connection with any matter specified in the regulations, such matter having commenced before the coming into force of this Law.

(3) To the extent that any regulations come into operation on a date earlier than the date on which they are published in the Gazette, those regulations shall be construed so as not to -

- (a) affect, in a manner prejudicial to any person, the rights of that person existing before the date on which the regulations are published in the Gazette; or
- (b) impose liabilities on any person in respect of anything done, or omitted to be done, before that date.

(4) Regulations made under this section shall be subject to negative resolution.

SCHEDULE 1

(Section 4)

COLLECTIVE MARKS

1. (1) Notwithstanding section 23(1)(c), a collective mark which consists of signs or indications which serve in trade to designate the geographical origin of the goods or services may be registered.

Indication of geographical origin

(2) The proprietor of the mark is not entitled to prohibit the use of the signs or indications in accordance with honest practices in industrial or commercial matters in particular, by a person who is entitled to use a geographical name.

(3) Where the indication of geographical origin of the mark is the Islands, the proprietor must be resident in the Islands, such residency being determined in accordance with the Immigration Law (2015 Revision).

(2015 Revision)

2. (1) A collective mark shall not be registered if the public is liable to be misled as regards the character or significance of the mark, in particular if it is likely to be taken to be something other than a collective mark.

Mark not to be misleading as to character or significance

(2) The Registrar may, in accordance with subparagraph (1), require that a mark in respect of which application is made for registration to include some indication that it is a collective mark and, notwithstanding section 16, an application may be amended so as to comply with any such requirement.

3. (1) An applicant for registration of a collective mark shall file with the Registrar, rules governing the use of the mark.

Rules governing use of the collective mark

(2) The rules shall specify the persons authorised to use the mark, the conditions of membership of the association and, where they exist, the conditions of the use of the mark, including any sanctions against misuse.

(3) Further requirement with which the rules have to comply may be imposed by directions from the Registrar.

4. (1) A collective mark shall not be registered unless the rules governing the use of the mark -

Approval of rules by Registrar

- (a) comply with paragraph 3(2) and any further requirements imposed by directions from the Registrar; and
- (b) are not contrary to public policy or to accepted principles of morality.

(2) Before the end of the prescribed period following the date of the application for registration of a collective mark, the applicant shall file the rules with the Registrar and pay the prescribed fee and where the applicant does not do so within the specified period, the application shall be deemed to be withdrawn.

(3) The Registrar shall determine whether the requirements mentioned in subparagraph (1) are met before accepting the application.

(4) Where it appears to the Registrar that those requirements are not met, the Registrar shall inform the applicant and give an opportunity, within such period as the Registrar may specify, for the applicant to make representations or to file amended rules.

(5) Where the applicant fails to satisfy the Registrar that those requirements are met, or to file amended rules so as to meet the requirements, or fails otherwise to respond before the end of the specified period, the Registrar shall refuse the application.

(6) Where it appears that the requirements under this paragraph and other requirements for registration are met, the Registrar shall accept the application and shall proceed in accordance with section 16 (publication, opposition proceedings and observations).

(7) The rules shall be published and notice of opposition may be given, and observations may be made, relating to the matters mentioned in this paragraph.

Rules to be open to inspection

5. The rules governing the use of a registered collective mark shall be open to public inspection in the same way as the Register is open to public inspection.

Amendment of rules

6. (1) An amendment of the rules governing the use of a registered collective mark is not effective unless and until the amended rules are filed with the Registrar and accepted by the Registrar.

(2) Before accepting any amended rules, the Registrar may cause them to be published by way of notice in the Gazette.

(3) Where the Registrar publishes the amended rules, opposition may be given, and observations may be made, relating to the matters in paragraph 4.

7. The following provisions apply in relation to an unauthorised user of a registered collective mark as in relation to a licence of a trade mark -

Infringement and the rights of authorised users

- (a) section 29(5) (infringement of registered trade marks);
- (b) section 52(2) (order as to disposal of infringing goods, material or articles);
- (c) section 62 (unauthorised use of trade mark in relation to goods).

8. (1) The following provisions (which correspond to the provisions of section 42) (general provisions as to the rights of licensees in case of infringement) have effect as regards the rights of an authorised user in relation to infringement of a registered collective mark.

Rights of licensees in case of infringement

(2) An authorised user is entitled, subject to any agreement to the contrary between the authorised user and the proprietor of the mark to call on the proprietor to take infringement proceedings in respect of any matter which affects the authorised user's interest.

(3) Where the proprietor of the mark -

- (a) refuses to do so; or
- (b) fails to do so within two months after being called upon,

proceedings may be brought in the name of the authorised user as if the authorised user were the proprietor.

(4) Where the infringement proceedings are brought by virtue of this paragraph, the authorised user may not, without the leave of the Court, proceed with the action unless the proprietor of the mark is either joined as a plaintiff or added as a defendant but this does not affect the granting of interlocutory relief on an application by an authorised user alone.

(5) A proprietor of a registered collective mark who is added as a defendant as mentioned in subparagraph (4) shall not be made liable for any costs in the action unless the proprietor takes part in the proceedings.

(6) Where infringement proceedings are brought by the proprietor of a registered collective mark, any loss suffered or likely to be suffered by authorised users, shall be taken into account, and the Court may give such directions as it thinks fit as to the extent to which the plaintiff is to hold the proceeds of any pecuniary remedy on behalf of such users.

- Grounds for revocation of registration
9. Apart from the grounds for revocation provided for in section 44, the registration of a collective mark may be revoked on the ground -
- (a) that the manner in which the mark has been used by the proprietor has caused it to become liable to mislead the public in the manner referred to in paragraph 2(1);
 - (b) that the proprietor failed to observe, or to secure the observance of, the rules governing the use of the mark;
 - (c) that an amendment of the rules has been made so that the rules -
 - (i) no longer comply with paragraph 3(2) and any further conditions imposed by orders; or
 - (ii) are contrary to public policy or to accepted principles of morality.
- Grounds for invalidity of registration
10. Apart from the grounds of invalidity provided for in section 45, the registration of a collective mark may be declared invalid on the ground that the mark was registered in breach of the provisions of paragraph 2(1) or 4(1).
- Hearing
11. No registered collective mark may be revoked or declared invalid without hearing the proprietor of the mark.

SCHEDULE 2

(Section 5)

CERTIFICATION MARKS

- Indication of geographical origin
1. (1) Notwithstanding section 23(1)(c), a certification mark which consists of signs or indications which may serve in trade to designate the geographical origin of the goods or services may be registered.
- (2) The proprietor of the mark shall not be entitled to prohibit the use of the signs or indications in accordance with honest practices in industrial or commercial matters including by a person who is entitled to use a geographical name.
- (3) Where the indication of geographical origin of the mark is the Islands, the proprietor must be resident in the Islands, such residency being determined in accordance with the Immigration Law (2015 Revision).
- (2015 Revision)

2. A certification mark shall not be registered if the proprietor of the mark carries on a business involving the supply of goods or services of the kind certified. Nature of proprietor's business
3. (1) A certification mark shall not be registered if the public is liable to be misled as regards the character or significance of the mark, in particular if it is likely to be taken to be something other than a certification. Mark not to be misleading to character or significance
- (2) The Registrar may, in accordance with subparagraph (1) require that a mark in respect of which application is made for registration to include some indication that it is a certification mark and, notwithstanding section 16, an application may be amended so as to comply with any such requirement.
4. (1) An applicant for registration of a certification mark, shall file with the Registrar rules governing the use of the mark. Registration governing use of certification mark
- (2) The rules shall indicate who is authorised to use the mark, the characteristics to be certified by the mark, how the certifying body is to test those characteristics and to supervise the use of the mark, the fee (if any) to be paid in connection with the operation of the mark and the procedures for resolving disputes.
- (3) Further requirements with which the rules have to comply may be imposed by directions given by the Registrar.
5. (1) A certification mark shall not be registered unless - Approval of rules by Registrar
- (a) the rules governing the use of the mark -
 - (i) comply with paragraph 4(2) and any further requirements imposed by directions from the Registrar; and
 - (ii) are not contrary to public policy or to accepted principles of morality; and
 - (b) the applicant is competent to certify the goods or services for which the mark is to be registered.
- (2) Before the end of the prescribed period after the date of the application for registration of a certification mark, the applicant shall file the rules with the Registrar and may pay the prescribed fee, and if the applicant does not do so, the application shall be deemed to be withdrawn.
- (3) The Registrar shall consider and determine whether the requirements mentioned in subparagraph (1) are met.

(4) Where it appears to the Registrar that those requirements under subparagraph (1) are not met, the Registrar shall inform the applicant and give an opportunity, within such period as the Registrar may specify, for the applicant to make representations or to file amended rules.

(5) Where the applicant fails to satisfy the Registrar that those requirements are met, or file amended rules so as to meet them, or fails to respond before the end of the specified period, the Registrar shall refuse the application.

(6) Where it appears to the Registrar that those requirements, and other requirements for registration are met, the Registrar shall accept the application and proceed in accordance with section 15 (publication, opposition proceedings and observations).

(7) The rules shall be published and notice of opposition may be given, and observations may be made, relating to the matters mentioned in this paragraph, in addition to any other grounds on which the application may be opposed or observations made.

Rules to be open to inspection

6. The rules governing the use of a registered certification mark shall be open to public inspection in the same way as the Register is open to public inspection.

Amendment of rules

7. (1) An amendment of the rules governing the use of a registered certification mark is not effective unless the amended rules are filed with the Registrar and accepted.

(2) Before accepting any amended rules the Registrar may cause the amended rules to be published.

(3) Where the Registrar accepts amended rules under sub-paragraph (2), notice of opposition may be given, and observations may be made, relating to the registration of a certification mark under paragraph 5(1).

Consent to assignment of registered certification mark

8. The assignment or other transmission of a registered certification mark is not effective without the consent of the Registrar.

Infringement and the rights of authorised users

9. The following provisions apply in relation to an authorised user of a registered certification mark as in relation to a licence of a trade mark -

(a) section 29(5) (definition of infringement);

- (b) section 52(2) (order as to disposal of infringing goods, material or articles); and
- (c) section 61 (provisions restricting importation of infringing goods).

10. Where infringement proceedings are brought by the proprietor of a registered certification mark, any loss suffered or likely to be suffered by authorised users shall be taken into account, and the Court may give such directions as it thinks fit as to the extent to which the plaintiff is to hold the proceeds of any pecuniary remedy on behalf of such users.

Court may give directions

11. Apart from the grounds of revocation provided for in section 44, the registration of a certification mark may be revoked on the ground -

Grounds for revocation of registration

- (a) that the proprietor has begun to carry on such a business as is referred to in paragraph 2;
- (b) that the manner in which the mark has been used by the proprietor has caused it to become liable to mislead the public in the manner referred to in paragraph 3(1);
- (c) that the proprietor failed to observe, or to secure the observance of, the rules governing the use of the mark;
- (d) that an amendment of the rules has been made so that the rules -
 - (i) no longer comply with paragraph 4(2) and any further conditions imposed by orders; or
 - (ii) are contrary to public policy or to accepted principles of morality; or
- (e) that the proprietor is no longer competent to certify the goods or services for which the mark is registered.

12. Apart from the grounds of invalidity provided for in section 45, the registration of a certified mark may be declared invalid on the ground that the mark was registered in breach of the provisions of paragraphs 2, 3(1) or 4(3).

Grounds for invalidity of registration

13. No registered certification mark may be revoked or declared invalid without hearing the proprietor of the mark.

Hearing

Passed by the Legislative Assembly the day of , 2016.

Speaker.

Clerk of the Legislative Assembly.